

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

OMB No. 1545-0052
2019
Open to Public Inspection

For calendar year 2019, or tax year beginning 01-01-2019 , and ending 12-31-2019

Name of foundation THE KARESE FOUNDATION		A Employer identification number 47-5125279	
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 499		B Telephone number (see instructions) (509) 238-2708	
City or town, state or province, country, and ZIP or foreign postal code COLBERT, WA 99005		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here..... <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ... <input type="checkbox"/>	
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <u>386,178</u>		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis.)</i>	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	61		61	
	4 Dividends and interest from securities	7,757		7,757	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	42,535			
	b Gross sales price for all assets on line 6a <u>511,380</u>				
	7 Capital gain net income (from Part IV, line 2)			42,535	
	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)	11,349		11,349		
12 Total. Add lines 1 through 11	61,702		61,702		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	2,379		2,379	
	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)	10,608		67	10,541
	24 Total operating and administrative expenses. Add lines 13 through 23	12,987		2,446	10,541
	25 Contributions, gifts, grants paid	363,000			363,000
26 Total expenses and disbursements. Add lines 24 and 25	375,987		2,446	373,541	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-314,285				
b Net investment income (if negative, enter -0-)			59,256		
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	22,359	8,425	8,425
	2 Savings and temporary cash investments			
	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) ▶ _____ 282,385 Less: allowance for doubtful accounts ▶ _____	285,301	282,385	282,385
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	186,688	78,610	95,368
	c Investments—corporate bonds (attach schedule)	189,357		
	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 ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	683,705	369,420	386,178	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)		0	
Net Assets or Fund Balances	Foundations that follow FASB ASC 958, check here ▶ <input type="checkbox"/> and complete lines 24, 25, 29 and 30.			
	24 Net assets without donor restrictions			
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ <input checked="" type="checkbox"/> and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds			
	27 Paid-in or capital surplus, or land, bldg., and equipment fund			
	28 Retained earnings, accumulated income, endowment, or other funds	683,705	369,420	
29 Total net assets or fund balances (see instructions)	683,705	369,420		
30 Total liabilities and net assets/fund balances (see instructions) .	683,705	369,420		

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 29 (must agree with end-of-year figure reported on prior year's return)	1	683,705
2 Enter amount from Part I, line 27a	2	-314,285
3 Other increases not included in line 2 (itemize) ▶ _____	3	
4 Add lines 1, 2, and 3	4	369,420
5 Decreases not included in line 2 (itemize) ▶ _____	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 29 .	6	369,420

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			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(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			
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	42,535
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))
2018	905,181	1,256,911	0.72016
2017	565,160	1,921,326	0.29415
2016	114,599	2,050,915	0.05588
2015		247,482	
2014			

2 Total of line 1, column (d)	2	1.070191
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	0.267548
4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5	4	378,398
5 Multiply line 4 by line 3	5	101,240
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	593
7 Add lines 5 and 6	7	101,833
8 Enter qualifying distributions from Part XII, line 4	8	373,541

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)

Table with 11 rows for excise tax calculation. Includes fields for exempt foundations, tax under section 511, subtitle A tax, and total tax due. Total tax due is 615.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, and state reporting. Includes Yes/No columns.

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.		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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	Yes	
14	The books are in care of ▶ <u>FOSTER H CHASE JR</u> Telephone no. ▶ <u>(509) 238-2708</u>		

Located at ▶ PO BOX 499 COLBERT WA ZIP+4 ▶ 99005

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here ▶ <input type="checkbox"/>		
	and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u>		
16	At any time during calendar year 2019, 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?	Yes	No
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes", enter the name of the foreign country ▶		

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

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

1a	During the year did the foundation (either directly or indirectly):		Yes	No
	(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 <input type="checkbox"/>	1b		No
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 2019? <input type="checkbox"/>	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 2019, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2019? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/>	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did it have excess business holdings in 2019 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 2019.) <input type="checkbox"/>	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 2019?	4b		No

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services.		▶

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	▶

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 95,368
b	Average of monthly cash balances.	1b 6,407
c	Fair market value of all other assets (see instructions).	1c 282,385
d	Total (add lines 1a, b, and c).	1d 384,160
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
3	Subtract line 2 from line 1d.	3 384,160
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4 5,762
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 378,398
6	Minimum investment return. Enter 5% of line 5.	6 18,920

