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

OMB No 1545-0047

2012

Open to Public Inspection

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

A For the 2012 calendar year, or tax year beginning **JUL 1, 2012** and ending **JUN 30, 2013**

B Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization

Blue Mountain Community Foundation

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

PO Box 603

Room/suite

City, town, or post office, state, and ZIP code

Walla Walla, WA 99362

F Name and address of principal officer: **Kari Isaacson**

PO Box 603, Walla Walla, WA 99362

D Employer identification number

91-1250104

E Telephone number

509-529-4371

G Gross receipts \$ **4,666,129.**

H(a) Is this a group return

for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

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

J Website: ▶ **bluemountainfoundation.org**

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: **1984** **M** State of legal domicile: **WA**

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: Encouraging and facilitating private giving and grantmaking for public good.		
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	4
	6	Total number of volunteers (estimate if necessary)	6	30
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	1,447,796.	2,023,327.
	9	Program service revenue (Part VIII, line 2g)	0.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	696,035.	1,166,936.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	164,357.	83,965.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,308,188.	3,274,228.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,661,537.	1,744,754.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	241,087.	271,217.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 122,318.		
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	267,708.	247,935.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	2,170,332.	2,263,906.
	19	Revenue less expenses. Subtract line 18 from line 12	137,856.	1,010,322.
	20	Total assets (Part X, line 16)	30,811,104.	34,182,386.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	6,638,438.	7,865,976.
	22	Net assets or fund balances Subtract line 21 from line 20	24,172,666.	26,316,410.

Part II Signature Block

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

Sign Here ▶ **Kari Isaacson** Signature of officer **1.21.2014** Date
▶ **Kari Isaacson, Executive Director** Type or print name and title

Paid Preparer Use Only ▶ Print/Type preparer's name **Kristine Loomis, CPA** Preparer's signature **Kristine Loomis CPA** Date **1/14/14** Check if self-employed ☐ PTIN **P00367871**
▶ Firm's name ▶ **Cordell, Neher & Company, P.L.L.C.** Firm's EIN ▶ **91-0950793**
▶ Firm's address ▶ **P.O. Box 3068 Wenatchee, WA 98807-3068** Phone no. **509-663-1661**

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission.

The mission of Blue Mountain Community Foundation is to build a legacy of healthy communities for future generations in the Blue Mountain region by encouraging and facilitating private giving for the public good.

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ 1,975,926. including grants of \$ 1,744,754.) (Revenue \$ 1,250,901.)

Provided grants to 163 organizations, primarily in the Blue Mountain area of southeastern Washington and northern Umatilla County, Oregon, addressing a variety of charitable purposes including basic needs, health & wellness, education, vibrant economies, arts & culture, neighborhoods & communities, and the environment. Grants from scholarship funds supported more than 225 students in pursuing higher education. Worked with donors to create 9 new endowed funds and 8 new non-endowed funds, that will provide grants to support the community into the future.

For more information visit our website at
www.bluemountainfoundation.org

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4c** (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4d** Other program services (Describe in Schedule O.)

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

4e Total program service expenses **1,975,926.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6 X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21 X	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22 X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29 X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38 X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a 12		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 4		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		X
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9a		X
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b		X
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders.	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c Enter the amount of reserves on hand.	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

Form 990 (2012)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	15			
b Enter the number of voting members included in line 1a, above, who are independent		15		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?			3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?			5	X
6 Did the organization have members or stockholders?			6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			8a	X
b Each committee with authority to act on behalf of the governing body?			8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O			9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13 Did the organization have a written whistleblower policy?		X
14 Did the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		
16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **WA**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Kate Bobrow-Strain - 509-529-4371**
PO Box 603, Walla Walla, WA 99362

