



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****2009**

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

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation CHILDREN COUNT FOUNDATION		A Employer identification number 91-1703057
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) (206) 694-4206
	City or town, state, and ZIP code SEATTLE WA 98144-3955		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization: <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,832,390		J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	3,494	3,494		
4 Dividends and interest from securities	41,325	41,325		
5 a Gross rents		0		
b Net rental income or (loss)	0			
6 a Net gain or (loss) from sale of assets not on line 10	280,761			
b Gross sales price for all assets on line 6a	450,561			
7 Capital gain net income (from Part IV, line 2)		280,761		
8 Net short-term capital gain			0	
9 Income modifications				
10 a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0			
c Gross profit or (loss) (attach schedule)	0			
11 Other income (attach schedule)	0	0	0	
12 Total. Add lines 1 through 11	325,580	325,580	0	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16 a Legal fees (attach schedule)	0	0	0	0
b Accounting fees (attach schedule)	1,917	192	0	0
c Other professional fees (attach schedule)	1,470	0	0	0
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)	3,921	0	0	0
19 Depreciation (attach schedule) and depletion	0	0	0	
20 Occupancy				
21 Travel, conferences, and meetings	4,316			
22 Printing and publications				
23 Other expenses (attach schedule)	2,181	0	0	1,076
24 Total operating and administrative expenses. Add lines 13 through 23	13,805	192	0	1,076
25 Contributions, gifts, grants paid	135,535			135,535
26 Total expenses and disbursements. Add lines 24 and 25	149,340	192	0	136,611
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	176,240			
b Net investment income (if negative, enter -0-)		325,388		
c Adjusted net income (if negative, enter -0-)			0	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	285,807	631,836	631,836
	2	Savings and temporary cash investments			
	3	Accounts receivable			
		Less: allowance for doubtful accounts	0	0	0
	4	Pledges receivable			
		Less: allowance for doubtful accounts	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule)			
		Less: allowance for doubtful accounts	0	0	0
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule)	4,719,345	3,330,908	2,193,676
	b	Investments—corporate stock (attach schedule)	0	0	0
	c	Investments—corporate bonds (attach schedule)	0	0	0
Liabilities	11	Investments—land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)	0	0	0
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	0	0	0
	14	Land, buildings, and equipment: basis			
		Less: accumulated depreciation (attach schedule)	0	0	0
	15	Other assets (describe: <u>Loaned Equipment</u>)	6,878	6,878	6,878
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	5,012,030	3,969,622	2,832,390
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe:)	0	0	
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24	Unrestricted	5,012,030	3,969,622	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	5,012,030	3,969,622	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	5,012,030	3,969,622	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,012,030
2	Enter amount from Part I, line 27a	2	176,240
3	Other increases not included in line 2 (itemize)	3	0
4	Add lines 1, 2, and 3	4	5,188,270
5	Decreases not included in line 2 (itemize) <u>Book basis in excess of tax basis for shares sold</u>	5	1,218,648
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,969,622

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a 15000 Microsoft	D	1/1/1993	3/6/2009
b 15000 Microsoft	D	1/1/1993	3/6/2009
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 225,129	0	84,900	140,229
b 225,432	0	84,900	140,532
c 0	0	0	0
d 0	0	0	0
e 0	0	0	0

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a 0	0	0	140,229
b 0	0	0	140,532
c 0	0	0	0
d 0	0	0	0
e 0	0	0	0

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	280,761
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }	3	0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	162,348	3,330,146	0.048751
2007	184,426	3,597,961	0.051258
2006	162,640	3,235,510	0.050267
2005	166,910	3,307,407	0.050466
2004	142,369	3,220,320	0.044210

2 Total of line 1, column (d)	2	0.244952
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.048990
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	2,349,638
5 Multiply line 4 by line 3	5	115,109
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,254
7 Add lines 5 and 6	7	118,363
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	136,611

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	3,254	
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0	
3 Add lines 1 and 2		3	3,254	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	3,254	
6 Credits/Payments.				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	3,325		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	0		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d	7	3,325		
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	71		
11 Enter the amount of line 10 to be Credited to 2010 estimated tax	11	0		

Part VII-A Statements Regarding Activities

1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1b		X
c Did the foundation file Form 1120-POL for this year?		X
1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
3		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
6	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
7	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> WA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X
10		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ N/A				
14	The books are in care of ▶ LYELL FRACAS	Telephone no ▶ (206) 694-4205		
Located at ▶ 1414 31ST AVE S, #304, SEATTLE, WA		ZIP+4 ▶ 98144-3955		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly).		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	3b	X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☒ No

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

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

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?**5b** N/A
6b X
7b X**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DOUGLAS JACKSON 1414 31ST AVE S #304 SEATTLE WA	PRESIDENT 3.00	0	0	0
LYELL FRACAS 1414 31ST AVE S #304 SEATTLE WA	SECRETARY .00	0	0	0
	.00	0	0	0
	.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions).

