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Return of Private Foundation

2014

Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation
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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2014 or tax year beginning , 2014, and ending , 20

Name of foundation
THE BRAINERD FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1601 SECOND AVE, SUITE 610

City or town, state or province, country, and ZIP or foreign postal code
SEATTLE, WA 98101-1541

A Employer identification number
91-1675591

B Telephone number (see instructions)
(206) 448-0676

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

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> 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, col (c), line 16) ▶ \$ **21,724,273.**

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 (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	449,843.	449,757.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,029,827.			
	b Gross sales price for all assets on line 6a	5,107,984.			
	7 Capital gain net income (from Part IV, line 2)		1,027,637.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) ATCH 1	-191,463.	-49,831.			
12 Total. Add lines 1 through 11	1,288,207.	1,427,563.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	168,750.	13,500.		155,250.
	14 Other employee salaries and wages	266,034.	21,283.		244,751.
	15 Pension plans, employee benefits	139,402.	11,152.		128,250.
	16a Legal fees (attach schedule) ATCH 2	1,489.	744.		745.
	b Accounting fees (attach schedule) ATCH 3	38,344.	17,785.		20,559.
	c Other professional fees (attach schedule) [4]	330,178.	179,847.		150,331.
	17 Interest ATCH 5	55,185.	55,185.		
	18 Taxes (attach schedule) (see instructions) [6]	24,032.	13,269.		667.
	19 Depreciation (attach schedule) and depletion	12,722.	1,018.		
	20 Occupancy	77,802.	8,123.		69,679.
	21 Travel, conferences, and meetings	98,235.	6,641.		76,369.
	22 Printing and publications	431.	34.		397.
	23 Other expenses (attach schedule) ATCH 7	123,233.	90,253.		30,755.
	24 Total operating and administrative expenses. Add lines 13 through 23.	1,335,837.	418,834.		877,753.
25 Contributions, gifts, grants paid	2,700,506.			2,700,506.	
26 Total expenses and disbursements Add lines 24 and 25	4,036,343.	418,834.	0	3,578,259.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-2,748,136.				
b Net investment income (if negative, enter -0-)		1,008,729.			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	653,407.	803,259.	803,259.	
	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 schedule)				
		Less allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)				
	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) ATCH 8	23,933,853.	20,717,822.	20,717,822.		
14	Land, buildings, and equipment basis	226,392.				
	Less accumulated depreciation (attach schedule)	183,712.	54,796.	42,680.		
15	Other assets (describe ATCH 9)	169,539.	160,512.	160,512.		
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	24,811,595.	21,724,273.	21,724,273.		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ATCH 10)	1,499.	13,288.		
23	Total liabilities (add lines 17 through 22)	1,499.	13,288.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	24,810,096.	21,710,985.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, <input type="checkbox"/> check here and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	24,810,096.	21,710,985.			
31	Total liabilities and net assets/fund balances (see instructions)	24,811,595.	21,724,273.			

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	24,810,096.
2	Enter amount from Part I, line 27a	2	-2,748,136.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	22,061,960.
5	Decreases not included in line 2 (itemize) ATCH 11	5	350,975.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	21,710,985.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	1,027,637.
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	{ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3	0

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2013	3,537,034.	24,750,655.	0.142907
2012	3,445,494.	26,676,864.	0.129157
2011	4,022,909.	30,049,182.	0.133877
2010	3,846,826.	31,004,466.	0.124073
2009	3,436,754.	30,164,050.	0.113935
2 Total of line 1, column (d)			2 0.643949
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 0.128790
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5			4 23,139,330.
5 Multiply line 4 by line 3			5 2,980,114.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 10,087.
7 Add lines 5 and 6			7 2,990,201.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions			8 3,578,817.

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

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, domestic foundations, tax under section 511, add lines 1 and 2, subtitle A tax, tax based on investment income, credits/payments (6a-6d), total credits, penalty, tax due, overpayment, and amount credited to 2015 estimated tax.