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Dan Reid President	1.00			X				0.	0.	0.
(2) Leslie Brown Secretary	1.00			X				0.	0.	0.
(3) Craig Sievertsen Vice-President	1.00			X				0.	0.	0.
(4) Shannon Bergevin Treasurer	1.00			X				0.	0.	0.
(5) Lawson Knight Executive Director	40.00			X				99,029.	0.	0.
(6) Tony Billingsley Trustee	1.00	X						0.	0.	0.
(7) Sherilee Coffey Trustee	1.00	X						0.	0.	0.
(8) Sandie Blackaby Trustee	1.00	X						0.	0.	0.
(9) Carol Varga Morgan Trustee	1.00	X						0.	0.	0.
(10) Keith Olson Trustee	1.00	X						0.	0.	0.
(11) Norm Passmore Trustee	1.00	X						0.	0.	0.
(12) Laure Quaresma Trustee	1.00	X						0.	0.	0.
(13) Larry Siegel Trustee	1.00	X						0.	0.	0.
(14) Anne Walsh Trustee	1.00	X						0.	0.	0.
(15) Richard M. Wylie Trustee	1.00	X						0.	0.	0.
(16) Anne-Marie Zell Schwerin Trustee	1.00	X						0.	0.	0.

Part VII	Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)
----------	--

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								99,029.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								99,029.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

C

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

0

Part VIII Statement of RevenueCheck if Schedule O contains a response to any question in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	2,023,327.				
	g Noncash contributions included in lines 1a-1f \$		97,592.				
	h Total. Add lines 1a-1f		2,023,327.				
Program Service Revenue	Business Code						
	2 a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f							
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		817,274.	817,274.			
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real (ii) Personal					
	b Less. rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)		80,888.	80,888.			
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other					
	b Less cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)		349,662.	349,662.			
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
	b Less direct expenses	b					
	c Net income or (loss) from fundraising events						
	9 a Gross income from gaming activities See Part IV, line 19	a					
	b Less direct expenses	b					
	c Net income or (loss) from gaming activities						
	10 a Gross sales of inventory, less returns and allowances	a					
	b Less cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue		Business Code				
	11 a Miscellaneous Revenue	900099	3,077.	3,077.			
b							
c							
d All other revenue							
e Total. Add lines 11a-11d		3,077.					
12 Total revenue. See instructions.		3,274,228.	1,250,901.	0.	0.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	1,334,521.	1,334,521.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	410,233.	410,233.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	121,044.	35,103.	43,576.	42,365.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	125,027.	39,212.	65,556.	20,259.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	5,058.	1,586.	2,652.	820.
9 Other employee benefits	3,275.	1,027.	1,717.	531.
10 Payroll taxes	16,813.	7,612.	4,101.	5,100.
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	20,173.		20,173.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	96,237.	96,237.		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	750.			750.
12 Advertising and promotion	5,964.			5,964.
13 Office expenses	14,986.	6,785.	3,655.	4,546.
14 Information technology	45,088.	20,414.	10,997.	13,677.
15 Royalties				
16 Occupancy	23,871.	10,808.	5,822.	7,241.
17 Travel	1,635.	740.	399.	496.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	9,409.	4,260.	2,295.	2,854.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,748.	1,244.	670.	834.
23 Insurance	3,198.		3,198.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>Printing/Publications</u>	15,823.			15,823.
b <u>Fund Expenses</u>	3,599.	3,599.		
c <u>Postage</u>	3,489.	1,580.	851.	1,058.
d <u>Special Projects</u>	965.	965.		
e All other expenses				
25 Total functional expenses Add lines 1 through 24e	2,263,906.	1,975,926.	165,662.	122,318.
26 Joint costs Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance SheetCheck if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	134,729.	1	121,983.
	2 Savings and temporary cash investments	1,553,780.	2	1,989,339.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L.		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a 55,565.		
	b Less accumulated depreciation	10b 48,161.	5,685.	10c 7,404.
	11 Investments - publicly traded securities	23,892,139.	11	24,551,596.
	12 Investments - other securities. See Part IV, line 11.	5,224,771.	12	7,512,064.
	13 Investments - program-related. See Part IV, line 11.		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11.		15		
16 Total assets. Add lines 1 through 15 (must equal line 34).	30,811,104.	16	34,182,386.	
Liabilities	17 Accounts payable and accrued expenses	16,839.	17	13,529.
	18 Grants payable	309,001.	18	373,703.
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.	6,312,598.	25	7,478,744.
	26 Total liabilities. Add lines 17 through 25.	6,638,438.	26	7,865,976.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,788,135.	27	1,937,133.
	28 Temporarily restricted net assets	22,384,531.	28	24,379,277.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	24,172,666.	33	26,316,410.
	34 Total liabilities and net assets/fund balances	30,811,104.	34	34,182,386.

