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Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

Do not enter social security numbers on this form as it may be made public.

Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning SEP 1, 2015, and ending AUG 31, 2016

Name of foundation
THE HERBERT JONES FOUNDATION
C/O KEYBANK PRIVATE BANK, TRUST OFFICER

Number and street (or P O box number if mail is not delivered to street address)
1301 FIFTH AVE, SUITE 2400

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

A Employer identification number
94-3124801

B Telephone number
(206) 285-1729

C If exemption application is pending, check here ☐

D 1 Foreign organizations, check here ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16)
\$ 12,822,224.

J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify) _____

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).)

	(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			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	83,329.	83,329.		STATEMENT 1
4 Dividends and interest from securities	177,071.	177,071.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	145,144.			
b Gross sales price for all assets on line 6a	1,835,679.			
7 Capital gain net income (from Part IV, line 2)		145,144.		
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)				
11 Other income				
12 Total. Add lines 1 through 11	405,544.	405,544.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 3	2,370.	1,185.		1,185.
c Other professional fees STMT 4	65,772.	60,772.		0.
17 Interest				
18 Taxes STMT 5	10,023.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 6	3,145.	1,162.		1,983.
24 Total operating and administrative expenses. Add lines 13 through 23	81,310.	63,119.		3,168.
25 Contributions, gifts, grants paid	587,047.			587,047.
26 Total expenses and disbursements. Add lines 24 and 25	668,357.	63,119.		590,215.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-262,813.			
b Net investment income (if negative, enter -0-)		342,425.		
c Adjusted net income (if negative, enter -0-)			N/A	

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LHA For Paperwork Reduction Act Notice, see instr

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		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		382,618.	219,422.	219,422.
	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				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations				
	b	Investments - corporate stock	STMT 7	3,882,907.	3,944,172.	6,556,177.
	c	Investments - corporate bonds	STMT 8	1,258,182.	1,254,384.	1,276,934.
	11	Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other	STMT 9	3,996,622.	3,839,538.	4,769,691.	
14	Land, buildings, and equipment: basis ▶					
	Less accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		9,520,329.	9,257,516.	12,822,224.	
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				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		9,520,329.	9,257,516.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		0.	0.	
	30	Total net assets or fund balances		9,520,329.	9,257,516.	
	31	Total liabilities and net assets/fund balances		9,520,329.	9,257,516.	

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	9,520,329.
2	Enter amount from Part I, line 27a	2	-262,813.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	9,257,516.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,257,516.

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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 KEY BANK #9340 - SEE ATTACHMENT				
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 1,835,679.		1,690,535.	145,144.	
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			145,144.	
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	145,144.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):			3	N/A
If gain, also enter in Part I, line 8, column (c).				
If (loss), enter -0- in Part I, line 8				

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))
2014	360,880.	12,562,078.	.028728
2013	398,972.	12,050,799.	.033108
2012	545,746.	11,075,913.	.049273
2011	526,806.	10,510,665.	.050121
2010	599,717.	11,076,860.	.054141
2 Total of line 1, column (d)			2 .215371
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 .043074
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5			4 12,347,028.
5 Multiply line 4 by line 3			5 531,836.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 3,424.
7 Add lines 5 and 6			7 535,260.
8 Enter qualifying distributions from Part XII, line 4			8 590,215.

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.

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

- 1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1.
Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)

- b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b

- c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).

- 2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

- 3 Add lines 1 and 2

- 4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

- 5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-

- 6 Credits/Payments:

- a 2015 estimated tax payments and 2014 overpayment credited to 2015

- b Exempt foreign organizations - tax withheld at source

- c Tax paid with application for extension of time to file (Form 8868)

- d Backup withholding erroneously withheld

- 7 Total credits and payments. Add lines 6a through 6d

- 8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached

- 9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed

- 10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid

- 11 Enter the amount of line 10 to be: Credited to 2016 estimated tax ☒ 8,816. Refunded ☐

Part VII-A Statements Regarding Activities

- 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

- b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?

If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

- c Did the foundation file Form 1120-POL for this year?

- d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

(1) On the foundation. ☒ \$ 0. (2) On foundation managers. ☒ \$ 0.

- e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ☒ \$ 0.

- 2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

If "Yes," attach a detailed description of the activities.

- 3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes

- 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

- b If "Yes," has it filed a tax return on Form 990-T for this year?

- 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

If "Yes," attach the statement required by General Instruction T.

- 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:

- By language in the governing instrument, or

- By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?

