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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 instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017, or tax year beginning 01-01-2017, and ending 12-31-2017

Name of foundation
HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

Number and street (or P.O. box number if mail is not delivered to street address)
825 NE MULTNOMAH SUITE 1400

City or town, state or province, country, and ZIP or foreign postal code
PORTLAND, OR 97232

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) \$ 15,154,836

J Accounting method

☐ Cash

☒ Accrual

☐ Other (specify) _____
(Part I, column (d) must be on cash basis)

A Employer identification number
93-0988354

B Telephone number (see instructions)
(503) 222-3205

C If exemption application is pending, check here

D 1. Foreign organizations, check here

D 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

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 ☒ if the foundation is not required to attach Sch B			
	3 Interest on savings and temporary cash investments			
	4 Dividends and interest from securities	753,027	753,027	
	5a Gross rents			
	b Net rental income or (loss) _____			
	6a Net gain or (loss) from sale of assets not on line 10	-8,510		
	b Gross sales price for all assets on line 6a 33,120,241			
	7 Capital gain net income (from Part IV, line 2)		0	
	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)				
12 Total. Add lines 1 through 11	744,517	753,027		
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 (attach schedule)			
	b Accounting fees (attach schedule)	2,690	675	2,015
	c Other professional fees (attach schedule)	4,031	4,031	0
	17 Interest			
	18 Taxes (attach schedule) (see instructions)			
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (attach schedule)	14,295	0	1,900
	24 Total operating and administrative expenses. Add lines 13 through 23	21,016	4,706	3,915
	25 Contributions, gifts, grants paid	0		0
	26 Total expenses and disbursements. Add lines 24 and 25	21,016	4,706	3,915
	27 Subtract line 26 from line 12			
	a Excess of revenue over expenses and disbursements	723,501		
	b Net investment income (if negative, enter -0-)		748,321	
c Adjusted net income(if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2017)

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	193,547	176,613	176,613
	2 Savings and temporary cash investments	531,026	317,637	317,637
	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			
	10a Investments—U S and state government obligations (attach schedule)	13,359,286	9,587,666	9,587,666
	b Investments—corporate stock (attach schedule)	779,328	4,876,774	4,876,774
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)	126,892	196,146	196,146	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	14,990,079	15,154,836	15,154,836	
Liabilities	17 Accounts payable and accrued expenses		50	
	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 ▶ _____)			
	23 Total liabilities (add lines 17 through 22)	0	50	
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	14,990,079	15,154,786	
	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			
	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)	14,990,079	15,154,786	
31 Total liabilities and net assets/fund balances (see instructions) .	14,990,079	15,154,836		

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	14,990,079
2 Enter amount from Part I, line 27a	2	723,501
3 Other increases not included in line 2 (itemize) ▶ _____	3	0
4 Add lines 1, 2, and 3	4	15,713,580
5 Decreases not included in line 2 (itemize) ▶ _____	5	558,794
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	15,154,786

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)
1 a PUBLICLY TRADED SECURITIES			
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 33,120,241		33,128,751	-8,510
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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			-8,510
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	-8,510
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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 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	2,025,121	14,856,251	0 136314
2015	344,340	15,935,951	0 021608
2014	0	615,626	0 000000
2013	0	0	0 000000
2012	0	0	0 000000
2 Total of line 1, column (d)			2 0 157922
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 031584
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5			4 14,785,828
5 Multiply line 4 by line 3			5 466,996
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 7,483
7 Add lines 5 and 6			7 474,479
8 Enter qualifying distributions from Part XII, line 4			8 3,915

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	1	14,966
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-)	2	0
3	Add lines 1 and 2.	3	14,966
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	14,966
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	6,000
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d.	7	19,000
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	79
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,955
11	Enter the amount of line 10 to be Credited to 2018 estimated tax ☐ 3,955 Refunded ☐	11	0