Form 990 (2012)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,274,228.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,263,906.
3	Revenue less expenses Subtract line 2 from line 1	3	1,010,322.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	24,172,666.
5	Net unrealized gains (losses) on investments	5	2,381,773.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	<1,248,351.>
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	26,316,410.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

☒1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:

☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis

b Were the organization's financial statements audited by an independent accountant?

If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:

☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis

c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2012)

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

Blue Mountain Community Foundation

Employer identification number

91-1250104

Part I	Reason for Public Charity Status (All organizations must complete this part.) See instructions
---------------	---

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

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

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

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

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

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

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

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

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

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

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

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

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Non-functionally integrated

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

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

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

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

h Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	1,784,601.	2,307,168.	1,436,762.	1,447,795.	1,416,268.	8,392,594.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1,784,601.	2,307,168.	1,436,762.	1,447,795.	1,416,268.	8,392,594.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						2,517,527.
6 Public support. Subtract line 5 from line 4						5,875,067.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	1,784,601.	2,307,168.	1,436,762.	1,447,795.	1,416,268.	8,392,594.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	661,356.	811,316.	735,609.	780,523.	898,163.	3,886,967.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						12,279,561.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	47.84 %
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	53.46 %
16a 33 1/3% support test - 2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☒		
b 33 1/3% support test - 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☐		
17a 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐		
b 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐		

Schedule A (Form 990 or 990-EZ) 2012

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012Open to Public
Inspection

Name of the organization

Blue Mountain Community Foundation

Employer identification number

91-1250104

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year	19	16
2 Aggregate contributions to (during year)	170,514.	217,769.
3 Aggregate grants from (during year)	90,212.	117,392.
4 Aggregate value at end of year	599,813.	1,248,979.

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☒ Yes ☐ No6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☒ Yes ☐ No**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

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

- ☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

- a Total number of conservation easements
b Total acreage restricted by conservation easements
c Number of conservation easements on a certified historic structure included in (a)
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

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

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

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

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$
(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items.

- a Revenues included in Form 990, Part VIII, line 1 ▶ \$
b Assets included in Form 990, Part X ▶ \$

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

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

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ Other _____c ☐ Preservation for future generations

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes☐ Nob If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	23,388,196.	24,602,186.	20,582,213.	18,047,423.	21,210,607.
b Contributions	1,058,292.	678,002.	1,185,579.	1,775,162.	1,610,936.
c Net investment earnings, gains, and losses	2,810,484.	<140,140.>	4,511,665.	2,227,512.	<3,430,517.>
d Grants or scholarships	1,432,987.	1,437,870.	1,365,630.	1,180,367.	1,080,215.
e Other expenditures for facilities and programs	24,889.				
f Administrative expenses	319,254.	313,982.	311,741.	287,417.	263,388.
g End of year balance	25,479,842.	23,388,196.	24,602,186.	20,582,313.	18,047,423.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ 6.91 %

b Permanent endowment ▶ %

c Temporarily restricted endowment ▶ 93.09 %

The percentages in lines 2a, 2b, and 2c should equal 100%

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

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		55,565.	48,161.	7,404.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ▶

7,404.

Schedule D (Form 990) 2012

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) Accrued investment income	3,030.	End-of-Year Market Value
(B) Alternative Investments	3,978,989.	End-of-Year Market Value
(C) Real Assets	3,530,045.	End-of-Year Market Value
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	7,512,064.	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Agency Obligations	6,592,274.
(3) Unitrust and Annuity Obligations	886,470.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	7,478,744.

2. FIN 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

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

1	Total revenue, gains, and other support per audited financial statements	1	4,027,830.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12.		
a	Net unrealized gains on investments	2a	2,381,772.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	<1,528,331.>
e	Add lines 2a through 2d	2e	853,441.
3	Subtract line 2e from line 1	3	3,174,389.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	96,240.
b	Other (Describe in Part XIII)	4b	3,599.
c	Add lines 4a and 4b	4c	99,839.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	3,274,228.