If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

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

1

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
		0
		0
		0
		0
		0
Total number of others receiving over \$50,000 for professional services		1

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 EDUCATION	
2 SOCIAL SERVICES	
3 MEDICAL RESEARCH	
4 CULTURAL AND COMMUNITY	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1	
2	
All other program-related investments. See page 24 of the instructions	
3	0
Total. Add lines 1 through 3	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	1,732,017
b	Average of monthly cash balances	1b	646,524
c	Fair market value of all other assets (see page 24 of the instructions)	1c	6,878
d	Total (add lines 1a, b, and c)	1d	2,385,419
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,385,419
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	35,781
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,349,638
6	Minimum investment return. Enter 5% of line 5	6	117,482

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

1	Minimum investment return from Part X, line 6	1	117,482
2a	Tax on investment income for 2009 from Part VI, line 5	2a	3,254
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	3,254
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	114,228
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	114,228
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	114,228

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	136,611
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	136,611
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	3,254
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	133,357

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				114,228
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0	
b Total for prior years. 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	0			
b From 2005	2,474			
c From 2006	1,986			
d From 2007	5,720			
e From 2008				
f Total of lines 3a through e	10,180			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 136,611				
a Applied to 2008, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2009 distributable amount				114,228
e Remaining amount distributed out of corpus	22,383			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	32,563			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	32,563			
10 Analysis of line 9:				
a Excess from 2005	2,474			
b Excess from 2006	1,986			
c Excess from 2007	5,720			
d Excess from 2008	0			
e Excess from 2009	22,383			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

b 85% of line 2a

c Qualifying distributions from Part XII, line 4 for each year listed

d Amounts included in line 2c not used directly for active conduct of exempt activities

e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c

3 Complete 3a, b, or c for the alternative test relied upon:

a "Assets" alternative test—enter:

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test—enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

(3) Largest amount of support from an exempt organization

(4) Gross investment income

Tax year	Prior 3 years			(e) Total
(a) 2009	(b) 2008	(c) 2007	(d) 2006	
0				0
0	0	0	0	0
0				0
				0
0	0	0	0	0
0				0
0				0
				0
				0
				0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

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

DOUGLAS JACKSON

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

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

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

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

SEE ATTACHED GRANT MAKING POLICY

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

SEE ATTACHED GRANT MAKING POLICY

c Any submission deadlines.

SEE ATTACHED GRANT MAKING POLICY

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

Part XV · Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
MICROSOFT ALUMNI FOUNDATION SEATTLE WA	UNRELATED	PUBLIC CHARITY	SOCIAL SERVICE	65
AMERICAN CONSTITUTION WASHINGTON DC	UNRELATED	PUBLIC CHARITY	EDUCATION	1,200
ASHESI UNIVERSITY SEATTLE WA	UNRELATED	PUBLIC CHARITY	EDUCATION	34,000
EVERETT COMMUNITY COLLEGE FOUNDATION EVERETT WA	UNRELATED	PUBLIC CHARITY	EDUCATION	7,000
LEUKEMIA AND LYMPHOMA FOUNDATION SEATTLE WA	UNRELATED	PUBLIC CHARITY	MEDICAL SERVICES	2,500
MT BAKER COMMUNITY CLUB SEATTLE WA	UNRELATED	PUBLIC CHARITY	EDUCATION	6,000
LONG BEACH POLY INSTITUTE LONG BEACH CA	UNRELATED	PUBLIC CHARITY	EDUCATION	300
HARVARD CLUB OF NEW YORK FOUNDATION NEW YORK NY	UNRELATED	PUBLIC CHARITY	EDUCATION	150
PUSH AMERICA SEATTLE WA	UNRELATED	PUBLIC CHARITY	HUMAN RESOURCES	200
LEGAL AID FOR WASHINGTON FUND SEATTLE WA	UNRELATED	PUBLIC CHARITY	SOCIAL SERVICES	120
NATIONAL ASSN PACIFIC AMERICAN LEGAL COUNCIL WASHINGTON DC	UNRELATED	PUBLIC CHARITY	EDUCATION	32,500
SEATTLE SYMPHONY SEATTLE WA	UNRELATED	PUBLIC CHARITY	CULTURAL	10,500
SOCIAL VENTURE PARTNERS SEATTLE WA	UNRELATED	PUBLIC CHARITY	SOCIAL SERVICE	6,000
TECHNOLOGY ACCESS FOUNDATION SEATTLE WA	UNRELATED	PUBLIC CHARITY	EDUCATION	35,000
				0
				0
Total			3a	135,535
b <i>Approved for future payment</i>				
				0
				0
				0
				0
				0
				0
				0
				0
Total			3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____		0		0	0
b _____		0		0	0
c _____		0		0	0
d _____		0		0	0
e _____		0		0	0
f _____		0		0	0
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	44,819	
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	280,761	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a _____		0		8	0
b _____		0		0	0
c _____		0		0	0
d _____		0		0	0
e _____		0		0	0
12 Subtotal. Add columns (b), (d), and (e)		0		325,588	0
13 Total. Add line 12, columns (b), (d), and (e)				13	325,588

