Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545 0052

2011

For calendar year 2011, or tax year beginning , 2011, and ending ,

JOHN AND WAUNA HARMAN FOUNDATION
P.O. BOX 10572
YAKIMA, WA 98909

A Employer identification number 91-1999241

B Telephone number (see the instructions)

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► ☐

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

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 8,511,328.

J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis)*

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 (att sch)				
	2 Ck ► ☒ if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	304,137.	304,137.	304,137.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	70,737.			
	b Gross sales price for all assets on line 6a 2,153,867.				
	7 Capital gain net income (from Part IV, line 2)		70,737.		
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit/(loss) (att sch)				
	11 Other income (attach schedule) SEE STATEMENT 1	50.			
	12 **Total.** Add lines 1 through 11	374,924.	374,874.	304,137.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	2,396.	2,396.	2,396.	2,396.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) SEE ST 2	7,118.	7,118.	7,118.	7,118.
	b Accounting fees (attach sch) SEE ST 3	1,850.	1,850.	1,850.	1,850.
	c Other prof fees (attach sch) SEE ST 4	7,840.	7,840.	7,840.	7,840.
	17 Interest				
	18 Taxes (attach schedule)(see instrs) SEE STM 5	14,190.	1,995.	1,995.	14,190.
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) SEE STATEMENT 6	25,314.	25,314.	25,314.	25,314.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	58,708.	46,513.	46,513.	58,708.
	25 Contributions, gifts, grants paid PART XV	460,000.			460,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	518,708.	46,513.	46,513.	518,708.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-143,784.			
	b **Net investment income** (if negative, enter -0-)		328,361.		
	c **Adjusted net income** (if negative, enter -0-)			257,624.	

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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	26,818.	1,386,214.	1,388,785.
	2	Savings and temporary cash investments			
	3	Accounts receivable ►			
		Less. allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	5,840.	12,200.	12,200.
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)	8,337,573.	6,828,033.	7,110,343.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	8,370,231.	8,226,447.	8,511,328.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	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.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	8,370,231.	8,226,447.	
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	8,370,231.	8,226,447.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	8,370,231.	8,226,447.	

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	8,370,231.
2	Enter amount from Part I, line 27a	2	-143,784.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	8,226,447.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	8,226,447.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	MORGAN STANLEY 524-00009-18	P	VARIOUS	VARIOUS
b	MORGAN STANLEY 524-00009-18	P	VARIOUS	VARIOUS
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	896,867.		919,256.	-22,389.
b	1,257,000.		1,163,874.	93,126.
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				-22,389.
b				93,126.
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	70,737.
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 instructions) If (loss), enter -0- in Part I, line 8	3	-22,389.

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 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 (column (b) divided by column (c))
2010	122,517.	8,333,821.	0.014701
2009	250,000.	7,039,112.	0.035516
2008	60,000.	8,780,273.	0.006834
2007	625,000.	10,716,210.	0.058323
2006	440,000.	9,967,767.	0.044142

2	**Total** of line 1, column (d)	2	0.159516
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	0.031903
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	8,989,869.
5	Multiply line 4 by line 3	5	286,804.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,284.
7	Add lines 5 and 6	7	290,088.
8	Enter qualifying distributions from Part XII, line 4	8	518,708.

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948– see instructions)

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1 Date of ruling or determination letter ________ (attach copy of letter if necessary– see instrs)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b			1	3,284.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	3,284.
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	3,284.
6	Credits/Payments:				
a	2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	12,200.		
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	12,200.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►			9	0.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	8,916.
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ► 3,320. **Refunded** ►			11	5,596.