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

1	Total expenses and losses per audited financial statements	1	1,884,087.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	1,884,087.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	96,240.
b	Other (Describe in Part XIII)	4b	283,579.
c	Add lines 4a and 4b	4c	379,819.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	2,263,906.

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X, Line 2: The Foundation operates as a tax exempt organization

under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for Federal income tax is presented. The Foundation has also been classified as a publicly supported organization under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

The Foundation has adopted the provisions of FASB ASC 740-10. Management has evaluated the Foundation's tax positions and concluded the Foundation

Schedule D (Form 990) 2012

Part XIII Supplemental Information (continued)

has taken no uncertain tax positions requiring adjustment to the financial statements to comply with these provisions. With few exceptions, the Foundation is no longer subject to income tax examinations by U.S. Federal tax authorities for the years before 2010, which is the standard statute of limitations look-back period.

Part XI, Line 2d - Other Adjustments:

FAS 136 agency related transactions	-1,419,520.
Change in value of split interest agreements	-108,811.
Total to Schedule D, Part XI, Line 2d	-1,528,331.

Part XI, Line 4b - Other Adjustments:

Miscellaneous funds expense	3,599.
-----------------------------	--------

Part XII, Line 4b - Other Adjustments:

FAS 136 agency related transactions	279,980.
Miscellaneous funds expense	3,599.
Total to Schedule D, Part XII, Line 4b	283,579.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

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

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization

Blue Mountain Community Foundation

Employer identification number
91-1250104

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☐ Yes ☒ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Red Cross P.O. Box 3067 Walla Walla, WA 99362	53-0196605	501(C)(3)	20,479.	0.			Various purposes as approved by BMCF Board
Athena Civic Memorial P.O. Box 12 Athena, OR 97813-0012	93-6024531	applied for 501(c)(3)	11,500.	0.			Various purposes as approved by BMCF Board
Blue Mountain Action Council 1520 Kelly Place, Suite 140 Walla Walla, WA 99362	91-0793597	501(C)(3)	63,934.	0.			Various purposes as approved by BMCF Board
Blue Mountain Counseling of Columbia County - 221 E. Washington St., - Dayton, WA 99328	76-0766147	501(C)(3)	7,500.	0.			Various purposes as approved by BMCF Board
Blue Mountain Heart to Heart 1520 Kelly Place, Suite 120 Walla Walla, WA 99362	91-1527239	501(C)(3)	7,463.	0.			Various purposes as approved by BMCF Board
Blue Mountain Humane Society 7 George St. Walla Walla, WA 99362	91-0828499	501(C)(3)	58,515.	0.			Various purposes as approved by BMCF Board

