

Form **990-PF**Department of the Treasury
Internal Revenue Service

EXTENDED TO NOVEMBER 15, 2018

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.
Go to www.irs.gov/Form990PF for instructions and the latest information.

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning

, and ending

Name of foundation ELLISON FOUNDATION		A Employer identification number 91-6557865
Number and street (or P O box number if mail is not delivered to street address) 400 112TH AVE. NE	Room/suite 230	B Telephone number 425-450-2300
City or town, state or province, country, and ZIP or foreign postal code BELLEVUE, WA 98004		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 47,965,145.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ If the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		894,343.	894,138.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		608,102.			
b Gross sales price for all assets on line 6a 5,374,728.					
7 Capital gain net income (from Part IV, line 2)			608,102.		
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		50,544.	50,544.		STATEMENT 2
12 Total. Add lines 1 through 11		1,552,989.	1,552,784.		
13 Compensation of officers, directors, trustees, etc		125,020.	0.		125,020.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		21,643.	0.		21,643.
16a Legal fees					
b Accounting fees					
c Other professional fees STMT 3		173,283.	172,407.		853.
17 Interest					
18 Taxes STMT 4		15,873.	16,873.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		3,509.	0.		3,175.
22 Printing and publications		13.	0.		13.
23 Other expenses STMT 5		6,667.	3,411.		3,256.
24 Total operating and administrative expenses. Add lines 13 through 23		346,008.	192,691.		153,960.
25 Contributions, gifts, grants paid		3,073,995.			3,073,995.
26 Total expenses and disbursements. Add lines 24 and 25		3,420,003.	192,691.		3,227,955.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-1,867,014.			
b Net investment income (if negative, enter -0-)			1,360,093.		
c Adjusted net income (if negative, enter -0-)				N/A	

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	1,392,908.	9,100,385.	9,100,385.
	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 STMT 6	322,067.	231,666.	231,666.
	b Investments - corporate stock STMT 7	21,596,673.	26,402,082.	26,402,082.
	c Investments - corporate bonds STMT 8	9,863,294.	8,528,291.	8,528,291.
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 9	11,970,044.	3,702,721.	3,702,721.	
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)	45,144,986.	47,965,145.	47,965,145.	
Liabilities	17 Accounts payable and accrued expenses	3,963.	4,730.	
	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)	3,963.	4,730.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ☐ and complete lines 24 through 26, and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	45,141,023.	47,960,415.	
30 Total net assets or fund balances	45,141,023.	47,960,415.		
31 Total liabilities and net assets/fund balances	45,144,986.	47,965,145.		

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	45,141,023.
2 Enter amount from Part I, line 27a	2	-1,867,014.
3 Other increases not included in line 2 (itemize) ▶ UNREALIZED GAINS ON INVESTMENTS	3	4,686,406.
4 Add lines 1, 2, and 3	4	47,960,415.
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	47,960,415.

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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 (for example, 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			
b SEE ATTACHED STATEMENTS			
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 5,374,728.		4,781,055.	608,102.

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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			608,102.

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	608,102.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 doesn't 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))
2016	2,992,748.	44,025,545.	.067978
2015	4,017,092.	47,267,787.	.084986
2014	2,017,768.	50,027,096.	.040334
2013	1,726,159.	47,978,729.	.035978
2012	601,159.	26,584,358.	.022613

2 Total of line 1, column (d)	2	.251889
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	.050378
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	44,941,655.
5 Multiply line 4 by line 3	5	2,264,071.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	13,601.
7 Add lines 5 and 6	7	2,277,672.
8 Enter qualifying distributions from Part XII, line 4	8	3,227,955.

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

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

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 2017 estimated tax payments and 2016 overpayment credited to 2017

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

6a 30,322.

6b 0.

6c 0.

6d 0.

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 2018 estimated tax **16,721.** Refunded **0.**

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 the 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 2017 or the tax year beginning in 2017? See the 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

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		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		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	X	
14 The books are in care of ► <u>LEGACY CAPITAL</u> Telephone no. ► <u>425-450-2300</u> Located at ► <u>400 112TH AVE NE, STE 230, BELLEVUE, WA</u> ZIP+4 ► <u>98004</u>		
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		
16 At any time during calendar year 2017, 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 ►		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?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions Organizations relying on a current notice regarding disaster assistance, check here		X
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 2017?		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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? If "Yes," list the years ►	☐ Yes ☒ No	
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. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If "Yes," did it have excess business holdings in 2017 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 2017.)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2017?		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

Organizations relying on a current notice regarding disaster assistance, check here

N/A

▶ ☐

5b

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?