Part VII-A Statements Regarding Activities

	Yes	No
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?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>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</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
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? <i>If "Yes," attach a detailed description of the activities</i>	2	No
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? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ OR _____		
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? <i>If "No," attach explanation</i> .	8b	Yes
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 taxable year beginning in 2017 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14	The books are in care of ANTHONY JACKSON Telephone no (503) 222-3205			

Located at **825 NE MULTNOMAH SUITE 1400 PORTLAND OR**ZIP+4 **97232**

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			
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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶	16	Yes	No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐ 1b		
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? ☐ 1c		No
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? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions). ☐ 2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 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). ☐ Yes ☒ No 3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a		No
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? 4b		No

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. ☐ 	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? ☐ Yes ☐ No <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>			
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 <i>If "Yes" to 6b, file Form 8870</i>	6b		No
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	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

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

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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
NONE				

Total number of other employees paid over \$50,000. **0****3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".**

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

Total number of others receiving over \$50,000 for professional services. **0****Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
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	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3. **0**

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	14,178,503
b	Average of monthly cash balances.	1b	636,344
c	Fair market value of all other assets (see instructions).	1c	196,146
d	Total (add lines 1a, b, and c).	1d	15,010,993
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	15,010,993
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	225,165
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	14,785,828
6	Minimum investment return. Enter 5% of line 5.	6	739,291

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	739,291
2a	Tax on investment income for 2017 from Part VI, line 5.	2a	14,966
b	Income tax for 2017 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	14,966
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	724,325
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	724,325
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	724,325

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	3,915
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	3,915
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	3,915

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				724,325
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2017				
a From 2012.				
b From 2013.				
c From 2014.				
d From 2015.				
e From 2016.				822,244
f Total of lines 3a through e.	822,244			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 3,915				
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.				3,915
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))	720,410			720,410
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	101,834			
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 instructions			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 (see instructions).	0			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	101,834			
10 Analysis of line 9				
a Excess from 2013.				
b Excess from 2014.				
c Excess from 2015.				
d Excess from 2016.				101,834
e Excess from 2017.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling. ▶					
b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)					
2a 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) 2017	(b) 2016	(c) 2015	(d) 2014	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c.					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:	
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))	
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	
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 JEFFREY HEATHERINGTON 825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232 (503) 222-3205 N/A	
b The form in which applications should be submitted and information and materials they should include REQUEST TO BE SUBMITTED ON FOUNDATION APPLICATION FORM, TOGETHER WITH 501(C) (3) DETERMINATION LETTER, CURRENT FINANCIAL STATEMENT, PROJECTED BUDGET AND LIST OF OFFICERS AND DIRECTORS	
c Any submission deadlines N/A	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors N/A	

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 <i>Paid during the year</i>				
Total			3a	0
b <i>Approved for future payment</i>				
Total			3b	0

Enter gross amounts unless otherwise indicated

Part XVI-B Relationship of Activities to the Accomplishment of Exempt PurposesForm **990-PF** (2017)

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

- | | | | | |
|--|--|--------------|------------|-----------|
| 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | | Yes | No |
| a Transfers from the reporting foundation to a noncharitable exempt organization of | | | | |
| (1) Cash. | | 1a(1) | | No |
| (2) Other assets. | | 1a(2) | | No |
| b Other transactions | | | | |
| (1) Sales of assets to a noncharitable exempt organization. | | 1b(1) | | No |
| (2) Purchases of assets from a noncharitable exempt organization. | | 1b(2) | | No |
| (3) Rental of facilities, equipment, or other assets. | | 1b(3) | | No |
| (4) Reimbursement arrangements. | | 1b(4) | | No |
| (5) Loans or loan guarantees. | | 1b(5) | | No |
| (6) Performance of services or membership or fundraising solicitations. | | 1b(6) | | No |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees. | | 1c | | No |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received | | | | |

[illegible]