Part VII-A Statements Regarding Activities

Table with 10 rows for statements regarding activities. Includes questions about influencing legislation, political purposes, Form 1120-POL filing, tax on political expenditures, reimbursement, unreported activities, changes in governing instruments, unrelated business income, liquidation, 508(e) requirements, and substantial contributors.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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? Website address WWW.BRAINERD.ORG 13 X
14 The books are in care of CRYSTAL ANDERSON Telephone no 206-448-0676 Located at 1601 SECOND AVENUE, SUITE 610, SEATTLE, WA ZIP+4 98101
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
16 At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 16 Yes No X See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-221). 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.

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 X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No X
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? X 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 X
(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 X
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 X 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 2014? 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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? Yes No X If "Yes," list the years
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
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 X
b If "Yes," did it have excess business holdings in 2014 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 2014) 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 2014? 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 4945(d)(4)(A)? (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)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
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? Yes No

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
ATCH 12		168,750.	31,967.	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
ATCH 13		234,001.	65,940.	0

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
ATCH 14		241,275.

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 NONE	
2	
All other program-related investments. See instructions. 3 NONE	
Total. Add lines 1 through 3	

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	22,606,185.
b	Average of monthly cash balances	1b	711,537.
c	Fair market value of all other assets (see instructions)	1c	173,984.
d	Total (add lines 1a, b, and c)	1d	23,491,706.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	23,491,706.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	352,376.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	23,139,330.
6	Minimum investment return. Enter 5% of line 5	6	1,156,967.

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	1,156,967.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	10,087.
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	10,087.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,146,880.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,146,880.
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	1,146,880.

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	3,578,259.
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	558.
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	3,578,817.
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	10,087.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	3,568,730.

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				1,146,880.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years 20 <u>12</u> , 20 <u>11</u> , 20 <u>10</u>				
3 Excess distributions carryover, if any, to 2014				
a From 2009	3,441,408.			
b From 2010	3,865,053.			
c From 2011	4,040,723.			
d From 2012	2,147,814.			
e From 2013	2,323,037.			
f Total of lines 3a through e	15,818,035.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ <u>3,578,817.</u>				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2014 distributable amount				1,146,880.
e Remaining amount distributed out of corpus	2,431,937.			
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	18,249,972.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	3,441,408.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	14,808,564.			
10 Analysis of line 9				
a Excess from 2010	3,865,053.			
b Excess from 2011	4,040,723.			
c Excess from 2012	2,147,814.			
d Excess from 2013	2,323,037.			
e Excess from 2014	2,431,937.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

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 2014, 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)

Table with 5 columns: (a) 2014, (b) 2013, (c) 2012, (d) 2011, (e) Total. Rows include: 2a Enter the lesser of the adjusted net income...; b 85% of line 2a; c Qualifying distributions from Part XII...; d Amounts included in line 2c not used directly for active conduct...; e Qualifying distributions made directly for active conduct...; 3 Complete 3a, b, or c for the alternative test relied upon; a "Assets" alternative test; b "Endowment" alternative test; c "Support" alternative test.

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see 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))

PAUL BRAINERD

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 or e-mail address of the person to whom applications should be addressed

ATCH 15

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

SEE THE WEBSITE WWW.BRAINERD.ORG FOR THE APPLICATION

c Any submission deadlines

APPLICATIONS ARE ACCEPTED THROUGHOUT THE YEAR

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

ATCH 16

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 <i>Paid during the year</i> ATCH 17				
Total ▶ 3a				2,700,506.
b <i>Approved for future payment</i> ATCH 18				
Total ▶ 3b				710,000.