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

6b

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, and 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
THOMAS ELLISON	PRESIDENT			
C/O LEGACY COMPANIES. 400 112TH AVE N	5.00	0.	0.	0.
BELLEVUE, WA 98004				
MAUREEN SUE ELLISON	V. PRESIDENT			
C/O LEGACY COMPANIES. 400 112TH AVE N	4.00	0.	0.	0.
BELLEVUE, WA 98004				
ROBERT HURLBUT	FOUNDATION DIRECTOR			
400 112TH AVE. NE, STE 230	40.00	125,020.	11,701.	0.
BELLEVUE, WA 98004				

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 VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

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

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0.

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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	39,614,517.
b	Average of monthly cash balances	1b	6,011,529.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	45,626,046.
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	45,626,046.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	684,391.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	44,941,655.
6	Minimum investment return. Enter 5% of line 5	6	2,247,083.

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	2,247,083.
2a	Tax on investment income for 2017 from Part VI, line 5	2a	13,601.
b	Income tax for 2017. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	13,601.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,233,482.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,233,482.
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	2,233,482.

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	3,227,955.
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	3,227,955.
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	13,601.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	3,214,354.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				2,233,482.
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2017:				
a From 2012				
b From 2013				
c From 2014				
d From 2015	1,683,959.			
e From 2016	806,074.			
f Total of lines 3a through e	2,490,033.			
4 Qualifying distributions for 2017 from Part XII, line 4: ▶ \$ 3,227,955.				
a Applied to 2016, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2017 distributable amount				2,233,482.
e Remaining amount distributed out of corpus	994,473.			
5 Excess distributions carryover applied to 2017 (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:	3,484,506.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
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 2016. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018				0.
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 2012 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	3,484,506.			
10 Analysis of line 9:				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015	1,683,959.			
d Excess from 2016	806,074.			
e Excess from 2017	994,473.			

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ART WITH HEART SEATTLE, WA		PC	YOUTH SERVICES	10,000.
BELLEVUE LIFESPRING BELLEVUE, WA 98004		PC	HUMAN SERVICES	5,000.
BOY SCOUTS OF AMERICA-CHIEF SEATTLE COUNCIL SEATTLE, WA		PC	SCOUTING	40.
CASA LATINA SEATTLE, WA		PC	HUMAN SERVICES	20,000.
FAMILY LAW CASA SEATTLE, WA		PC	PROVIDE ADVOCATES FOR CHILDREN	5,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				3,073,995.
b Approved for future payment				
RECOVERY CAFE, SEATTLE, WA		PC	COUNSELING PROGRAMS	30,000.
LEMAY CAR MUSEUM TACOMA, WA		PC	GENERAL OPERATIONS	50,000.
Total ▶ 3b				80,000.

ELLISON FOUNDATION

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	72,627.861 AQR EQUITY MARKET NEUTRAL	P	04/06/16	07/12/17
b	25,000 CORNELL UNIVERSITY	P	04/09/09	01/19/17
c	30,000 FHLB 5.25%	P	07/10/07	06/05/17
d	25,000 NY CITY TRANSITIONALFIN AUTH REV	P	02/26/09	08/01/17
e	36,549.708 DODGE & COX INCOME FUND	P	01/15/15	03/15/17
f	36,549.708 DODGE & COX INCOME FUND-WASH SALE ADJ		01/15/15	03/15/17
g	78,630.897 EQUINOX CAMPBELL STRATEGY FUND CLASS I	P	03/14/16	06/01/17
h	43,591.979 JP MORGAN CORE BOND FUND CLASS I	P	08/14/13	03/15/17
i	43,591.979 JP MORGAN CORE BOND FUND CLASS I-WASH		08/14/13	03/15/17
j	24,419.148 JP MORGAN CORE BOND FUND CLASS I	P	01/15/15	04/06/17
k	40,459.745 JP MORGAN CORE BOND FUND CLASS I	P	08/14/13	04/06/17
l	40,459.745 JP MORGAN CORE BOND FUND CLASS I-WASH		08/14/13	04/06/17
m	0.035 CENTURYLINK INC-CASH IN LIEU	P	08/31/16	11/01/17
n	1,225 LEVEL 3 COMMUNICATIONS INC MERGER	P	VARIOUS	11/01/17
o	9.9024 SANDALWOOD	P	09/30/06	01/20/17

