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Form 990-PF

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

OMB No 1545-0052

2011

Department of the Treasury Internal Revenue Service

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

For calendar year 2011, or tax year beginning 01-01-2011, and ending 12-31-2011

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

Name of foundation: PEPPERCORN FOUNDATION; A Employer identification number: 04-3487843; B Telephone number: (206) 525-7941; H Check type of organization: Section 4947(a)(1) nonexempt charitable trust; I Fair market value of all assets at end of year: \$ 2,391,650

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (1-12), Operating and Administrative Expenses (13-26), and Summary (27-29).

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

Part II Balance Sheets		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash—non-interest-bearing		849	849	
	2 Savings and temporary cash investments	179,632	50,203	50,203	
	3 Accounts receivable <input type="checkbox"/> _____ Less allowance for doubtful accounts <input type="checkbox"/> _____				
	4 Pledges receivable <input type="checkbox"/> _____ Less allowance for doubtful accounts <input type="checkbox"/> _____				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7 Other notes and loans receivable (attach schedule) <input type="checkbox"/> _____ Less allowance for doubtful accounts <input type="checkbox"/> _____				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U S and state government obligations (attach schedule)	130,438 <input checked="" type="checkbox"/>	240,470	257,962	
	b Investments—corporate stock (attach schedule)	1,332,040 <input checked="" type="checkbox"/>	1,162,833	1,615,559	
	c Investments—corporate bonds (attach schedule)	488,017 <input checked="" type="checkbox"/>	451,795	467,077	
	11 Investments—land, buildings, and equipment basis <input type="checkbox"/> _____ Less accumulated depreciation (attach schedule) <input type="checkbox"/> _____				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)				
	14 Land, buildings, and equipment basis <input type="checkbox"/> _____ Less accumulated depreciation (attach schedule) <input type="checkbox"/> _____				
15 Other assets (describe <input type="checkbox"/> _____)					
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	2,130,127	1,906,150	2,391,650		
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe <input type="checkbox"/> _____)				
	23 Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds	0	0		
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0	0		
	29 Retained earnings, accumulated income, endowment, or other funds	2,130,127	1,906,150		
30 Total net assets or fund balances (see page 17 of the instructions)	2,130,127	1,906,150			
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	2,130,127	1,906,150			

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	2,130,127
2	Enter amount from Part I, line 27a	2	-239,854
3	Other increases not included in line 2 (itemize) <input type="checkbox"/> _____	3	15,877
4	Add lines 1, 2, and 3	4	1,906,150
5	Decreases not included in line 2 (itemize) <input type="checkbox"/> _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,906,150

Part IV Capital Gains and Losses for Tax on Investment Income

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

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

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

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	124,036
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	302,377	2,736,601	0.110494
2009	329,326	2,850,522	0.115532
2008	490,986	3,872,294	0.126795
2007	439,539	4,846,561	0.090691
2006	448,870	4,771,617	0.094071

2 Total of line 1, column (d).	2	0.537583
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	0.107517
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	2,485,121
5 Multiply line 4 by line 3.	5	267,193
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	1,655
7 Add lines 5 and 6.	7	268,848
8 Enter qualifying distributions from Part XII, line 4.	8	405,315

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <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	1,655
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	1,655
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	1,655
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	5,103
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d.	7	5,103
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,448
11	Enter the amount of line 10 to be Credited to 2012 estimated tax 3,448 Refunded	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		No
c Did the foundation file Form 1120-POL for this year?		No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ <u>0</u> (2) On foundation managers <input type="checkbox"/> \$ <u>0</u>		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ <u>0</u>		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		No
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		No
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?	Yes	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	Yes	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> MA _____		
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? <i>If "No," attach explanation .</i>	Yes	
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>		No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		No

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		No
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14 The books are in care of SILVER BRIDGE ADVISORS LLC Telephone no (617) 526-5800 Located at 60 STATE ST BOSTON MA ZIP+4 02109			
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year 15			
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country N/A			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a During the year did the foundation (either directly or indirectly)				
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <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			
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 2011?	1c			No
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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <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			
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 2011 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.</i>)	3b			
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a			No
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 2011?	4b			No