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

[illegible]

Totals:

Index	Check "X" if Sale of Security	Description	CUSIP #	Purchaser	Check "X" if Purchaser is a Business	Date Acquired	Acquisition Method	Date Sold	Gross Sales Price	Totals:		
										Gross Sales	Cost, Other Basis and Expenses	Net Gain or Loss
Long Term CG Distributions										Amount		
Short Term CG Distributions												
1	X	15000 Microsoft				1/1/1993	P	3/6/2009	225,129	84,900		
2	X	15000 Microsoft				1/1/1993	P	3/6/2009	225,432	84,900		
3												
4												
5												
6												
7												
8												
9												
10												
Totals:										Gross Sales	Cost, Other Basis and Expenses	Net Gain or Loss
Security sales										450,561	169,800	280,761
Other sales										0	0	0

Line 16b (990-PF) - Accounting Fees

		1,917	192	0	0
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	ACCOUNTING FEES	1,917	192		
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 16c (990-PF) - Other Fees

		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
		1,470	0	0	0
1	CONSULTING	1,470			
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 18 (990-PF) - Taxes

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Real estate tax not included in line 20				
2	Tax on investment income				
3	Income tax	3,921			
4					
5					
6					
7					
8					
9					
10					

3,921 0 0 0

Line 23 (990-PF) - Other Expenses

		2,181	0	0	1,076
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Amortization. See attached statement	0	0	0	0
2	Fund Raising				
3	CONFERENCE FEE	100			
4	BANK SERVICE CHARGES	107			
5	LICENSES AND PERMITS	125			
6	MEETING MEALS	360			
7	POSTAGE AND DELIVERY	71			
8	INTERNET	587			587
9	SPAM FILTERING FOR NONPROFITS	459			489
10	PARKING	372			

Part II, Line 10a (990-PF) - Investments - U.S. and State Government Obligations

		4,719,345	3,330,908	1,982,316	2,193,676		
	Description	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year	Check "X" if Federal Obligation	Check "X" if State/ Local Obligation
1	Microsoft Stock	4,719,345	3,330,908	1,982,316	2,193,676		
2							
3							
4							
5							
6							
7							
8							
9							
10							

Part II, Line 15 (990-PF) - Other Assets

	Description	Beginning Balance	Ending Balance	Fair Market Value
1	Loaned Equipment	6,878	6,878	6,878
2				
3				
4				
5				
6				
7				
8				
9				
10				

Part IV (990-PF) Capital Gains and Losses for Tax on Investment Income

Long Term CG Distributions															Amount	
Short Term CG Distributions															0	
															0	
	Kind(s) of Property Sold	CUSIP #	How Acquired	Date Acquired	Date Sold	Gross Sales Price	Depreciation Allowed	Cost or Other Basis Plus Expense of Sale	Gain or Loss	F M V as of 12/31/69	Adjusted Basis as of 12/31/69	Excess of FMV Over Adj Basis	Gains Minus Excess of FMV Over Adjusted Basis or Losses	280,761		
1	15000 Microsoft		D	1/1/1993	3/6/2009	225,129	0	84,900	140,229			0	140,229	0		
2	15000 Microsoft		D	1/1/1993	3/6/2009	225,432	0	84,900	140,532			0	140,532	0		
3						0	0	0	0			0	0	0		
4						0	0	0	0			0	0	0		
5						0	0	0	0			0	0	0		
6						0	0	0	0			0	0	0		
7						0	0	0	0			0	0	0		
8						0	0	0	0			0	0	0		
9						0	0	0	0			0	0	0		
10						0	0	0	0			0	0	0		

Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

[illegible]

Part

	0	0	0	0	0	0
	Compensation	Benefits	Expense Account	Explanation		
1	0	0	0			
2	0	0				
3						
4						
5						
6						
7						
8						
9						
10						

Part VI, Line 6a (990-PF) - Estimated Tax Payments

	Date	Amount
1 Credit from prior year return		1
2 First quarter estimated tax payment	5/11/2009	2 1,125
3 Second quarter estimated tax payment		3 0
4 Third quarter estimated tax payment		4 0
5 Fourth quarter estimated tax payment	12/18/2009	5 2,200
6 Other payments		6
7 Total		7 3,325

Part XV, Lines 1a-1b (990-PF) - Information Regarding Foundation Managers

List Managers who contributed more than 2%
of the total contributions received by the foundation

List Managers who own 10% or more of the stock
of a corporation of which the foundation has a 10%
or greater interest

1 DOUGLAS JACKSON	
2	
3	
4	
5	
6	
7	
8	
9	
10	

THE CHILDREN COUNT FOUNDATION'S GRANT MAKING POLICY

The following policy shall apply for purposes of the CHILDREN COUNT FOUNDATION (the "Corporation") making grants to entities:

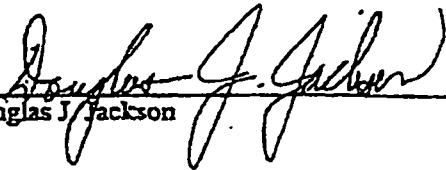
1. Subject to the provisions set forth in this grant making policy, the Corporation's Board of Directors (the "Board") shall make all decisions as to grants to be made to any entity, including the number of such grants, the amount of each such grant, the manner of selection of recipients, the actual selection of recipients, and the terms and conditions of any such grant.
2. Corporation resources shall be used or applied only in furtherance of the Corporation's purposes set forth in Paragraph 3.1 of Article III of the Corporation's Articles of Incorporation, including but not limited to making grants to entities who conduct programs which primarily benefit children who are "at risk." Although the definition of at risk children is broad, with respect to the Corporation it is defined to include those children who are from financially disadvantaged backgrounds.
3. The Corporation shall make grants to a domestic entity only after verifying that the entity is either: (i) an organization which is exempt from federal income tax under Internal Revenue Code § 501(c)(3) and which is not a private foundation as defined in Internal Revenue Code § 509(a); or (ii) a governmental entity, in which case the grant must comply with Paragraph 2 of this Policy and also be made exclusively for public purposes.
4. The Corporation shall make grants to a foreign entity only after verifying that the entity either: (i) has a ruling of determination letter from the Internal Revenue Service that the organization is described in Section 501(c)(3) of the Code and that it is classified as a public charity within the meaning of Section 509(a)(1), (2) or (3) of the Code or as a private operating Corporation under Section 4942(j)(3) of the Code; or (ii) if the foreign organization does not have such a ruling or determination letter from the Internal Revenue Service, the Board shall make a reasonable judgment and the Corporation shall make a good faith determination that the foreign organization is an organization described in Section 501(c)(3) and Section 509(a)(1), (2) or (3) or Section 4942(j)(3) of the Code. The Board shall have exercised reasonable judgment that the foreign organization is described in Section 501(c)(3) (other than Section 509(a)(4)) and the Corporation shall have made a good faith determination if (a) a grant is not a transfer of assets pursuant to any liquidation, merger, redemption, recapitalization, or other adjustment, organization or reorganization described in Section 507(b)(2) of the Code and (b) the Corporation bases its reasonable judgment and good faith determination on a currently qualified affidavit that is prepared by the foreign organization for the Corporation and attested to by a principal officer of the foreign organization. The affidavit and supporting documents must be in English and comply with the provisions of Revenue Procedure 92-94, 1992-2 C.B. 507.