(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 887,512.		852,651.	34,861.
b 26,897.		24,973.	1,924.
c 30,000.		29,347.	653.
d 25,000.		25,476.	-476.
e 500,000.		508,406.	-8,406.
f		-193.	193.
g 773,728.		850,000.	-76,272.
h 500,000.		505,667.	-5,667.
i		-106.	106.
j 282,285.		291,565.	-9,280.
k 467,715.		469,333.	-1,618.
l		-11.	11.
m 1.		1.	0.
n 32,463.		26,854.	5,609.
o 18,741.		13,758.	4,983.

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

(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	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			34,861.
b			1,924.
c			653.
d			-476.
e			-8,406.
f			193.
g			-76,272.
h			-5,667.
i			106.
j			-9,280.
k			-1,618.
l			11.
m			0.
n			5,609.
o			4,983.

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

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).
If (loss), enter "-0-" in Part I, line 8

3

ELLISON FOUNDATION

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	K-1 AG OPPORTUNISTIC WHOLE LOAN SELECT, LP			
b	BLUEMOUNTAIN LONG/SHORT	P	10/31/12	09/12/17
c	THIRD POINT OFFSHORE FUND	P	12/31/12	05/03/17
d	CAPITAL GAINS DIVIDENDS			
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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			14,429.
b	546,597.	500,000.	46,597.
c	983,487.	683,334.	300,153.
d	300,302.		300,302.
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			14,429.
b			46,597.
c			300,153.
d			300,302.
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	608,102.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

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
FINLEY SCHOOL DISTRICT KENNEWICK, WA		PC	EDUCATION	5,000.
FRIENDS OF 88.5 FM SEATTLE, WA		PC	MATCHING	120.
GROWING VETERANS MOUNT VERNON, WA		PC	HUMAN SERVICES	15,000.
GREEN GABLES ELEMENTARY FEDERAL WAY, WA		PC	EDUCATION	2,500.
JEWISH FAMILY SERVICES SEATTLE, WA		PC	HUMAN SERVICES	5,000.
KINDERING BELLEVUE, WA		PC	HEALTHCARE	25,000.
GIRL SCOUTS OF WESTERN WASHINGTON SEATTLE, WA		PC	HUMAN SERVICES	25,000.
LEMAI CAR MUSEUM TACOMA, WA		PC	GENERAL OPERATIONS	25,000.
MARY'S PLACE SEATTLE, WA		PC	HOMELESS NEEDS	75,800.
MEMORIAL SLOAN-KETTERING CANCER CENTER NEW YORK, NY		PC	CANCER RESEARCH	4,000.
Total from continuation sheets				3,033,955.

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
MAPLE ELEMENTARY SEATTLE, WA		PC	EDUCATION	3,500.
MOVEMBER FOUNDATION CULVER CITY, CA		PC	MEN'S HEALTH	500.
OAKSDALE SCHOOL DISTRICT OAKSDALE, WA		PC	EDUCATION	3,000.
ONE BY ONE SEATTLE, WA		PC	COUNSELING & SUPPORT	6,000.
POWERFUL VOICES SEATTLE, WA		PC	YOUTH PROGRAMS	2,500.
RAINIER PREP		PC	YOUTH SERVICES	50,000.
RECOVERY CAFE SEATTLE, WA 98121		PC	COUNSELING PROGRAMS	20,250.
SAMISH ELEMENTARY SCHOOL SEDRO-WOOLLEY, WA		PC	EDUCATION	5,000.
SALVATION ARMY SEATTLE, WA 98109		PC	GENERAL OPERATIONS	5,000.
SCHOLARSHIP FUND FOR RAINIER SCHOLARS SEATTLE, WA		PC	EDUCATION, SCHOLARSHIPS	50,000.
Total from continuation sheets				