- 7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV

- 8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ WA

- b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation

- 9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV

- 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8b	X	
9		X
10		X

N/A

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Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► WWW.HBJFOUNDATION.COM	13	X
14 The books are in care of ► KEYBANK NATIONAL ASSOCIATION Telephone no. ► 206-285-1729 Located at ► 1301 FIFTH AVE SUITE 2400, SEATTLE, WA ZIP+4 ► 98101		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A
16 At any time during calendar year 2015, 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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
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 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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.) 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. ►	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b If "Yes," did it have excess business holdings in 2015 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 2015) N/A	3b	
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 2015?	4b	X

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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)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

If "Yes" to 6b, file Form 8870.

X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10		0.	0.	0.

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

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

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

▶ 0

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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	12,330,253.
b	Average of monthly cash balances	1b	204,801.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	12,535,054.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	12,535,054.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	188,026.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,347,028.
6	Minimum investment return. Enter 5% of line 5	6	617,351.

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	617,351.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	3,424.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,424.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	613,927.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	613,927.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	613,927.

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	590,215.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	590,215.
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	5	3,424.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	586,791.

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2015				613,927.
a Enter amount for 2014 only			587,930.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ \$ 590,215.				
a Applied to 2014, but not more than line 2a			587,930.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2015 distributable amount				
e Remaining amount distributed out of corpus	0.			2,285.
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				611,642.
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)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling ▶

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

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

Tax year	Prior 3 years			(e) Total
(a) 2015	(b) 2014	(c) 2013	(d) 2012	
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test - enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test - enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the 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).)

NONE

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

NONE

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

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

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

SEE STATEMENT 11

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CENTRAL WASHINGTON UNIVERSITY FOUNDATION	NONE	EDUCATION	CENTER FOR ENTREPRENEURSHIP	35,000.
EDC TEAM JEFFERSON	NONE	EDUCATION	BUSINESS PLANNING COURSE	15,000.
EASTERN WASHINGTON UNIVERSITY	NONE	EDUCATION	RETURN OF UNUSED FUNDS GRANTED 6/30/12 - GREEN BUSINESS PRACTICES	-4,199.
ENTERPRISE FOR EQUITY	NONE	EDUCATION	LOW INCOME SCHOLARSHIPS	19,000.
ENTERPRISE FOR EQUITY	NONE	EDUCATION	MOMENTUM AWARDS	5,000.
Total	SEE CONTINUATION SHEET(S)			587,047.
b Approved for future payment				
NONE				
Total				0.

THE HERBERT JONES FOUNDATION

C/O KEYBANK PRIVATE BANK, TRUST OFFICER

94-3124801

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
NORTHWEST INNOVATION RESOURCE CENTER	NONE	EDUCATION	ENTREPRENEURIAL SKILLS	25,000.
NW SCHOOL FOR HEARING IMPAIRED CHILDREN	NONE	EDUCATION	ANNUAL	30,746.
PACIFIC LUTHERAN UNIVERSITY	NONE	EDUCATION	BUSINESS PLAN AWARD	12,500.
SEATTLE PACIFIC UNIVERSITY	NONE	EDUCATION	SOCIAL VENTURE COMPETITION AWARDS	10,000.
SEATTLE UNIVERSITY	NONE	EDUCATION	BUSINESS PLAN AWARD	10,000.
SEATTLE UNIVERSITY	NONE	EDUCATION	PROGRESS AWARDS	20,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	ACCELERATOR AWARD	80,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	HEALTH CHALLENGE	10,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	ENVIRONMENTAL CHALLENGE	10,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	BUSINESS PLAN COMPETITION	26,000.
Total from continuation sheets				517,246.

THE HERBERT JONES FOUNDATION

C/O KEYBANK PRIVATE BANK, TRUST OFFICER

94-3124801

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	INNOVATION CHALLENGE	15,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	INSTITUTE TRANSLATIONAL HEALTH	40,000.
UNIVERSITY OF WASHINGTON	NONE	EDUCATION	MILESTONE AWARDS	80,000.
VENTURES	NONE	EDUCATION	BUSINESS SAVERS CLUBS	30,000.
WASHINGTON BUSINESS WEEK	NONE	EDUCATION	HIGH SCHOOL STUDENT PROGRAMS	50,000.
WASHINGTON STATE UNIVERSITY	NONE	EDUCATION	BUSINESS PLAN AWARD	40,000.
WHITWORTH UNIVERSITY	NONE	EDUCATION	BUSINESS PLAN COMPETITION	13,000.
WHITWORTH UNIVERSITY	NONE	EDUCATION	INLAND BUSINESS PLAN COMPETITION	15,000.
Total from continuation sheets				