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,198.		PASSTHROUGH FROM IR&M INTERMEDIATE FUND PROPERTY TYPE: SECURITIES				P	VAR 2,198.	VAR
-6,162.		PASSTHROUGH FROM MERGANSER CORE PLUS BON PROPERTY TYPE: SECURITIES				P	VAR -6,162.	VAR
7,952.		PASSTHROUGH FROM LOOMIS SAYLES GLOBAL FI PROPERTY TYPE: SECURITIES				P	VAR 7,952.	VAR
500,139.		PUBLICLY TRADED SECURITIES - STATE STREE PROPERTY TYPE: SECURITIES 480,326.				P	VAR 19,813.	VAR
43,776.		LTCG DISTRIBUTION - STATE STREET #10000 PROPERTY TYPE: SECURITIES				P	VAR 43,776.	VAR
1,306,182.		PUBLICLY TRADED SECURITIES - STATE STREE PROPERTY TYPE: SECURITIES 1,107,937.				P	VAR 198,245.	VAR
696.		LTCG DISTRIBUTION - STATE STREET #10002 PROPERTY TYPE: SECURITIES				P	VAR 696.	VAR
782,999.		PUBLICLY TRADED SECURITIES - STATE STREE PROPERTY TYPE: SECURITIES 670,010.				P	VAR 112,989.	VAR
2.		LTCG DISTRIBUTION - STATE STREET #10003 PROPERTY TYPE: SECURITIES				P	VAR 2.	VAR
200,146.		PASSTHROUGH FROM BOSTON TRUST COMPANY PROPERTY TYPE: SECURITIES 120,903.				P	VAR 79,243.	VAR
500,000.		ARCHIPELAGO HOLDINGS LTD PARTIAL REDEMPT PROPERTY TYPE: SECURITIES 398,601.				P	VAR 101,399.	VAR
519,954.		ASIAN CENTURY QUEST OFFSHORE FUND LTD CO PROPERTY TYPE: SECURITIES 500,000.				P	VAR 19,954.	VAR

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
500,000.		BAY POND - WELLINGTON MANAGEMENT INVESTO PROPERTY TYPE: SECURITIES 362,439.				P	VAR 137,561.	VAR
25,718.		PASSTHROUGH FROM FCA ELEMENT LLC PROPERTY TYPE: SECURITIES				P	VAR 25,718.	VAR
212,246.		PIMCO COMMODITIES REAL RETURN FUND COMPL PROPERTY TYPE: SECURITIES 431,659.				P	VAR -219,413.	VAR
67,737.		PASSTHROUGH FROM LEGACY VENTURE II LLC PROPERTY TYPE: SECURITIES				P	VAR 67,737.	VAR
135,421.		PASSTHROUGH FROM LEGACY VENTURE III LLC PROPERTY TYPE: SECURITIES				P	VAR 135,421.	VAR
128,251.		PASSTHROUGH FROM LEGACY VENTURE IV LLC PROPERTY TYPE: SECURITIES				P	VAR 128,251.	VAR
94,385.		PASSTHROUGH FROM METROPOLITAN REAL ESTAT PROPERTY TYPE: SECURITIES				P	VAR 94,385.	VAR
27,640.		PASSTHROUGH FROM FRONTIER SMALL VALUE LP PROPERTY TYPE: SECURITIES				P	VAR 27,640.	VAR
15,778.		PUBLICLY TRADED SECURITIES - STATE STREE PROPERTY TYPE: SECURITIES 8,472.				P	VAR 7,306.	VAR
30,484.		PASSTHROUGH FROM AXIOM EMERGING MARKETS PROPERTY TYPE: SECURITIES				P	VAR 30,484.	VAR
12,229.		PASSTHROUGH FROM SPINNAKER GLOBAL EMERGI PROPERTY TYPE: SECURITIES				P	VAR 12,229.	VAR
213.		LTCG DISTRIBUTION - BOSTON TRUST COMPANY PROPERTY TYPE: SECURITIES				P	VAR 213.	VAR
TOTAL GAIN(LOSS)							<u><u>1,027,637.</u></u>	

ATTACHMENT 1

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PASS THROUGH FROM P'SHIP- OTHER INC	-43,489.	-43,489.
GROSS RENTS	2,064.	2,064.
NON-TAXABLE PARTNERSHIP INCOME	-140,466.	
PASS THROUGH FROM P'SHIP-RENTAL INC	-685.	-614.
PASS THROUGH FROM P'SHIP-ORD INCOME	-11,558.	-10,463.
PASS THROUGH FROM P'SHIP-SEC 988 INC	2,671.	2,671.
	<u>-191,463.</u>	<u>-49,831.</u>