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
SEATTLE CHILDREN'S HOSPITAL SEATTLE, WA		PC	MEDICAL	506,750.
SEATTLE POLICE FOUNDATION SEATTLE, WA		PC	PUBLIC SAFETY	5,000.
SEATTLE EDUCATION ACCESS SEATTLE, WA		PC	EDUCATION	5,000.
SPOKANE SCHOOL DISTRICT SPOKANE, WA		PC	EDUCATION	5,000.
ONALASKA SCHOOL DISTRICT ONALASKA, WA		PC	EDUCATION	5,000.
STOLEN YOUTH SEATTLE, WA 98111		PC	YOUTH INTERVENTION	10,000.
SANDY HOOK PROMISE FOUNDATION NEWTON, CT		PC	VIOLENCE PREVENTION	1,500.
UNITED WAY OF KING COUNTY SEATTLE, WA		PC	SAFETY NET FUND	100,000.
UNITED WAY-OBLITERIDE SEATTLE, WA		PC	HUMAN SERVICES	100,000.
WALLA WALLA SCHOOL DISTRICT WALLA WALLA, WA		PC	EDUCATION	5,000.
Total from continuation sheets				

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
BEHIND THE BADGE FOUNDATION ISSAQUAH, WA		PC	HUMAN SERVICES	5,000.
UNITED WAY-UW FOUNDATION SEATTLE, WA		PC	EDUCATION	1,200,000.
UNIVERSITY OF WASHINGTON FOUNDATION SEATTLE, WA		PC	MEDICAL	225,000.
DAVENPORT SCHOOL DAVENPORT, WA		PC	EDUCATION	3,200.
MARTIN SORTUN ELEMENTARY KENT, WA		PC	MEDICAL SERVICES	5,000.
ALZHEIMER'S ASSOCIATION SEATTLE, WA		PC	MEDICAL RESEARCH	50,385.
FOOD LIFELINE SEATTLE, WA 98108		PC	HUNGER/POVERTY	25,000.
LIFEWIRE BELLEVUE, WA 98008		PC	HOUSING	50,000.
LIGHTHOUSE FOR THE BLIND SEATTLE		NC	GENERAL SUPPORT	2,000.
MEDICAL TEAMS INTERNATIONAL PORTLAND, OR		PC	HAITI RELIEF	20,000.
Total from continuation sheets				

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
NW CHILDREN'S FUND SEATTLE, WA 98144		PC	EMERGENCY FOOD DISTRIBUTION	5,000.
PAN-MASS CHALLENGE		PC	CANCER RESEARCH	1,250.
PIKE PLACE MARKET FOUNDATION SEATTLE, WA		PC	LOW-INCOME SERVICES	5,000.
RAINIER SCHOLARS SEATTLE, WA		PC	EDUCATION	57,200.
SEATTLE UNIVERSITY SEATTLE		PC	EDUCATION	200,000.
SEATTLE'S UNION GOSPEL MISSION SEATTLE, WA		PC	HOMELESS SUPPORT	400.
TAVON CENTER ISSAQUAH, WA		PC	MATCHING CONTRIBUTION	200.
UW MEDICINE SEATTLE		PC	MEDICAL	1,200.
INSTITUTE FOR SYSTEMS BIOLOGY SEATTLE, WA 98109		PC	RESEARCH	100.
MARINE TOYS FOR TOTS FOUNDATION TRIANGLE, VA		PC	FAMILY SERVICES	50.
Total from continuation sheets				

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
PLYMOUTH HOUSING GROUP SEATTLE, WA 98121		PC	HOUSING	15,500.
JEWISH DAY SCHOOL OF METROPOLITAN SEATTLE BELLEVUE, WA		PC	EDUCATION	5,000.
EASTSIDE BABY CORNER ISSAQUAH, WA 98027		PC	GENERAL OPERATIONS	40,000.
JDRF NEW YORK, NY		PC	MEDICAL	50.
BROTHERS FOR LIFE SEATTLE, WA 98134		PC	HUMAN SERVICES	20,000.
RIVERVIEW SCHOOL DISTRICT CARNATION, WA		PC	EDUCATION	5,000.
RIVERSIDE SCHOOL DISTRICT CHATTAROY, WA		PC	EDUCATION	5,000.
KENNEWICK SCHOOL DISTRICT KENNEWICK, WA		PC	EDUCATION	5,000.
CLOVER PARK SCHOOL DISTRICT LAKEWOOD, WA		PC	EDUCATION	5,000.
DENNY MIDDLE SCHOOL SEATTLE, WA		PC	EDUCATION	5,000.
Total from continuation sheets				