Account Statement

HERBERT B JONES FOUNDATION M/AG 0809340
September 01, 2015 - August 31, 2016

Realized Gain/Loss from Sales

Description	Settle Date	Trade Date	Units Sold	Proceeds	Tax Cost	Base Currency USD	
						Short Term Gain/Loss	Long Term Gain/Loss
WILLIAMS COS INC DEL COM	11/20/2015	11/17/2015	-1,000 0000	37,509 80	-46,030 00	-8,520 20	0 00
CELGENE CORP COM	11/20/2015	11/17/2015	-200 0000	22,183 59	-5,646 45	0 00	16,537 14
EDGEWELL PERSONAL CARE CO COM	11/20/2015	11/17/2015	-555 0000	41,938 46	-35,345 46	0 00	6,593 00
MCKESSON CORP COM	11/20/2015	11/17/2015	-100 0000	18,558 65	-7,918 00	0 00	10,640 65
KRAFT HEINZ CO COM	11/20/2015	11/17/2015	-1,000 0000	71,470 68	-37,317 71	0 00	34,152 97
COSTCO WHOLESALE CORP COM	11/20/2015	11/17/2015	-250 0000	39,688 54	-9,045 00	0 00	30,643 54
HENRY SCHEIN INC COM	11/20/2015	11/17/2015	-150 0000	23,111 57	-8,340 00	0 00	14,771 57
ENERGIZER HOLDINGS INC COM	11/20/2015	11/17/2015	-555 0000	19,964 98	-12,223 59	0 00	7,741 39
ALBEMARLE CORP COM	02/04/2016	02/01/2016	-500 0000	26,079 51	-31,600 00	-5,520 49	0 00
MASTERCARD INC COM CL A	02/04/2016	02/01/2016	-100 0000	8,833 83	-3,900 30	0 00	4,933 53
PEPSICO INC COM	02/04/2016	02/01/2016	-120 0000	11,873 78	-5,346 00	0 00	6,527 78
MONDELEZ INTERNATIONAL INC COM CL A	02/04/2016	02/01/2016	-800 0000	34,007 45	-35,136 00	-1,128 55	0 00
PROCTER & GAMBLE CO COM	02/04/2016	02/01/2016	-650 0000	52,610 23	-52,045 50	0 00	564 73





Account Statement

HERBERT B JONES FOUNDATION M/AG 0809340
September 01, 2015 - August 31, 2016

Realized Gain/Loss from Sales (Continued)

Base Currency: USD

Description	Settle Date	Trade Date	Units Sold	Proceeds	Tax Cost	Short Term Gain/Loss	Long Term Gain/Loss
MEMORIAL RESOURCE DEVELOPMENT CORP COM	02/04/2016	02/01/2016	-2,500 0000	38,975 28	-51,084 50	-12,109 22	0 00
ISHARES CORE S&P MID-CAP ETF CLOSED-END FUND	04/06/2016	04/01/2016	-695 0000	99,837 49	-52,021 31	0 00	47,816 18
T ROWE PRICE GROUP INC COM	05/19/2016	05/16/2016	-75 0000	5,612 12	-2,987 30	0 00	2,624 82
MASTERCARD INC COM CL A	05/19/2016	05/16/2016	-100 0000	9,635 78	-3,900 30	0 00	5,735 48
JP MORGAN CHASE & CO COM	05/19/2016	05/16/2016	-100 0000	6,170 86	-6,051 00	0 00	119 86
PROCTER & GAMBLE CO COM	05/19/2016	05/16/2016	-80 0000	6,543 05	-6,405 60	0 00	137 45
AMERICAN WATER WORKS CO INC COM	05/19/2016	05/16/2016	-220 0000	16,534 85	-6,711 61	0 00	9,823 24
COSTCO WHOLESALE CORP COM	05/19/2016	05/16/2016	-75 0000	10,966 34	-2,713 50	0 00	8,252 84
ZIONS BANCORP COM	05/19/2016	05/16/2016	-200 0000	5,253 90	-4,127 98	0 00	1,125 92
WALT DISNEY CO COM	05/19/2016	05/16/2016	-100 0000	10,033 78	-3,436 92	0 00	6,596 86
MORGAN STANLEY COM	05/19/2016	05/16/2016	-435 0000	11,401 10	-13,903 17	0 00	-2,502 07
ALPHABET INC COM CL C	05/19/2016	05/16/2016	-25 0000	17,929 85	-3,571 20	0 00	14,358 65
ISHARES MSCI EMERGING MKTS INDEX CLOSED-END FUND	06/20/2016	06/15/2016	-10,260 0000	340,419 36	-439,130 30	0 00	-98,710 94