TOTALS

ATTACHMENT 2

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
RIDDELL WILLIAMS, P.S.	1,489.	744.	745.	
TOTALS	<u>1,489.</u>	<u>744.</u>	<u>745.</u>	<u>745.</u>

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
KING & OLIASON PLLC	17,438.	8,719.		8,719.
SWEENEY CONRAD	17,605.	8,802.		8,803.
ADP FEE	2,161.	173.		1,988.
PACIFICSOURCE ADMINISTRATORS	1,140.	91.		1,049.
TOTALS	<u>38,344.</u>	<u>17,785.</u>		<u>20,559.</u>

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
EVAL & PROGRAM CONSULTANTS	111,582.		111,582.
INVESTMENT MANAGEMENT FEES	178,077.	178,077.	
ADVISORY BOARD STIPEND	18,400.		18,400.
COMPUTER SUPPORT	22,119.	1,770.	20,349.
TOTALS	<u>330,178.</u>	<u>179,847.</u>	<u>150,331.</u>

ATTACHMENT 5

FORM 990PF, PART I - INTEREST EXPENSE

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
PASS THROUGH FROM P'SHIP	55,185.	55,185.
TOTALS	<u>55,185.</u>	<u>55,185.</u>

ATTACHMENT 6

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
OTHER MISCELLANEOUS TAXES	725.	58.	667.
FOREIGN TAXES	13,220.	13,211.	
FEDERAL EXCISE TAXES	10,087.		
TOTALS	<u>24,032.</u>	<u>13,269.</u>	<u>667.</u>

ATTACHMENT 7

FORM 990PF, PART I - OTHER EXPENSES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
PASS THROUGH FROM P'SHIP - DED RELATED TO PORTFOLIO INCOME	89,920.	89,920.	
OFFICE SUPPLIES	2,461.	197.	2,264.
TELEPHONE	11,941.	955.	10,986.
POSTAGE & DELIVERY	707.	57.	650.
STAFF DEVELOPMENT	4,290.	343.	3,946.
MISC EXPENSES	3,565.	285.	3,280.
LIABILITY INSURANCE	4,482.	359.	4,123.
REPAIRS & MAINTENANCE	2,209.	177.	2,032.
DUES & SUBSCRIPTIONS	1,046.	84.	962.
PASS THROUGH FROM P'SHIP - CHARITABLE CONTRIBUTION	1,023.		1,023.
KITCHEN SUPPLIES	1,257.	100.	1,157.
EXTERNAL COMMUNICATIONS	332.		332.
EXPENSES ALLOCATED TO UBTI		-2,224.	
TOTALS	<u>123,233.</u>	<u>90,253.</u>	<u>30,755.</u>

FORM 990PF, PART II - OTHER INVESTMENTS

ATTACHMENT 8

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
LEGACY VENTURE II, LLC	637,866.	637,866.
PIMCO COMMODITY REAL RETURN		
METROPOLITAN REAL EST PARTNERS	218,320.	218,320.
WALDEN LARGE CAP CORE	1,267,245.	1,267,245.
LEGACY VENTURE III	724,690.	724,690.
LEGACY VENTURE IV	1,268,649.	1,268,649.
STEELHEAD NAVIGATOR HEDGED EQ	399,745.	399,745.
SS EQUITIES & FIXED INCOME FD	4,071,641.	4,071,641.
SS KENNEDY CAPITAL US EQUITY		
SS NEUBERGER BERMAN US EQUITY	41.	41.
ARCHIPELAGO HOLDINGS	779,125.	779,125.
ASIAN CENTURY QUEST OFFSHORE		
BAY POND HEDGED EQUITY		
DSAM HEDGED EQUITY	843,309.	843,309.
AVENUE INTERNATIONAL	598,839.	598,839.
FCA ELEMENT HEDGE FUND	549,142.	549,142.
IR&M INTERMEDIATE FUND	936,102.	936,102.
MERGANSER CORE PLUS BOND FUND	1,918,558.	1,918,558.
LOOMIS SAYLES GLOBAL FIXED INC	1,938,916.	1,938,916.
FRONTIER SMALL VALUE	1,252,447.	1,252,447.
WHV INTERNATIONAL EQUITY	630,812.	630,812.
AXIOM EMERGING MARKETS	1,000,849.	1,000,849.
SPINNAKER GLOBAL EM FUND	653,971.	653,971.
GLENVIEW CAPITAL PARTNERS	477,270.	477,270.
	550,285.	550,285.
TOTALS	<u>20,717,822.</u>	<u>20,717,822.</u>