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

<p>5a During the year did the foundation pay or incur any amount to</p> <p>(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(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). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>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. <input type="checkbox"/></p> <p>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? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach the statement required by Regulations section 53.4945–5(d).</p> <p>6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" to 6b, file Form 8870.</p> <p>7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	5b	
	6b	No
	7b	

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				

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. 0

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
SANVIL CONSULTING 13014 N DALE MABRY HWY 366 TAMPA, FL 33618	GRANTMAKING AND PROGRAM SERVICES	187,135

Total number of others receiving over \$50,000 for professional services. **0**

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 GRANTMAKERS FOR EDUCATION, CO-CHAIR OF THE GFE EDUCATION POLICY WORKING GROUP REPRESENTING THE PEPPERCORN FOUNDATION, CONSULTANT CONTINUED TO WORK WITH GRANTMAKERS FOR EDUCATION (GFE) ON EXPANSION OF AN EDUCATION POLICY WORKING GROUP GFE IS A NATIONAL NETWORK OF OVER 200 FOUNDATIONS, CORPORATE GIVING PROGRAMS, AND INDIVIDUAL DONORS WORKING TO IMPROVE PROGRAMS, SYSTEMS AND INSTITUTIONS FROM PRE-KINDERGARTEN THROUGH HIGHER EDUCATION THE PEPPERCORN CONSULTANT ACTED AS CO-CHAIR OF THE STEERING COMMITTEE FOR THE EDUCATION POLICY WORKING GROUP PLANNING ACTIVITIES FOR GFE MEMBERSHIP, INCLUDING PLANNING MEETINGS, WEBINARS, WORKSHOPS AND INSTITUTES CONSULTANT WORKS WITH THE WORKING GROUP COORDINATOR AND STEERING COMMITTEE ON STRATEGIC PLANNING, PROBLEM SOLVING AND FUNDRAISING	9,525
2 GRANTMAKERS FOR CHILDREN, YOUTH AND FAMILIES (GCYF) BOARD MEMBER CONSULTANT REPRESENTS THE PEPPERCORN FOUNDATION ON THE BOARD OF GCYF WITH OVER 400 MEMBER FOUNDATIONS, THE MISSION OF GCYF IS TO ENGAGE FUNDERS ACROSS ALL SECTORS TO CONTINUALLY IMPROVE THEIR GRANTMAKING ON BEHALF OF CHILDREN, YOUTH, AND FAMILIES CONSULTANT SERVES ON A PROGRAM COMMITTEE FOR THE BOARD THE PROGRAM COMMITTEE DESIGNS AND APPROVES ANNUAL LEARNING EVENTS FOR MEMBERSHIP CONSULTANT ALSO SERVES ON AN ADVISORY COMMITTEE FOR AN ANNUAL INSTITUTE TO TRAIN MEMBERS IN COMMUNITY AND CIVIC ENGAGEMENT GRANTMAKING STRATEGIES ON BEHALF OF LOW-INCOME FAMILIES, CHILDREN, AND YOUTH	21,950
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions	
3	
Total. Add lines 1 through 3.	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	2,463,848
b	Average of monthly cash balances.	1b	59,117
c	Fair market value of all other assets (see page 24 of the instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	2,522,965
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	2,522,965
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	37,844
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,485,121
6	Minimum investment return. Enter 5% of line 5.	6	124,256

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	124,256
2a	Tax on investment income for 2011 from Part VI, line 5.	2a	1,655
b	Income tax for 2011 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	1,655
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	122,601
4	Recoveries of amounts treated as qualifying distributions.	4	15,877
5	Add lines 3 and 4.	5	138,478
6	Deduction from distributable amount (see page 25 of the instructions).	6	0
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	138,478

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	405,315
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	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	405,315
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	1,655
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	403,660