The Corporation may make grants to individuals, provided such grants are made pursuant to a written, objective grant-making program which has received an advance favorable ruling from the Internal Revenue Service.

6. The officers of the Corporation shall assist the Board as needed or requested by the Board with respect to grants to entities.

7. By action of the Board, the Board may modify or repeal this grant making policy at any time.

The foregoing Policy was adopted by the Board of Trustees by consent in lieu of a meeting on August 17, 1999, to be effective September 1, 1999.


Douglas J. Jackson

**Children Count Foundation
Proposed Individual Grant Program Policy**

Grants to individuals will be awarded on an objective and nondiscriminatory basis. No individual grants will be used for political, legislative, or other noncharitable activities. The grant award will be a "grant" within the meaning of IRC § 4945(d)(3) and will satisfy the requirements of IRC § 4945(g) in all respects. The grant constitutes a scholarship or fellowship grant which is excluded from gross income under IRC § 117(a), to the extent that it is used for tuition, books, and equipment required for educational courses. As provided by IRS Publication 578, Chapter VI, and relevant IRS regulations, the grant-making procedures will be as follows:

Grantee Class: Any individual who conducts programs which primarily benefit children who are "at risk." Specifically, the organization will make grants to individuals who further the education, cultural development, socialization and health of "needy children," defined as those children whose family incomes fall near or below the poverty line which the U.S. Department of Health and Human Services establishes. Relatives of members of the selection committee will not be eligible for such grants.

Selection Criteria: The selection criteria for the grant assistance will include, but not be limited to, submission of information demonstrating the efforts of the applicant or nominee to benefit at risk children by furthering the education, cultural development, socialization and health of such children. A recipient cannot be related to a member of the committee or to any "disqualified persons" in relationship to the Foundation.

Selection Committee: The selection committee is composed of the Foundation's Board of Directors. The Board makes all decisions as to grants to be made to any entity or individual, including the number of such grants, the amount of such grant, the manner of selection of recipients, and the terms and conditions of any such grant. Members of the selection committee will not be in a position to receive private benefit, directly or indirectly, if certain potential grantees are selected over others.

Progress Reports: Depending upon the scope of the grant assistance, the Foundation will collect progress reports and a final report from the grantee upon his or her completion of the grant project. If the grant assistance is used for study purposes, the Foundation will request academic information indicating that the student is making satisfactory progress in the study program (e.g., maintaining a particular grade-point average) and that the student is not on academic or disciplinary probation. Progress reports will be obtained and verified with the educational institution each semester. If the grant is used for travel purposes not overseen by an educational institution, the Foundation will require a report of activities and how the activities promote the purposes of the grant.

Report Follow-Up: If no report is filed by the grantee, or if the report indicates that the funds were not used in furtherance of the grant purpose, a member of the board of directors will investigate the grant. The Foundation will withhold further payments from the grantee and will

take reasonable steps to recover grant funds until it has determined that the funds are being used or have been used for their exempt purpose.

Record Keeping: The Foundation will retain all records submitted by the grantees and their educational institutions. The Foundation will obtain and maintain in its file evidence that no recipient is related to the Foundation or to any members of the selection committee.

K-4011900001KJLJKA_02043

RESPONSES TO SCHOLARSHIP OR GRANTS QUESTIONNAIRE

1. Describe the class of eligible or potential recipients of your organization's grants (or scholarship). Describe any restrictions or limitations on who may apply or whom your organization will consider as possible grantees.

The Children Count Foundation (the "Foundation") considers grants to any entity who conducts programs which primarily benefit children who are "at risk." Although the definition of at risk children is broad, with respect to the Foundation it is defined to include those children who are from financially disadvantaged backgrounds. Specifically, the organization will consider grants to entities that further the education, cultural development, socialization and health of "needy children," defined as those children whose family incomes fall near or below the poverty line which the U.S. Department of Health and Human Services establishes. Relatives of members of the selection committee will not be eligible for such grants. All grants are awarded on an objective and nondiscriminatory basis.

Pursuant to its Grant Making Policy, a copy of which is attached, the Foundation may make grants to domestic entities only after verifying that the entity is either: (i) an organization which is exempt from federal income tax under Internal Revenue Code § 501(c)(3) and which is not a private foundation as defined in Internal Revenue Code § 509(a); or (ii) a governmental entity, in which case the grant must comply with Paragraph 2 of this Policy and also be made exclusively for public purposes.