Part VII-A Statements Regarding Activities

			Yes	No
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?	1 a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1 b		X
	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			
c	Did the foundation file **Form 1120-POL** for this year?	1 c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ► $ 0. **(2)** On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	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*	3	X	
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4 a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4 b	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*	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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► 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*	8 b	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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	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 ► BARRY W. HARMAN Telephone no ►

Located at ► 7838 RIVER OAKS CIRCLE SANDY UT ZIP + 4 ► 84093

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

			Yes	No
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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If 'Yes,' enter the name of the foreign country ►			

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	N/A	
	Organizations relying on a current notice regarding disaster assistance check here ► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see 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? ☐ Yes ☒ 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? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)*	3b	N/A	
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 2011?	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 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 instructions)? **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here ► ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ **Yes** ☐ **No**

If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

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? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see 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 STATEMENT 7		2,396.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1– see 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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services ►	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 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ►	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes a Average monthly fair market value of securities		1a	8,676,297.
b Average of monthly cash balances		1b	450,474.
c Fair market value of all other assets (see instructions)		1c	
d Total (add lines 1a, b, and c)		1d	9,126,771.
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	9,126,771.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	136,902.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	8,989,869.
6 **Minimum investment return.** Enter 5% of line 5		6	449,493.

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

1 Minimum investment return from Part X, line 6		1	449,493.
2a Tax on investment income for 2011 from Part VI, line 5	2a 3,284.		
b Income tax for 2011 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	3,284.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	446,209.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	446,209.
6 Deduction from distributable amount (see instructions)		6	
7 **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	446,209.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes: a Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1a	518,708.
b Program-related investments – total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the: a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	518,708.
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 instructions)	5	3,284.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	515,424.

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 instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					446,209.
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					
b From 2007	105,358.				
c From 2008					
d From 2009					
e From 2010					
f **Total** of lines 3a through e		105,358.			
4 Qualifying distributions for 2011 from Part XII, line 4 ► $ 518,708.					
a Applied to 2010, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required — see instructions)			0.		
c Treated as distributions out of corpus (Election required — see instructions)		0.			
d Applied to 2011 distributable amount					446,209.
e Remaining amount distributed out of corpus		72,499.			
5 Excess distributions carryover applied to 2011 *(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		177,857.			
b Prior years' undistributed income Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b Taxable amount — see instructions			0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		177,857.			
10 Analysis of line 9.					
a Excess from 2007	105,358.				
b Excess from 2008					
c Excess from 2009					
d Excess from 2010					
e Excess from 2011	72,499.				

Part XIV Private Operating Foundations (see 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 2011, enter the date of the ruling ►

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

	Tax year	Prior 3 years			
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	**(e) Total**
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					

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 instructions.)

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines·

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
WELLNESS HOUSE 210 SOUTH 11TH AVENUE, STE 40 YAKIMA, WA 98902	NONE	PUBLIC	GENERAL	25,000.
YAKIMA AGING & LONG-TERM CARE AG 106 SUITE 6TH AVENUE, STE 104 YAKIMA, WA 98902	NONE	PUBLIC	EMERGENCY FUND	35,000.
WGBH EDUCATIONAL FOUNDATION ONE GUEST STREET BOSTON, MA 02135	NONE	PUBLIC	GENERAL	400,000.
Total ► 3a				460,000.
b *Approved for future payment*				
Total ► 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	304,137.	
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					70,737.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a LITIGATION SETTLEMENT			1	50.	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				304,187.	70,737.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 374,924.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
N/A	

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1 a (1)		X
(2) Other assets	1 a (2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1 b (1)		X
(2) Purchases of assets from a noncharitable exempt organization	1 b (2)		X
(3) Rental of facilities, equipment, or other assets	1 b (3)		X
(4) Reimbursement arrangements	1 b (4)		X
(5) Loans or loan guarantees	1 b (5)		X
(6) Performance of services or membership or fundraising solicitations	1 b (6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		X

d If the answer to any of the above is 'Yes,' complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If 'Yes,' complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

Barry W Harman | 5-15-12 | PRESIDENT

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name DONALD W. WINKLER	Preparer's signature Donald W. Wl	Date 5.11.12	Check ☐ if self employed	PTIN P00106027
Firm's name ► STAYNER, BATES & JENSEN, P.C.			Firm's EIN ► 87-0495153	
Firm's address ► P.O. BOX 2995 SALT LAKE CITY, UT 84110-2995			Phone no (801) 531-9100	

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
LITIGATION SETTLEMENT	$ 50.		
TOTAL	$ 50.	$ 0.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	$ 7,118.	$ 7,118.	$ 7,118.	$ 7,118.
TOTAL	$ 7,118.	$ 7,118.	$ 7,118.	$ 7,118.

STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	$ 1,850.	$ 1,850.	$ 1,850.	$ 1,850.
TOTAL	$ 1,850.	$ 1,850.	$ 1,850.	$ 1,850.

STATEMENT 4
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	$ 7,840.	$ 7,840.	$ 7,840.	$ 7,840.
TOTAL	$ 7,840.	$ 7,840.	$ 7,840.	$ 7,840.

STATEMENT 5
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAX	$ 12,195.			$ 12,195.
FOREIGN TAX	1,995.	$ 1,995.	$ 1,995.	1,995.
TOTAL	$ 14,190.	$ 1,995.	$ 1,995.	$ 14,190.

STATEMENT 6
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	$ 70.	$ 70.	$ 70.	$ 70.
FILING FEES	25.	25.	25.	25.
INSURANCE	2,118.	2,118.	2,118.	2,118.
INVESTMENT FEES	23,101.	23,101.	23,101.	23,101.
TOTAL	$ 25,314.	$ 25,314.	$ 25,314.	$ 25,314.

STATEMENT 7
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
BARRY W. HARMAN 7838 RIVER OAKS CIRCLE SANDY, UT 84093	PRESIDENT 0	$ 0.	$ 0.	$ 0.
DAWN COOK 2025 HAYES LANE MORGAN HILL, CA 95037	VICE PRESIDENT 0	0.	0.	0.
ELAINE HARMAN 7838 RIVER OAKS CIRCLE SANDY, UT 84093	DIRECTOR 0	599.	0.	0.
MARK B. HARMAN 1833 SACRAMENTO WAY SACRAMENTO, CA 95818	DIRECTOR 0	599.	0.	0.
JULIE A. BERREY 1833 BEVERLY WAY SACRAMENTO, CA 95818	SECRETARY 0	599.	0.	0.

STATEMENT 7 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
TODD B. HARMAN 3277 CUMMINGS ROAD SALT LAKE CITY, UT 84109	DIRECTOR 0	$ 599.	$ 0.	$ 0.
JAMES BOUTILLIER 105 NORTH 3RD STREET YAKIMA, WA 98907-1425	REG REP 0	0.	0.	0.
	TOTAL	$ 2,396.	$ 0.	$ 0.

THE NEW REGISTERED AGENT AND REPRESENTATIVE FOR THE STATE OF WASHINGTON IS:

JAMES BOUTILLIER
105 NORTH 3RD STREET
YAKIMA,WA 98907-1425

CONSENT RESOLUTION OF THE DIRECTORS OF THE JOHN AND WAUNA HARMAN FOUNDATION

The undersigned, being all of the directors (the "Directors") of the John and Wauna Harman Foundation ("the Corporation") do hereby waive notice of the Annual Meeting of Directors and do hereby consent and resolve as follows:

BE IT HEREBY RESOLVED that the minutes of the previous meeting of the Directors of the Corporation are hereby ratified and approved.

BE IT HEREBY RESOLVED that the following are elected as Directors of the Corporation to serve until the next Annual Meeting of Directors or until their successors are elected and qualified.

NAME	POSITION
Barry W. Harman	Chairman of the Board and Director
Dawn Cook	Director
Elaine C. Harman	Director
Mark Barry Harman	Director
Todd Barry Harman	Director
Julie Berrey	Director

BE IT HEREBY RESOLVED that the financial statements of the Corporation together with the tax returns for the Corporation for the previous year are approved. The actions of the officers of the Corporation for the previous year are ratified and approved.