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				138,478
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.			0	
b Total for prior years 20___, 20___, 20___		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006.	217,419			
b From 2007.	210,199			
c From 2008.	313,541			
d From 2009.	188,148			
e From 2010.	170,793			
f Total of lines 3a through e.	1,100,100			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ <u>405,315</u>				
a Applied to 2010, 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 2011 distributable amount.				138,478
e Remaining amount distributed out of corpus	266,837			
5 Excess distributions carryover applied to 2011 <i>(If an amount appears in column (d), the same amount must be shown in column (a).)</i>	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,366,937			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				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).	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions).	217,419			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	1,149,518			
10 Analysis of line 9				
a Excess from 2007.	210,199			
b Excess from 2008.	313,541			
c Excess from 2009.	188,148			
d Excess from 2010.	170,793			
e Excess from 2011.	266,837			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling.

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

Table with 5 columns: (a) 2011, (b) 2010, (c) 2009, (d) 2008, (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions from Part XII), 2d (Amounts included in line 2c), 2e (Qualifying distributions made directly), 3 (Alternative tests: Assets, Endowment, Support).

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

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))
b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

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

a The name, address, and telephone number of the person to whom applications should be addressed
b The form in which applications should be submitted and information and materials they should include
c Any submission deadlines
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)

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

Recipient	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> See Additional Data Table				
Total				3a 218,000
b <i>Approved for future payment</i>				
Total				3b 0

Additional Data

Software ID:

Software Version:

EIN: 04-3487843

Name: PEPPERCORN FOUNDATION

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
3M	P	1978-12-26	2011-05-27
3M	P	1978-12-26	2011-08-01
AFLAC	P	2008-08-28	2011-08-01
APPLE COMPUTER	P	2009-03-04	2011-02-24
APPLE COMPUTER	P	2009-03-04	2011-07-26
APPLE COMPUTER	P	2009-03-04	2011-09-28
CELGENE	P	2009-03-04	2011-09-28
CHESAPEAKE ENERGY	P	2009-03-04	2011-07-26
CHEVRON/TEXACO	P	2009-03-04	2011-02-24
CISCO	P	1999-01-28	2011-05-27
CVS	P		2011-02-24
EMERSON	P	2009-03-04	2011-04-29
EMERSON	P	2009-03-04	2011-05-27
EMERSON	P	2009-03-04	2011-07-26
ENSCO	P	2008-08-28	2011-02-24
ENSCO	P	2008-08-28	2011-05-27
ENSCO	P	2009-03-04	2011-07-26
EXXON MOBIL	P	1978-12-26	2011-04-29
HOLOGIC	P	2009-03-04	2011-05-27
IBM	P	2003-05-23	2011-07-26
IBM	P	2003-05-23	2011-09-28
JOHNSON & JOHNSON	P	1985-03-11	2011-07-26
KRAFT FOODS 5 625%	P	2002-08-29	2011-11-01
L-3 COMMUNICATIONS	P	2009-03-04	2011-08-01
L-3 COMMUNICATIONS	P	2009-03-04	2011-09-07
MAINSTAY INTL	P		2011-08-23
MCDONALDS	P	2009-03-04	2011-09-28
MCDONALDS	P	2009-03-04	2011-10-28
NIKE	P	2006-05-16	2011-04-29
NIKE	P	2006-05-16	2011-07-26