Account Statement

HERBERT B JONES FOUNDATION M/AG 0809340
September 01, 2015 - August 31, 2016

Realized Gain/Loss from Sales (Continued)

Description	Settle Date	Trade Date	Units Sold	Proceeds	Tax Cost	Base Currency USD	
						Short Term Gain/Loss	Long Term Gain/Loss
ISHARES MSCI EAFE INDEX FUND CLOSED-END FUND	06/20/2016	06/15/2016	-10,485 0000	584,865 70	-598,545 85	0 00	-13,680 15
PROCTER & GAMBLE CO SENIOR NT DTD 08/15/11 1 45% DUE 08/15/16			-100,000 0000	100,000 00	-100,000 00	0 00	0 00
HENRY SCHEIN INC COM	08/23/2016	08/18/2016	-120 0000	19,374 77	-6,672 00	0 00	12,702 77
DANAHER CORP DEL COM	08/23/2016	08/18/2016	-810 0000	65,454 67	-36,575 81	0 00	28,878 86
PHILLIPS 66 COM	08/23/2016	08/18/2016	-1,010 0000	78,838 88	-62,802 32	0 00	16,036 56
Total Realized Gain/Loss from Sales				\$1,835,678 85	\$-1,690,534 68	\$-27,278 46	\$172,422 63

*This schedule does not include the impact of any taxable corporate action activity. This is for informational purposes only and is not for tax advice. Please see your tax advisor for tax advice.
Gain/loss information reported on common funds may not reflect all accrued gain/loss basis adjustments.*



FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
KEY BANK - TAXABLE INTEREST	83,329.	83,329.	
TOTAL TO PART I, LINE 3	83,329.	83,329.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
KEY BANK - DIVIDENDS	177,071.	0.	177,071.	177,071.	
TO PART I, LINE 4	177,071.	0.	177,071.	177,071.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEE	2,370.	1,185.		1,185.
TO FORM 990-PF, PG 1, LN 16B	2,370.	1,185.		1,185.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
KEY BANK FEES	65,772.	60,772.		0.
TO FORM 990-PF, PG 1, LN 16C	65,772.	60,772.		0.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES PAID	10,023.	0.		0.
TO FORM 990-PF, PG 1, LN 18	10,023.	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEMBERSHIP - EXPONENT PHILANTHROPY	750.	0.		750.
WASHINGTON STATE FILING FEES	25.	13.		12.
FIDELITY INSURANCE BOND PREMIUM	1,200.	600.		600.
ANNUAL BOARD MEETING	1,094.	547.		547.
MAIL & POSTAGE	5.	2.		3.
WEBSITE SERVICES	71.	0.		71.
TO FORM 990-PF, PG 1, LN 23	3,145.	1,162.		1,983.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	3,944,172.	6,556,177.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,944,172.	6,556,177.

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	1,254,384.	1,276,934.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,254,384.	1,276,934.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME INVESTMENTS	COST	2,332,074.	2,466,166.
U.S. MUTUAL FUNDS	COST	574,851.	1,299,036.
FOREIGN MUTUAL FUNDS	COST	932,613.	990,539.
MISCELLANEOUS ASSETS	COST	0.	13,950.
TOTAL TO FORM 990-PF, PART II, LINE 13		3,839,538.	4,769,691.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
MICHAEL BAUER C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
BILL ERWERT C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
TERRY SMITH C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
TOM CRHA C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
TAMMY MILLER C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
TERI TINGVALL C/O KEYBANK NATIONAL ASSOCIATION, 1301 FIFTH AVE, SUITE 2400 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0. 0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0. 0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

HERBERT B. JONES FOUNDATION C/O KEYBANK NATIONAL ASSOCIATION,
1301 FIFTH AVE SUITE 2400
SEATTLE, WA 98101

TELEPHONE NUMBER

206-285-1729

FORM AND CONTENT OF APPLICATIONS

SEE COPY OF ONLINE GRANT APPLICATION ATTACHED.

ANY SUBMISSION DEADLINES

FIRST MONDAY IN APRIL.

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE FOUNDATION PROMOTES ENTREPRENEURISM AND SMALL BUSINESS THROUGH THE
INITIAL AND TEMPORARY SUPPORT OF NEW BUSINESS PROGRAMS MANAGED BY POST-
SECONDARY EDUCATIONAL ENTITIES IN THE STATE OF WASHINGTON. SEE MISSION
STATEMENT ON WEBSITE.