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here <input type="checkbox"/> and do not complete this part.)		
1	Minimum investment return from Part X, line 6.	1 18,920
2a	Tax on investment income for 2019 from Part VI, line 5.	2a 593
b	Income tax for 2019. (This does not include the tax from Part VI.).	2b
c	Add lines 2a and 2b.	2c 593
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3 18,327
4	Recoveries of amounts treated as qualifying distributions.	4
5	Add lines 3 and 4.	5 18,327
6	Deduction from distributable amount (see instructions).	6
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7 18,327

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 373,541
b	Program-related investments—total from Part IX-B.	1b
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2
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	4 373,541
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.	5 593
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6 372,948

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 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				18,327
2 Undistributed income, if any, as of the end of 2019:				
a Enter amount for 2018 only.				
b Total for prior years: 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2019:				
a From 2014.				
b From 2015.				
c From 2016.			8,944	
d From 2017.			470,532	
e From 2018.			844,177	
f Total of lines 3a through e.	1,323,653			
4 Qualifying distributions for 2019 from Part XII, line 4: ▶ \$ <u>373,541</u>				
a Applied to 2018, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2019 distributable amount.				18,327
e Remaining amount distributed out of corpus	355,214			
5 Excess distributions carryover applied to 2019. (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	1,678,867			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2018. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020				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).				
8 Excess distributions carryover from 2014 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a	1,678,867			
10 Analysis of line 9:				
a Excess from 2015.				
b Excess from 2016.			8,944	
c Excess from 2017.			470,532	
d Excess from 2018.			844,177	
e Excess from 2019.			355,214	

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 2019, 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				(e) Total
	(a) 2019	(b) 2018	(c) 2017	(d) 2016	
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).) See Additional Data Table

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. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions

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

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	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> COLLEGE SUCCESS FOUNDATION 2917 W FORT GEORGE WRIGHT DR SPOKANE, WA 99224	N/A	PC	UNRESTRICTED OPERATIONAL FUNDING	50,000
THE STEWARDS JOURNEY P O BOX 717 COLBERT, WA 99005	N/A	PC	GENERAL AND UNRESTRICTED	13,000
GORDON COLLEGE 255 GRAPEVINE ROAD WENHAM, MA 01984	N/A	PC	GENERAL AND UNRESTRICTED	300,000
Total			▶ 3a	363,000
b <i>Approved for future payment</i>				
Total			▶ 3b	

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

Part XVII

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash.
(2) Other assets.
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization.
(2) Purchases of assets from a noncharitable exempt organization.
(3) Rental of facilities, equipment, or other assets.
(4) Reimbursement arrangements.
(5) Loans or loan guarantees.
(6) Performance of services or membership or fundraising solicitations.
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.
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.

Table with 4 columns: (a) Line No., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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.
Sign Here [Signature] 2020-11-16 [Title]
May the IRS discuss this return with the preparer shown below (see instr.) [x] Yes [] No

Paid Preparer Use Only section containing fields for Preparer's name (BARRY W MERRELL), Signature, Date, Check if self-employed (checked), PTIN (P00055845), Firm's name (Barry W Merrell CPA), Firm's address (316 W Boone Ste 670, Spokane, WA 99201), and Firm's EIN (91-1537751).

Form 990PF Part XV Line 1a - 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).

BRENDA JO CHASE

FOSTER H CHASE JR

TY 2019 Investments Corporate Stock Schedule**Name:** THE KARESE FOUNDATION**EIN:** 47-5125279**Software ID:** 19009920**Software Version:** 2019v5.0**Investments Corporation Stock Schedule**