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

63.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2012)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Camp Fire USA Walla Walla Council 414 South Park St. Walla Walla, WA 99362	91-0626153	501(C)(3)	22,215.	0.			Various purposes as approved by BMCF Board
Camp Kiwanis Foundation P.O. Box 416 Walla Walla, WA 99362	51-0175607	501(C)(3)	8,722.	0.			Various purposes as approved by BMCF Board
Carnegie Picture Lab P.O. Box 3223 Walla Walla, WA 99362	91-0864854	501(C)(3)	13,500.	0.			Various purposes as approved by BMCF Board
Catholic Charities of Spokane - Walla Walla Office - 408 W. Poplar St. - Walla Walla, WA 99362	91-0569880	501(C)(3)	6,000.	0.			Various purposes as approved by BMCF Board
Children's Home Society of Washington/Walla Walla - 1612 Penny Lane - Walla Walla, WA 99362	91-0575955	501(C)(3)	12,500.	0.			Various purposes as approved by BMCF Board
Christ Lutheran Church 1420 S. Second Avenue Walla Walla, WA 99362	91-0858724	501(C)(3)	21,317.	0.			Various purposes as approved by BMCF Board
Christian Aid Center P.O. Box 56 Walla Walla, WA 99362	91-0918048	501(C)(3)	76,346.	0.			Various purposes as approved by BMCF Board
City of Dayton 111 S. First Dayton, WA 99328	91-6001243	Government	16,850.	0.			Various purposes as approved by BMCF Board
Columbia Co. Community Network 166 East Main St. Dayton, WA 99328	94-3233100	501(C)(3)	5,700.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Columbia Co. Public Works PO Box 5 Dayton, WA 99328	91-6001309	Government	10,000.	0.			Various purposes as approved by BMCF Board
Columbia School District 755 Maple St. Burbank, WA 99323	91-6001891	Public Sch	10,000.	0.			Various purposes as approved by BMCF Board
Computer Data Service PO Box 495 Walla Walla, WA 99362	91-1559737		6,969.	0.			James McClellan Annual Lecture on clinical care and caregiving
Domestic Violence Services 1103 S.E. Court Place Pendleton, OR 97801	93-0749483	501(c)(3)	6,000.	0.			Various purposes as approved by BMCF Board
Downtown WM Foundation 2 S. First, #300 Walla Walla, WA 99362	91-1321381	501(c)(3)	12,503.	0.			Various purposes as approved by BMCF Board
Emmanuel Lutheran Church 628 Lincoln St. Walla Walla, WA 99362	91-1222504	501(c)(3)	41,784.	0.			Various purposes as approved by BMCF Board
Eric Johnson 222 E. Commercial Dayton, WA 99328	51-0191098	501(c)(3)	11,834.	0.			Various purposes as approved by BMCF Board
First Congregational Church 73 S. Palouse Walla Walla, WA 99362	91-0655578	501(c)(3)	25,352.	0.			Various purposes as approved by BMCF Board
First Presbyterian Church 325 S. First Walla Walla, WA 99362	91-0640784	501(c)(3)	33,523.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Fort Walla Walla Museum WW Valley Historical Society - 755 Myra Road - Walla Walla, WA 99362	91-6070983	501(C)(3)	13,913.	0.			Various purposes as approved by BMCF Board
Friends of Children of Walla Walla 120 East Birch St., Suite 10 Walla Walla, WA 99362	71-0886777	501(C)(3)	6,550.	0.			Various purposes as approved by BMCF Board
Friends of Farm Labor Homes 220 Newell Street Walla Walla, WA 99362	20-1210899	501(C)(3)	7,080.	0.			Various purposes as approved by BMCF Board
Friends of the Library of Walla Walla - 1842 Parkview Place - Walla Walla, WA 99362	91-1104907	501(C)(3)	11,759.	0.			Various purposes as approved by BMCF Board
Goodwill Industries of the Columbia - 815 N. Kellogg, Suite A - Kennewick, WA 99336	23-7071436	501(C)(3)	36,856.	0.			Various purposes as approved by BMCF Board
Helpline PO Box 776 Walla Walla, WA 99362	91-2148803	501(C)(3)	23,567.	0.			Various purposes as approved by BMCF Board
Lillie Rice Center, Inc. 2616 E. Isaacs Avenue Walla Walla, WA 99362	91-0789757	501(C)(3)	30,232.	0.			Various purposes as approved by BMCF Board
Lincoln High School 421 S. Fourth St. Walla Walla, WA 99362	91-6015450	Public Sch	20,300.	0.			Various purposes as approved by BMCF Board
Little Theatre of Walla Walla P.O. Box 39 Walla Walla, WA 99362	91-6033581	501(C)(3)	22,118.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
No Margin, No Mission 3121 Claremont Place Tacoma, WA 98407	45-2936429	501(C)(3)	9,000.	0.			Various purposes as approved by BMCF Board
Pioneer United Methodist Church 209 E. Birch St. Walla Walla, WA 99362	91-0616712	501(C)(3)	38,193.	0.			Various purposes as approved by BMCF Board
Pomeroy School District P.O. Box 950 Pomeroy, WA 99347	91-1099549	Public Sch	6,000.	0.			Various purposes as approved by BMCF Board
Port of Columbia 1 Port Way Dayton, WA 99328	91-0856165	Port Distr	15,000.	0.			Various purposes as approved by BMCF Board
Project Timothy 249 E. Main St. Dayton, WA 99328	91-0569880	fiscally sponsored b	7,500.	0.			Various purposes as approved by BMCF Board
Rising Sun Clubhouse 1520 Kelly Place, Suite 130 Walla Walla, WA 99362	16-1679931	501(C)(3)	5,000.	0.			Various purposes as approved by BMCF Board
Rogers Adventist School 200 S.W. Academy Way College Place, WA 99324	91-0816206	501(C)(3)	7,070.	0.			Various purposes as approved by BMCF Board
Rotary Club of Walla Walla P.O. Box 418 Walla Walla, WA 99362-0011	91-1823640	501(C)(3)	16,545.	0.			Various purposes as approved by BMCF Board
Salvation Army P.O. Box 1244 Walla Walla, WA 99362	94-1156347	501(C)(3)	10,000.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
St. Joseph Catholic Church of Dayton, Washington - Parishes of St. Joseph and St. Mark - Dayton, WA 99328	91-1434774	501(c)(3)	7,126.	0.			Various purposes as approved by BMCF Board
St. Mark Catholic Church of Waitsburg, Washington - Parishes of St. Joseph and St. Mark - Dayton, WA 99328	26-1303974	501(c)(3)	7,126.	0.			Various purposes as approved by BMCF Board
St. Paul's Episcopal Church 323 Catherine Street Walla Walla, WA 99362	91-0693234	501(c)(3)	15,528.	0.			Various purposes as approved by BMCF Board
Student Health Options dba The Health Center - 534 South 3rd Avenue - Walla Walla, WA 99362	27-0401462	501(c)(3)	12,750.	0.			Various purposes as approved by BMCF Board
The STAR Project P.O. Box 159 Walla Walla, WA 99362	73-1707241	501(c)(3)	5,000.	0.			Various purposes as approved by BMCF Board
Trilogy Recovery Community PO Box 1754 Walla Walla, WA 99362	32-0303794	501(c)(3)	5,000.	0.			Various purposes as approved by BMCF Board
Umatilla Morrow Head Start, Inc. 110 N.E. 4th Street Hermiston, OR 97838	93-0937286	501(c)(3)	5,000.	0.			Various purposes as approved by BMCF Board
United Way of Walla Walla 29 E. Sumach Walla Walla, WA 99362	91-0730322	501(c)(3)	36,476.	0.			Various purposes as approved by BMCF Board
Waitsburg Historical Society P.O. Box 341 Waitsburg, WA 99361	23-7111750	501(c)(3)	11,376.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Blue Mountain Community Foundation