ATTACHMENT 9

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
DEPOSITS	4,341.	4,341.
FIT REFUND RECEIVABLE	155,085.	155,085.
MISCELLANEOUS RECEIVABLE	1,086.	1,086.
TOTALS	<u>160,512.</u>	<u>160,512.</u>

ATTACHMENT 10

FORM 990PF, PART II - OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
MASTERCARD BALANCE	13,249.
MEDICAL PREMIUMS PAYABLE	39.
TOTALS	<u>13,288.</u>

ATTACHMENT 11FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UNREALIZED GAIN/LOSS ON INVESTMENTS	350,975.
TOTAL	<u>350,975.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 12

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
PAUL BRAINERD 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	PRES/TREAS 1.00	0	0	0
ANN KRUMBOLTZ 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	VICE PRESIDENT 37.50	168,750.	31,967.	0
SHERRY E. BRAINERD 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	VP/SECRETARY 5.00	0	0	0
GRAND TOTALS		168,750.	31,967.	0

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

ATTACHMENT 13

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS EXPENSE ACCT TO EMPLOYEE AND OTHER BENEFIT PLANS ALLOWANCES</u>
JAMES OWENS 1601 2ND AVE, STE 610 SEATTLE, WA 98101	PROGRAM OFFICER 37.50	115,439.	29,358. 0
CRYSTAL ANDERSON 1610 2ND AVE, STE 610 SEATTLE, WA 98101	CONTROLLER 24.50	64,752.	15,384. 0
HARRIET CAMBRIDGE 1610 2ND AVE, STE 610 SEATTLE, WA 98101	OFFICE MANAGER 37.50	53,810.	21,198. 0
	TOTAL COMPENSATION	<u>234,001.</u>	<u>65,940. 0</u>

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 14

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
KEIKI KEHOE 6548 27TH AVE NW SEATTLE, WA 98117	OVERSEES GRANT PROG	94,425.
WINDROSE ADVISORS 800 BOYLSTON STREET, 24TH FL BOSTON, MA 02199	INVESTMENT MNGMT	146,850.
	TOTAL COMPENSATION	<u>241,275.</u>

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

ANN KRUMBOLTZ, BRAINERD FOUNDATION
1601 SECOND AVE., SUITE 610
SEATTLE, WA 98101-1541
206-448-0676

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

GEOGRAPHICAL RESTRICTIONS -- LIMITED TO PACIFIC NORTHWEST
CHARITABLE FIELD RESRICTIONS -- ENVIRONMENTAL

FORM 990EF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
PROGRAM GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	ENVIRONMENTAL PRESERVATION	2,518,000.
GRASSROOTS GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	ENVIRONMENTAL PRESERVATION	30,000.
OPPORTUNITY GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	ENVIRONMENTAL PRESERVATION	76,500.
EXECUTIVE DIRECTOR GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	ENVIRONMENTAL PRESERVATION	50,056.
MATCHING GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	GENERAL SUPPORT	5,950.
BOD DISCRETIONARY GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PC	ENVIRONMENTAL PRESERVATION	20,000.
TOTAL CONTRIBUTIONS PAID			<u>2,700,506.</u>

FORM 990FF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 18

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

RECIPIENT NAME AND ADDRESS

SEE ATTACHMENT B
ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE
ON REQUEST

ENVIRONMENTAL PRESERVATION

710,000.

N/A

PC

TOTAL CONTRIBUTIONS APPROVED

710,000.