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

- | b If "Yes," complete the following schedule | | |
|--|---------------------------------|--|
| (a) Name of organization | (b) Type of organization | (c) Description of relationship |
| FAMILYCARE INC | 501(C)(4) | MORE THAN 50% OF THE FOUNDATION'S BOARD MEMBERS ARE ALSO ON THE BOARD OF FAMILYCARE, INC THE TWO ORGANIZATIONS SHARE A HISTORIC AND CONTINUING RELATIONSHIP |
| FAMILYCARE HEALTH PLANS INC | 501(C)(4) | MORE THAN 50% OF THE FOUNDATION'S BOARD MEMBERS ARE ALSO ON THE BOARD OF FAMILYCARE HEALTH PLANS, INC THE TWO ORGANIZATIONS SHARE A HISTORIC AND CONTINUING RELATIONSHIP |
| | | |
| | | |
| | | |

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	*****	2018-10-22	*****
	_____ Signature of officer or trustee	_____ Date	_____ Title

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	CYNTHIA P BARTHOLOMEW		2018-10-22		P01313965
	Firm's name ▶ PERKINS & COMPANY PC				Firm's EIN ▶ 93-0928924
	Firm's address ▶ 1211 SW FIFTH AVE SUITE 1000 PORTLAND, OR 972043710				Phone no (503) 221-0336

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
JEFFREY HEATHERINGTON	PRESIDENT & BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
ROBIN RICHARDSON	BOARD CHAIR & BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
KAREN CARNAHAN	SECRETARY & BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
JEFF PAWLOWSKI	TREASURER & BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
ROBERT CARUS	BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
CHARLES KALUZA	BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
JANET TESCH	BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				
PAULA CRONE	BOARD MEMBER 0 00	0	0	0
825 NE MULTNOMAH SUITE 1400 PORTLAND, OR 97232				

TY 2017 Accounting Fees Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

Accounting Fees Schedule

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	2,690	675		2,015

TY 2017 Investments Corporate Stock Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE
EIN: 93-0988354

Name of Stock	End of Year Book Value	End of Year Fair Market Value
UNITED PARCEL SERVICE	300,348	300,348
PFIZER	452,223	452,223
ADIANT ORD	93,496	93,496
AETNA ORD	75,042	75,042
AFFILIATED MANAGERS GROUP ORD	64,654	64,654
ALLERGAN ORD	73,611	73,611
ALPHABET CL A ORD	148,529	148,529
ALPHABET CL C ORD	88,944	88,944
AMAZON COM ORD	277,164	277,164
AMERICAN EXPRESS ORD	24,331	24,331
AMERICAN TOWER REIT	36,381	36,381
ANGI HOMESERVICES ORD	58,158	58,158
ANHEUSER BUSCH ADR REP 1 ORD	43,955	43,955
APACHE ORD	124,845	124,845
APPLE ORD	134,707	134,707
APPLIED MATERIAL ORD	24,435	24,435
APTIV ORD	46,148	46,148
AXALTA COATING SYSTEMS ORD	34,981	34,981
BANK OF AMERICA ORD	92,634	92,634
BERKSHIRE HATHWAY CL B ORD	68,782	68,782
CABOT OIL & GAS ORD	109,366	109,366
CAPITAL ONE FINANCIAL ORD	58,553	58,553
CARMAX ORD	20,457	20,457
CHENIERE ENERGY ORD	23,959	23,959
CHEVRON ORD	12,895	12,895
CITIGROUP ORD	94,650	94,650
CONCHO RESOURCES ORD	28,091	28,091
DANAHER ORD	10,117	10,117
DANONE ADR	10,833	10,833
DIAGEO ADR REP 4 ORD	16,940	16,940