BE IT HEREBY RESOLVED that the following are elected as officers of the Corporation to serve until the next Annual Meeting of Directors or until their successors are elected and qualified.

NAME	POSITION
Barry W. Harman	Chairman
Barry W. Harman	President
Dawn Cook	Vice President
Julie Berrey	Secretary
Barry W. Harman	Treasurer

BE IT HEREBY RESOLVED that the determination of the minimum distribution requirement as supplied by the Accountant for the Corporation was reviewed and approved and the officers were directed to ensure that this amount shall be distributed prior to imposition of excise tax.

BE IT HEREBY RESOLVED that the charitable distributions by the Corporation for the previous year are ratified and approved. The officers of the Corporation were directed to maintain documentation in the files for Corporation relating the distributions to substantiate the appropriateness for all distributions.

BE IT HEREBY RESOLVED that the engagement of the Corporation's current investment advisors is ratified and extended until further action of the Board.

BE IT HEREBY RESOLVED that the John and Wauna Harman Foundation Conflict of Interest Policy, a copy of which is attached to this Resolution, is adopted.

BE IT HEREBY RESOLVED that each director, principal officer and member of a committee with governing board delegated powers by executing this Resolution affirms such person:

(1) Has received a copy of the Conflict of Interest Policy,
(2) Has read and understands the policy,
(3) Has agreed to comply with the policy, and
(4) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

BE IT HEREBY RESOLVED that to ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, a periodic review has been conducted and the findings of such review are satisfactory. The review included the following subjects:

(1) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
(2) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

BE IT HEREBY RESOLVED that the Amendment to the Bylaws of the John and Wauna Harman Foundation attached hereto and incorporated herein and hereby are approved and adopted as an amendment to the Bylaws of the Corporation.

BE IT FURTHER RESOLVED that the Secretary of the Corporation is authorized to execute the attached Amendment to the Bylaws of the John and Wauna Harman Foundation, and is directed to have the Amendment to the Bylaws of the John and Wauna Harman Foundation filed in the permanent records of the Corporation.

BE IT RESOLVED, the President of the Corporation is authorized and directed to provide a copy of the attached Amendment to the Bylaws of the John and Wauna Harman Foundation, to the Internal Revenue Service as an attachment to the Corporation's Form 990PF.

BE IT RESOLVED, that a Finance Committee, consisting of two directors of the Corporation be established. The Finance Committee will be responsible (i) to formulate for approval by the Board and to maintain the investment policies of the Corporation; (ii) to invest the Corporation's assets in conformity with the investment policy; (iii) to determine the salaries of all non-director employees and agents.

The initial members of the Finance Committee shall be Barry W. Harman and Mark Barry Harman.

The Finance Committee shall meet in person or telephonically at least twice a year at a time and place determined by the Finance Committee, with further meetings to occur when deemed necessary or desirable by the Finance Committee.

The actions of the Finance Committee shall require the decision of a majority of the members of the Finance Committee. In the event the Finance Committee is unable to reach a majority decision, the matter shall be referred to the Board of Directors for resolution.

BE IT RESOLVED, that a Charity Committee, consisting of five directors of the Corporation be established. The Charity Committee will be responsible (i) to formulate the charitable giving policies of the Corporation for approval by the Board; (ii) to investigate opportunities for the Corporation to distribute its assets for charitable purposes in conformity with the charitable giving policies; (iii) to present charitable giving opportunities to the Board for final determination; (iv) to implement the charitable giving opportunities approved by the Board; and (v) to report to the Board on the implementation of the charitable giving opportunities.

The initial members of the Charity Committee shall be Dawn Cook, Elaine

C. Harman, Mark Barry Harman, Todd Barry Harman and Julie Berrey. The Charity Committee, may select from among its members, a chairman of the Charity Committee.