3 Grants and Contributions Paid During the Year (Continuation)

Total from continuation sheets

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CHARLES SCHWAB #1596 EXEMPT GSO PRIVATE INVESTORS OFFSHORE II LP	205.	0.	205.	0.	
JPMORGAN #W-9008 INTEREST PROVIDENCE DEBT III PRIVATE INVESTORS OFFSHORE	34,167.	0.	34,167.	34,167.	
UBS 01829 CAPITAL GAIN DISTRIBUTIONS	18,972.	0.	18,972.	18,972.	
UBS 01829 DIVIDENDS	22,257.	0.	22,257.	22,257.	
UBS 01829 INTEREST	300,302.	300,302.	0.	0.	
UBS 01831 DIVIDENDS	761,623.	0.	761,623.	761,623.	
UBS 01831 INTEREST	835.	0.	835.	835.	
WP ENERGY PRIVATE INVESTORS OFFSHORE 2 LP	50,461.	0.	50,461.	50,461.	
	53.	0.	53.	53.	
TO PART I, LINE 4	5,770.	0.	5,770.	5,770.	
	1,194,645.	300,302.	894,343.	894,138.	

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
K-1 AG OPPORTUNISTIC WHOLE LOAN SELECT, LP	50,544.	50,544.	
TOTAL TO FORM 990-PF, PART I, LINE 11	50,544.	50,544.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	172,430.	172,407.		0.
WEBSITE DESIGN & MAINTENANCE	853.	0.		853.
TO FORM 990-PF, PG 1, LN 16C	173,283.	172,407.		853.

FORM 990-PF	TAXES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	16,873.	16,873.		0.
FEDERAL TAXES PAID (REFUNDED)	-1,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	15,873.	16,873.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LICENSES & FEES	35.	0.		35.
DUES, SUBSCRIPTIONS, BOOKS	265.	0.		265.
OFFICE SUPPLIES & EQUIPMENT	495.	49.		446.
PHONE	765.	0.		765.
MISCELLANEOUS	245.	0.		245.
INVESTMENT EXP	3,312.	3,312.		0.
PORTFOLIO DEDUCTIONS-AG OPPORTUNISTIC WHOLE LOAN SELECT L.P.	50.	50.		0.
ADVERSISING	1,500.	0.		1,500.
TO FORM 990-PF, PG 1, LN 23	6,667.	3,411.		3,256.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME: GOVERNMENT OBLIGATIONS		X	227,892.	227,892.
FIXED INCOME: ACCRUED INTEREST ON GOV'T OBLIGATIONS	X		3,774.	3,774.
TOTAL U.S. GOVERNMENT OBLIGATIONS			3,774.	3,774.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			227,892.	227,892.
TOTAL TO FORM 990-PF, PART II, LINE 10A			231,666.	231,666.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
EQUITIES UBS AC 01829	22,920,065.	22,920,065.
EQUITIES UBS AC 01831	3,482,017.	3,482,017.
TOTAL TO FORM 990-PF, PART II, LINE 10B	26,402,082.	26,402,082.

FORM 990-PF CORPORATE BONDS STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME UBS AC 01829	8,528,291.	8,528,291.
TOTAL TO FORM 990-PF, PART II, LINE 10C	8,528,291.	8,528,291.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
GLOBAL PARTNERSHIP MICROFINANCE FUND	FMV	200,000.	200,000.
SANDALWOOD OVERSEAS LIQUIDATING SPV SPC, LTD	FMV	69,783.	69,783.
HEDGE FUNDS JPM ACCT A20830005-SCHEDULE ATTACHED	FMV	346,501.	346,501.
J.P. MORGAN SECONDARY PRIVATE EQUITY	FMV	425,621.	425,621.
GLOBAL PARTNERSHIP SOCIAL INVESTMENT FUND	FMV	200,000.	200,000.
TORTOISE MLP & PIPELINE-INST	FMV	382,238.	382,238.
GSO PRIVATE INVESTORS OFFSHORE II	FMV	251,420.	251,420.
PROVIDENCE DEBT III	FMV	253,653.	253,653.
WARBURG PINCUS ENERGY	FMV	272,174.	272,174.
AG OPPORTUNISTIC WHOLE LOAN	FMV	378,257.	378,257.
OTHER INVESTMENTS UBS AC 01829	FMV	834,514.	834,514.
PEG SECONDARY PRIV EQUITY III	FMV	88,560.	88,560.
TOTAL TO FORM 990-PF, PART II, LINE 13		3,702,721.	3,702,721.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT	10
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NAME OF MANAGER

THOMAS ELLISON
MAUREEN SUE ELLISON