Pursuant to its Grant Making Policy, the Foundation may make grants to a foreign entity only after verifying that the entity either: (i) has a ruling of determination letter from the Internal Revenue Service that the organization is described in Section 501(c)(3) of the Code and that it is classified as a public charity within the meaning of Section 509(a)(1), (2) or (3) of the Code or as a private operating corporation under Section 4942(j)(3) of the Code; or (ii) if the foreign organization does not have such a ruling or determination letter from the Internal Revenue Service, the Foundation's Board of Directors is required to make a reasonable judgment and the Foundation is required to make a good faith determination that the foreign organization is an organization described in Section 501(c)(3) and Section 509(a)(1), (2) or (3) or Section 4942(j)(3) of the Code. The Foundation's Board of Directors is required to exercise reasonable judgment that the foreign organization is described in Section 501(c)(3) (other than Section 509(a)(4)) and the Foundation is required to make a good faith determination if (a) a grant is not a transfer of assets pursuant to any liquidation, merger, redemption, recapitalization, or other adjustment, organization or reorganization described in Section 507(b)(2) of the Code and (b) the Foundation bases its reasonable judgment and good faith determination on a currently qualified affidavit that is prepared by the foreign organization for the Foundation and attested to by a principal officer of the foreign organization. The affidavit and supporting documents must be in English and comply with the provisions of Revenue Procedure 92-94, 1992-2 C.B. 507.

Pursuant to its Grant Making Policy, the Foundation may make grants to individuals, provided such grants are made pursuant to a written, objective grant-making program, which has received an advance favorable ruling from the Internal Revenue Service. Attached is a copy of

the Foundation's proposed Individual Grant Making Policy for consideration and approval by the Internal Revenue Service. Under this policy, the Foundation would make grants, including grants for travel, study, or other similar purposes, to an individual who meets the selection criteria and whose proposal is consistent with the Foundation's goals of benefiting at risk children. An individual grantee who would use the grant for travel, study or other similar purposes would be required to submit reports including progress made, grades earned, etc., and would be subject to withholding of funds and investigation of use of funds in the event the Foundation suspected a grant was being misused.

2. State who selects the recipients from the class of eligible. Be specific. If these people are related in any way to your organization, give complete details.

The selection committee is composed of the Foundation's Board of Directors. The Board makes all decisions as to grants to be made to any entity or individual, including the number of such grants, the amount of such grant, the manner of selection of recipients, and the terms and conditions of any such grant. Members of the selection committee will not be in a position to receive private benefit, directly or indirectly, if certain potential grantees are selected over others.

3. State whether any relatives of members of the selection committee are eligible for grants assistance.

No.

4. List and describe in detail all criteria used by your selection committee in selecting recipients from the class of eligible.

The selection criteria for the grant assistance will include, but not be limited to, submission of information demonstrating the efforts of the applicant or nominee to benefit at risk children by furthering the education, cultural development, socialization and health of such children. A recipient cannot be related to a member of the committee or to any "disqualified persons" in relationship to the Foundation.

5. Explain if any grants will be made to spouses, children, descendants, spouses of descendants, or other persons related to any officers or directors of your organization.

No.

6. Describe how the grants program is publicized to ensure that all eligible individuals are likely to be informed that grants are available.

The availability of the grant program will be shared through contacts with like-minded organizations that work with disadvantaged children, such as The Seattle Foundation, Atlantic Street Center, CAYA (Central Area Youth Association), Odessa Brown Children's Clinic, Technology Access Foundation, and Zion Preparatory Academy.

CHILDREN COUNT FOUNDATION

EIN: 91-1703057

FORM 990 PF

GRANT MAKING POLICY

STATEMENT B

7. Explain in details your follow-up procedures to ensure that all grants will be used for the stated purposes.

Depending upon the scope of the grant assistance, the Foundation will collect progress reports and a final report from the grantee. If no report is filed by the grantee, or if the report indicates that the funds were not used in furtherance of the grant purpose, a member of the board of directors will investigate the grant. The Foundation will withhold further payments from the grantee and will take reasonable steps to recover grant funds until it has determined that the funds are being used or have been used for their exempt purpose.

8. Give the procedures you will follow if you discover a misuse of those funds.

If the Foundation determines that the funds have been misused, further funds will be withheld and the Foundation will take reasonable steps to recover grant funds.

KCM0119200007VJLVCL_020M4