The Charity Committee shall meet in person or telephonically at least twice a year at a time and place determined by the Chairman of the Charity Committee, with further meetings to occur when deemed necessary or desirable by the Chairman of the Charity Committee.

The actions of the Charity Committee shall require the decision of a majority of the members of the Charity Committee. In the event the Charity Committee is unable to reach a majority decision, the matter shall be referred to the Board of Directors for resolution.

DATED this 22 day of December, 2011.

Barry W. Harman, Director

Dawn Cook, Director

Elaine C. Harman

Elaine C. Harman, Director

Mark Barry Harman, Director

Mark Barry Harman

Todd Barry Harman, Director

Julie Berrey, Director

Julie Berrey

AMENDMENT TO THE BYLAWS OF THE JOHN AND WAUNA HARMAN FOUNDATION

I, Julie Berrey, Secretary of the John and Wauna Harman Foundation, hereby certify that the following Amendment to the Bylaws of the John and Wauna Harman Foundation (the "Corporation"), was adopted by the Directors of the Corporation pursuant to a Consent Resolution dated effective the 22 day of December, 2011:

1. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 2 of Article II, entitled Number of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

> Section 2. Number. The number of directors of the corporation shall be not less than three (3). The Board of Directors by amendment of these By-Laws may increase or decrease the number of directors, provided that no decrease in number shall have the effect of shortening the term of any incumbent, or reducing the number of directors to less than three (3). Each Director shall hold office until the next annual meeting of Directors and until his or her successor shall have been elected and qualified. The Board of Directors may elect from its own number a Chairman of the Board, who shall preside at all meetings of the Board of Directors, and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

2. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 3 of Article II, entitled Executive Committee of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

> Section 3. Committees.
>
> (a) Formation. The Board of Directors may designate and appoint one or more committees which shall consist of two (2) or more directors and which shall have and exercise such authority of the Board of Directors in the management of the corporation as may be specified in said resolution; provided, that no such committee shall have the authority of the Board of Directors in such reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or

revoking proceedings therefore; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or such director by law. Each member of a committee shall hold office until a successor shall have been designated or until resignation or removal in the manner provided in these Bylaws. Any committee once established, may be terminated by the Board of Directors.

(b) Presiding Officer and Meetings. The Directors may appoint a presiding officer of any committee or may direct that the committee appoint a presiding officer. The committee shall meet at such place or places, at such time or times and upon such notice (or without notice) as it shall determine from time to time. It shall keep a record of its proceedings and shall report such proceedings to the Directors at the next meeting of the Directors.

(c) Quorum for Transacting Business. A majority of the members of a committee shall constitute a quorum for the transaction of business at any of its meetings. If less than a quorum is present at a meeting, the members of the committee present may adjourn the meeting from time to time without further notice. The act of a majority of the members of the committee present at a meeting shall be the act of the committee.

(d) Resignation. Any member of a committee may resign at any time by delivering a written resignation to the President, the Secretary or the Directors. Such resignation shall take effect upon delivery.

(e) Removal. The Directors may at any time remove any member of a committee either for or without cause.

(f) Vacancies. If any vacancy shall occur in a committee by reason of disqualification, death, resignation, removal or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total membership of the committee.

(g) Reimbursement of Expenses. In addition to other compensation, the Directors may allow a fixed sum for expenses of attendance to any member of the committee (including those who are active, salaried employees of the Corporation) for attendance at each meeting of the committee.

3. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 4 of Article II, entitled Election and Term of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

> Section 4. Election and Term. At the annual meeting of directors, the directors shall be elected by the directors then holding office immediately prior to such election. The directors so elected shall hold office until the next annual meeting of directors and until their successors are elected and qualified.

4. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Sections 2,3,4 and 5 of Article VI, entitled Officers of the Bylaws of the Corporation are hereby amended in their entirety to read as follows:

> Section 2. President. The President must be a Director of the Corporation. The President shall have the following powers and duties:
>
> (a) The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation;
>
> (b) He shall when present, preside at all meetings of the Board of Directors, unless the Directors have designated a Chairman of the Board;
>
> (c) He may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed;
>
> (d) He shall have specific authority to manage the day to day operations of the Corporation with authority to execute contracts or make expenditures in the ordinary course of the operations of the Corporation when such contracts or expenditures are less than five thousand dollars ($5,000.00) per occurrence, notwithstanding, expenditures for charitable distributions shall require the approval of the Board of Directors; and
>
> (e) He in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 3. Vice President. The Vice President shall have the following powers and duties:

(a) In the absence of the President, in the event of his death, inability or refusal to act, or if so directed by the President, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President;

(b) He shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 4. Secretary. The Secretary shall have the following powers and duties:

(a) He shall keep or cause to be kept a record of all of the proceedings of the meetings of the board of directors;

(b) He shall cause all notices to be duly given in accordance with the provisions of these bylaws and as required by statute;

(c) He shall be the custodian of the records and of the seal of the corporation, if any;

(d) He shall see that the books, reports, statements, and other documents and records required by statute are properly kept and filed; and

(e) He shall perform in general all duties incident to the office of secretary and such other duties as are given to him by these bylaws or as from time to time may be assigned to him by the Board of Directors or the President.

Section 5. Treasurer. The Treasurer shall have the following powers and duties:

(a) He shall have charge and supervision over and be responsible for the monies, securities, receipts, and disbursements of the Corporation;

(b) He shall cause the monies and other valuable effects of the Corporation to be deposited in the name and to the credit of the Corporation in such banks or trust companies or with such banks or other depositories as shall be selected by the Finance Committee;

(c) He shall cause the monies of the Corporation to be disbursed by checks or drafts drawn on the authorized depositories of the Corporation;

(d) He shall render to the Finance Committee or to the Board of Directors, whenever requested, a statement of the financial condition of the Corporation and of all of his transactions as Treasurer, if called on to do so;

(e) He shall cause to be kept correct books of account of all the business and transactions of the Corporation; and

(f) He shall perform in general all duties incident to the office of treasurer and such other duties as are given to him by these bylaws or as from time to time may be assigned to him by the Board of Directors, the Finance Committee or the President.

5. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 1 of Article III, entitled Annual Meeting of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall be held during the month of November of each year on such date and at such time as determined by the directors and shall be held at the registered office of the corporation or on such other date and time and at such other place designated in the notice of the meeting. The annual meeting shall be for the purpose of electing directors and the transaction of such other business as may be properly considered at the meeting.

6. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 3 of Article III, entitled Notice of Meetings of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

Section 3. Notice of Meetings. Notice of the time and place of the annual meeting of the Board of Directors and Notice of the time and place of any special meetings of the Board of Directors shall be given by the secretary, or by the person or persons calling the meeting, by mail, email, or by other written communication at least ten (10) days prior to the date on which the meeting is to be held. The purpose of the meeting and the business to be transacted at the meeting of the Board of Directors shall be specified in the notice. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

7. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 3 of Article VII, entitled Corporate Seal of the Bylaws of the Corporation is hereby amended in its entirety to read as follows:

> Section 3. Corporate Seal. The Board of Directors may, but is not required to, provide a corporate seal which, if provided, shall be circular in form and shall have inscribed thereon the name of the corporation, the state of incorporation, and the [illegible] "Corporate Seal."

8. Pursuant to the authority of the Board of Directors of the John and Wauna Harman Foundation granted in the Bylaws, Section 7 of Article VII, of the Bylaws of the Corporation is hereby deleted in its entirety.

9. Except as amended herein, the Bylaws of the Corporation are ratified and approved.

The undersigned declares of her own knowledge and under penalty of perjury that the matters set forth in the foregoing amendments to the Bylaws of the John and Wauna Harman Foundation are true.

Dated effective the _______ day of December, 2011.

By: ______________________
Julie Berrey, Secretary