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
NIKE	P	2006-05-16	2011-08-01
PROCTOR & GAMBLE	P	1986-03-10	2011-07-26
SBC COMMUNICATION	P	2002-04-01	2011-03-15
SCHLUMBERGER	P	2008-04-30	2011-04-29
TEVA PHARMA	P	2005-01-12	2011-07-26
UNITED TECH	P	1981-09-11	2011-04-29
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
9,348		763	8,585
8,580		763	7,817
9,086		11,408	-2,322
8,538		2,310	6,228
4,038		924	3,114
10,003		2,310	7,693
12,632		8,564	4,068
10,344		4,454	5,890
10,197		5,978	4,219
12,225		19,898	-7,673
42,224		44,785	-2,561
6,053		2,662	3,391
10,864		5,324	5,540
5,448		2,662	2,786
16,096		20,617	-4,521
5,418		6,872	-1,454
10,490		8,435	2,055
8,743		311	8,432
6,300		3,222	3,078
6,405		3,000	3,405
8,982		4,284	4,698
13,196		489	12,707
20,000		20,908	-908
7,693		6,317	1,376
21,232		20,214	1,018
114,602		132,278	-17,676
8,895		5,322	3,573
9,293		5,322	3,971
16,433		8,079	8,354
9,045		4,040	5,005

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
8,828		4,040	4,788
12,698		854	11,844
100,000		99,347	653
17,683		19,967	-2,284
14,094		8,711	5,383
17,904		556	17,348
6,416			6,416

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - I

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			8,585
			7,817
			-2,322
			6,228
			3,114
			7,693
			4,068
			5,890
			4,219
			-7,673
			-2,561
			3,391
			5,540
			2,786
			-4,521
			-1,454
			2,055
			8,432
			3,078
			3,405
			4,698
			12,707
			-908
			1,376
			1,018
			-17,676
			3,573
			3,971
			8,354
			5,005

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			4,788
			11,844
			653
			-2,284
			5,383
			17,348
			6,416

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ALAN RABINOWITZ 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0 50	0	0	0
ANDREA W RABINOWITZ 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0 50	0	0	0
HUBERT SAPP 2437 ELIZABETH ANN LANE ATLANTA, GA 30324	TRUSTEE 0 50	0	0	0
MARGOT GIBNEY 2844 SCHOOL STREET OAKLAND, CA 94602	TRUSTEE 0 50	0	0	0
MARLI RABINOWITZ 1428 STAGE ROAD GUILFORD, VT 05301	TRUSTEE 0 50	0	0	0
RONALD WHITE 825 CALLE MEJIA SANTA FE, NM 87501	TRUSTEE 0 50	0	0	0

Form 990PF Part XV Line 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>				
CA CHILDCARE RESOURCE AND REFERRAL NETWORK111 NEW MONTGOMERY STREET 7TH FLOOR SAN FRANCISCO,CA 94105	NONE	PUBLIC CHARITY	PARENT VOICES	40,000
CA CHILDCARE RESOURCE AND REFERRAL NETWORK111 NEW MONTGOMERY STREET 7TH FLOOR SAN FRANCISCO,CA 94105	NONE	PUBLIC CHARITY	JUNE 2011 TRIP TO DC	6,000
GRANTMAKERS FOR CHILDREN YOUTH AND FAMILIES8757 GEORGIA AVENUE SUITE 540 SILVER SPRING,MD 20910	NONE	PUBLIC CHARITY	2010 ANNUAL CONFERENCE	50,000
OLE EDUCATION FUND411 BELLAMAH AVENUE NW ALBUQUERQUE,NM 87102	NONE	PUBLIC CHARITY	WORKING PARENTS ASSOCIATION	6,000
SOUTHWESTERN INDIAN POLYTECH INST9169 COORS BLVD NW ALBUQUERQUE,NM 87120	NONE	PUBLIC CHARITY	EARLY CHILDHOOD EDUCATION TUTOR/MENTOR PROGRAM	70,000
WASHINGTON STATE ASSOCIATION OF HEAD START AND ECEAP841 CENTRAL AVENUE KENT,WA 98032	NONE	PUBLIC CHARITY	PARENT AMBASSADORS JUNE 2011 TRIP TO DC	6,000
WASHINGTON STATE ASSOCIATION OF HEAD START AND ECEAP841 CENTRAL AVENUE KENT,WA 98032	NONE	PUBLIC CHARITY	PARENT AMBASSADORS PROJECT	40,000
Total			3a	218,000