Name of Stock	End of Year Book Value	End of Year Fair Market Value
DIPLOMAT PHARMACY ORD	39,698	39,698
EATON ORD	39,821	39,821
EBAY ORD	32,117	32,117
ENCANA ORD	117,437	117,437
EXPRESS SCRIPTS HOLD ORD	37,320	37,320
FACEBOOK CL A ORD	117,522	117,522
FACTSET RESEARCH SYSTEMS ORD	11,180	11,180
FANG HOLDINGS LIMITED	38,714	38,714
FEDEX ORD	44,917	44,917
GENERAL ELECTRIC ORD	114,681	114,681
GILEAD SCIENCES ORD	32,095	32,095
GOLDMAN SACHS GROUP ORD	95,026	95,026
GROUP 1 AUTOMOTIVE ORD	7,594	7,594
IHS MARKIT ORD	34,630	34,630
INTEL ORD	26,865	26,865
JD.COM ADR REP 2 CL A ORD	39,887	39,887
JOHNSON CONTROLS INTERNATIONAL ORD	54,612	54,612
JPMORGAN CHASE ORD	119,987	119,987
LENNAR CL A ORD	70,829	70,829
LIBERTY GLOBAL CL C ORD	32,486	32,486
LIBERTY MEDIA FORMULA ONE SRS C ORD	42,700	42,700
MARKEL ORD	53,539	53,539
MEDTRONIC ORD	28,020	28,020
MICROSOFT ORD	23,951	23,951
MORGAN STANLEY ORD	60,865	60,865
NIELSEN HOLDINGS ORD	16,817	16,817
NIKE CL B ORD	6,443	6,443
ORACLE ORD	27,091	27,091
POLARIS INDUSTRIES ORD	78,114	78,114
PRUDENTIAL FINANCIAL ORD	33,344	33,344

Name of Stock	End of Year Book Value	End of Year Fair Market Value
QUEST DIAGNOSTICS ORD	17,433	17,433
QUOTIENT TECHNOLOGY ORD	25,145	25,145
SAP ADR REP 1 ORD	21,124	21,124
SCHLUMBERGER ORD	45,893	45,893
SHIRE ADS REP 3 ORD	37,384	37,384
STARBUCKS ORD	32,218	32,218
SYNCHRONY FINANCIAL ORD	6,371	6,371
TEMPUR SEALY INTERNATIONAL ORD	56,233	56,233
TEXAS INSTRUMENTS ORD	29,765	29,765
TWENTY FIRST CENTURY FOX CL B ORD	23,406	23,406
UNION PACIFIC ORD	47,874	47,874
UNITED PARCEL SERVICE CL B ORD	8,817	8,817
UNITED TECHNOLOGIES ORD	135,224	135,224
UNITEDHEALTH GRP ORD	16,975	16,975
VISA CL A ORD	66,588	66,588
WELLS FARGO ORD	132,807	132,807
WORKDAY CL A ORD	45,986	45,986

TY 2017 Investments Government Obligations Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

**US Government Securities - End
of Year Book Value:**

9,587,666

**US Government Securities - End
of Year Fair Market Value:**

9,587,666

**State & Local Government
Securities - End of Year Book
Value:**

0

**State & Local Government
Securities - End of Year Fair
Market Value:**

0

TY 2017 Other Assets Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ACCRUED DIVIDENDS AND INTEREST	126,892	196,146	196,146

TY 2017 Other Decreases Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

Description	Amount
NET UNREALIZED LOSSES ON INVESTMENTS	558,794

TY 2017 Other Expenses Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OREGON CHARITABLE RENEWAL FEE	1,799	0		1,799
OREGON CORPORATE FEE	50	0		50
FEDERAL EXCISE TAX PAID	11,927	0		0
LATE PAYMENT PENALTIES & INTEREST	468	0		0
DUES & SUBSCRIPTIONS	51	0		51

TY 2017 Other Professional Fees Schedule

Name: HEATHERINGTON FOUNDATION FOR INNOVATION
AND EDUCATION IN HEALTH CARE

EIN: 93-0988354

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	4,031	4,031		0