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Walla Walla Catholic Schools 919 E. Sumach Walla Walla, WA 99362	91-1430214	501(C)(3)	13,592.	0.			Various purposes as approved by BMCF Board
Walla Walla Chamber Music Festival P.O. Box 119 Walla Walla, WA 99362	26-0869372	501(C)(3)	5,000.	0.			Various purposes as approved by BMCF Board
Walla Walla Community College Foundation - 500 Tausick Way - Walla Walla, WA 99362	91-1207033	501(C)(3)	29,561.	0.			Various purposes as approved by BMCF Board
Walla Walla Community Hospice 1067 Isaacs Avenue Walla Walla, WA 99362	91-1144144	501(C)(3)	11,079.	0.			Various purposes as approved by BMCF Board
Walla Walla Community Network 1520 Sturm Ave Walla Walla, WA 99362	91-0821964	fiscally sponsored b	10,000.	0.			Various purposes as approved by BMCF Board
Walla Walla General Hospital Foundation - P.O. Box 1398 - Walla Walla, WA 99362	91-0617726	501(C)(3)	10,000.	0.			Various purposes as approved by BMCF Board
Walla Walla Public Schools - Blue Ridge Elementary - 1150 W. Chestnut - Walla Walla, WA 99362	91-6015450	Government	9,000.	0.			Various purposes as approved by BMCF Board
Walla Walla Senior Citizens Center, Inc., dba Center at the Park - 720 Sprague - Walla Walla, WA 99362	91-0874461	501(C)(3)	16,142.	0.			Various purposes as approved by BMCF Board
Walla Walla Symphony P.O. Box 92 Walla Walla, WA 99362	91-0925802	501(C)(3)	30,240.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Walla Walla University 204 South College Ave. College Place, WA 99324	91-0617727	501(C)(3)	694.	0.			Various purposes as approved by BMCF Board
Whitman College Financial Aid Office of Financial Aid Walla Walla, WA 99362	91-0567740	501(C)(3)	40,431.	0.			Various purposes as approved by BMCF Board
YMCA P.O. Box 1637 Walla Walla, WA 99362	91-0580856	501(C)(3)	44,626.	0.			Various purposes as approved by BMCF Board
YMCA 213 S. First Ave Walla Walla, WA 99362	91-0613315	501(C)(3)	43,422.	0.			Various purposes as approved by BMCF Board