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ALPHABET INC CL A	1,445	2,679
ALPHABET INC CL C	1,395	2,674
AT&T, INC	1,995	2,267
COHEN AND STEERS REALTY INCOME	4,048	4,477
JOHNSON & JOHNSON	1,943	2,188
MICROSOFT CORP	1,252	2,208
ROYAL DUTCH SHELL CL A	1,929	1,859
STARBUCKS CORP COM	1,430	1,934
VISA INC	1,256	2,067
ALASKA AIR GROUP INC.	994	1,084
ALIBABA GROUP HLDG LTD	2,112	2,969
AMAZON COM INC	3,312	3,696
APPLE INC	1,531	2,937
BOEING CO	2,276	1,955
COSTCO WHOLESALE CORP NEW	1,261	1,764
CROWN CASTLE INTL CORP	1,573	2,132
DEERE & CO	1,713	2,079
DOMINOS PIZZA INC	2,195	2,350
HONEYWELL INTERNATIONAL INC	1,627	2,124
JPMORGAN CHASE & CO	1,809	2,509
LYONDWELLBASELL NV CL-A	2,116	2,268
SEAGATE TECHNOLOGY PLC	1,769	2,499
SHERWIN WILLIAMS COMPANY OHIO	1,602	2,334
UBER TECHNOLOGIES INC	2,754	2,320
WALT DISNEY CO HLDG CO	1,570	2,025
TCG BDC, INC	971	923
BRANDES INTERNATIONAL EQ	7,006	7,319
EATON VANCE GRTR INDIA	2,696	2,800
FULLER&THALER BHV SMCP EQ INST	7,604	9,246
GQG PARTNERS EMRG MKTS EQ INS	2,740	2,851

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
HARDING LOEVNER INTL EQTY INST	6,152	7,266
HARDING LOEVNER INTL SM CO INS	4,534	5,565

TY 2019 LiquidationExplanationStmnt

Name: THE KARESE FOUNDATION

EIN: 47-5125279

Software ID: 19009920

Software Version: 2019v5.0

Statement: AS EXPLAINED BELOW, THE FOUNDATION HAS NO PLANS FOR DISSOLUTION.THIS STATEMENT IS SUBMITTED TO REPORT THE DISTRIBUTION OF CERTAIN ASSETS DURING THE YEAR. THE DISTRIBUTIONS RESULTED IN A SUBSTANTIAL CONTRACTION OF ASSETS.THE FOLLOWING INFORMATION IS SUBMITTED IN ACCORDANCE WITH TREASURY REGULATION SECTION 1.6043-3 (a)(1) AND THE FORM 990-PF INSTRUCTIONS:DURING THE TAXABLE YEAR ENDING DECEMBER 31, 2019, THE FOUNDATION MADE DISTRIBUTIONS FROM ASSETS FROM SOURCES OTHER THAN CURRENT INCOME. COLLECTIVELY, THE DISTRIBUTIONS IN EXCESS OF CURRENT INCOME TOTALLED \$363,000. THIS AMOUNT REPRESENTS 25% OR MORE OF THE FOUNDATION'S NET ASSETS OF \$695,831 (AS MEASURED BY FAIR MARKET VALUE) AT THE BEGINNING OF THE FOUNDATION'S TAXABLE YEAR ENDING DECEMBER 31, 2019. ALTHOUGH THE FOUNDATION TECHNICALLY EXPERIENCED A SUBSTANTIAL CONTRACTION, IT WILL CONTINUE IN EXISTENCE AND HAS NO PLANS FOR DISSOLUTION.THE FOUNDATION MADE DISTRIBUTIONS OF CASH TO THE GRANTEES LISTED IN THE ATTACHMENT TO PART XV, LINE 3A; EACH SUCH GRANT WAS MADE SOLELY FOR THE CHARITABLE PURPOSE SPECIFIED THEREIN.

TY 2019 Other Expenses Schedule**Name:** THE KARESE FOUNDATION**EIN:** 47-5125279**Software ID:** 19009920**Software Version:** 2019v5.0**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ADMINISTRATIVE FEES	10,541			10,541
BANK CHARGES	67	67		

TY 2019 Other Income Schedule**Name:** THE KARESE FOUNDATION**EIN:** 47-5125279**Software ID:** 19009920**Software Version:** 2019v5.0**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
INTEREST FROM NOTE REC	11,349	11,349	

TY 2019 Other Notes/Loans Receivable Short Schedule**Name:** THE KARESE FOUNDATION**EIN:** 47-5125279**Software ID:** 19009920**Software Version:** 2019v5.0**Name of 501(c)(3) Organization****Balance Due**

FRIENDS OF NWCS LLC

282,385

TY 2019 Other Professional Fees Schedule**Name:** THE KARESE FOUNDATION**EIN:** 47-5125279**Software ID:** 19009920**Software Version:** 2019v5.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT SERVICES	2,379	2,379	0	0