TY 2011 Accounting Fees Schedule

Name: PEPPERCORN FOUNDATION

EIN: 04-3487843

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	2,685	2,685		0

**TY 2011 Investments Corporate
Bonds Schedule****Name:** PEPPERCORN FOUNDATION**EIN:** 04-3487843

Name of Bond	End of Year Book Value	End of Year Fair Market Value
GE	100,901	104,626
FEDERAL HOME LOAN MORTGAGE CORP	54,370	53,179
FEDERAL HOME LOAN BANK	51,155	55,851
SIMON PROPERTY GROUP	26,794	26,511
AFLAC INC	25,722	25,800
FEDERAL NATIONAL MORTGAGE ASSN	54,138	56,500
DISCOVER CARD MASTER TRUST	55,246	53,505
COMCAST	51,952	57,814
FIRST ENERGY SOLUTIONS CO	31,517	33,291

**TY 2011 Investments Corporate
Stock Schedule****Name:** PEPPERCORN FOUNDATION**EIN:** 04-3487843

Name of Stock	End of Year Book Value	End of Year Fair Market Value
AMAZON	19,569	17,310
COLGATE PALMOLIVE	29,700	36,956
MCDONALDS	25,013	47,155
NIKE	8,887	21,201
PROCTER & GAMBLE	2,006	31,354
TARGET	37,500	35,854
WAL MART	35,682	43,625
CHESAPEAKE ENERGY	15,960	23,962
CHEVRON	27,857	49,582
EXXON MOBIL	1,384	37,718
AFLAC	10,942	15,574
AMERIPRISE FINANCIAL INC.	6,286	4,964
GE	2,366	34,996
JP MORGAN CHASE	18,556	16,126
US BANCORP	23,141	24,345
WELLS FARGO	12,877	13,780
AMGEN	38,574	38,526
CELGENE	20,767	32,786
HOLOGIC	22,286	36,333
JOHNSON AND JOHNSON	1,028	27,544
EMERSON ELEC	12,778	22,363
UNITED TECHNOLOGIES	1,278	33,621
3M	1,258	13,485
APPLE	11,549	50,625
CISCO	29,156	27,120
INTEL	23,984	34,193
IBM	21,420	45,970
MICROSOFT	13,179	45,430
QUALCOMM	11,538	10,940
VERIZON	29,226	35,306

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CHAMPLAIN SMALL CO FD	61,970	71,116
ISHARES RUSSELL MIDCAP INDEX FD	60,501	68,894
POWERSHARES DB AGRICULTURE FUND	25,213	29,313
VERACITY SMALL CAP VALUE	50,000	66,007
DIAGEO PLC SPONS ADR	7,713	8,742
ENSCO PLC SPONS ADR	10,966	12,199
SCHLUMBERGER LTD	35,441	24,250
ACE LIMITED	19,573	27,347
TEVA PHARMACEUTICALS LTD ADR	12,776	17,758
ARTISAN INTL VALUE FD	133,933	164,778
FORWARD INTL SMALL COMPANY	62,000	52,809
HARBOR INTERNATIONAL GRO-INS	115,000	114,238
HARDING LOEVNER EMERG MKTS	52,000	49,364

**TY 2011 Investments Government
Obligations Schedule**

Name: PEPPERCORN FOUNDATION

EIN: 04-3487843

US Government Securities - End of Year Book Value:	95,032
US Government Securities - End of Year Fair Market Value:	98,395
State & Local Government Securities - End of Year Book Value:	145,438
State & Local Government Securities - End of Year Fair Market Value:	159,567

TY 2011 Other Increases Schedule

Name: PEPPERCORN FOUNDATION

EIN: 04-3487843

Description	Amount
RETURN OF PREVIOUSLY ISSUED GRANT	15,877

TY 2011 Other Professional Fees Schedule

Name: PEPPERCORN FOUNDATION

EIN: 04-3487843

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	15,444	15,444		0
SANVIL CONSULTING	187,315	0		187,315

TY 2011 Taxes Schedule

Name: PEPPERCORN FOUNDATION

EIN: 04-3487843

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX	190	190		0