Schedule I (Form 990)

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
► **Attach to Form 990.**

OMB No 1545-0047

2012

**Open to Public
Inspection**

Name of the organization

Blue Mountain Community Foundation

Employer identification number

91-1250104

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous	X	8	97,592.	Avg FMV on gift date
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ()				
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

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

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

Yes No

30a **X**

31 **X**

32a **X**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2012)

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2012

Open to Public
Inspection

Name of the organization

Blue Mountain Community Foundation

Employer identification number
91-1250104

Form 990, Part VI, Section B, line 11: After completion of the IRS Form 990, it is circulated to the Audit Committee for review prior to submission and later made available to the Board of Trustees at a Board meeting. However, in order to preserve donor anonymity, Schedule B is not included in the copy provided to the Audit Committee or the Board.

Form 990, Part VI, Section B, Line 12c: The implementation of the conflict of interest policy begins with a written disclosure by all Foundation volunteers. Then, in a matter where a decision is to be made that involves a disclosed conflict, a discussion takes place to decide how the matter proceeds. The conversation centers on whether the person with a conflict will participate in the discussion and/or the decision. Once a fair process is determined in keeping with the policy, then a group decision is made. The matter is recorded in the minutes of the meeting.

Form 990, Part VI, Section B, Line 15a: On an annual basis, the Executive Committee of the board completes an employee review of the Executive Director. The review process is managed by the Vice-President. A comprehensive review document is used that involves a report on results of the prior period by the employee followed by an assessment by the Executive Committee with input from the entire Board of Trustees.

In circumstances where the Executive Committee believes that a change in compensation is appropriate, it is first determined whether there is capacity in the budget to make any increase. Then, the Executive Committee uses salary data gathered from local sources and the Council on

Name of the organization

Blue Mountain Community Foundation

Employer identification number

91-1250104

Foundation's salary and benefits survey. It has been the practice of the Executive Committee to meet, but not exceed, the median salary of peer community foundations based on asset size and geography.

Form 990, Part VI, Section C, Line 19: The Foundation discloses its major financial services vendors on its website at <http://www.bluemountainfoundation.org/finances>

Blue Mountain Community Foundation has an independent financial audit performed annually. Audits for the current and prior year are available for review. Please contact us. Our financial statements are currently audited by Cordell, Neher & Company, PLLC of Wenatchee, Washington.

The Foundation does submit its IRS Form 990 on a timely basis. The most current IRS Form 990, or any other IRS filing such as IRS Form 990-T that BMCF might file, is available for review on its website at <http://www.bluemountainfoundation.org/finances> or to request a copy, contact us.

The Foundation's governing documents are available for public inspection upon request.

Form 990, Part XI, line 9, Changes in Net Assets:

Change in value of split interest agreements	-108,811.
FAS 136 agency related transactions	-1,139,540.
Total to Form 990, Part XI, Line 9	-1,248,351.

The Audit Committee is responsible for the selection of the independent

Name of the organization

Blue Mountain Community Foundation

Employer identification number

91-1250104

auditors as well as overseeing the audit of the financial statements.

The policies and procedures to accomplish these tasks have not changed
from the prior year.

Form

4562Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return**Depreciation and Amortization 990**
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

OMB No 1545-0172

2012Attachment
Sequence No 179

Blue Mountain Community Foundation

Form 990 Page 10

91-1250104

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property) (See instructions)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	2,748.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27 5 yrs	MM	S/L	
	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr	22	2,748.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	