

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

1999

IRS use only — Do not write or staple in this space.

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 1999, or tax year beginning , 1999, and ending

OMB No. 1545-0052

Use the IRS label
Otherwise, please print or type.
See Special Instruction

TX 77-0177829 1999 29 9 30 3 IG
PACIFIC NORTHWEST FOUNDATION
PO BOX 1973065 042
PORTLAND OR 97280

** ALL FOR ADC 970



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, column c, line 16) **\$ 4,245,077.**
J Accounting method: Cash Accrual
 Other (specify)

A Employer Identification Number
77-0177829
B Telephone Number (see instructions)
(503) 977-2660
C If exemption application is pending, check here
D 1 Foreign organizations, check here
2 Organizations meeting the 85% test, check here and attach computation
E If private foundation status was terminated under section 507(b)(1)(A), check here
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here
G If address changed, check here

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)
--	------------------------------------	---------------------------	-------------------------	---

1 Contributions, gifts, grants, etc. received (att sch)				
2 Contributions from split-interest trusts				
3 Interest on savings and temporary cash investments	4,177.	4,177.		
4 Dividends and interest from securities	68,796.	68,796.		
5a Gross rents				
b (Net rental income or (loss))				
6 Net gain/(loss) from sale of assets not on line 10	336,527.			
7 Capital gain net income (from Part IV, line 2)		336,527.		
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/(loss) (att sch)				
11 Other income (attach schedule) WHOLE LIFE INS RESIDUE	16,128.	16,128.		
12 Total. Add lines 1 through 11	425,628.	425,628.		

13 Compensation of officers, directors, trustees, etc.	52,000.			26,000.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) L-16a Stmt	1,652.			1,652.
b Accounting fees (attach sch) L-16b Stmt	1,355.			1,355.
c Other prof fees (attach sch)				
17 Interest	81.	81.		
18 Taxes (attach schedule) See Line 18 Stmt	8,096.	2,402.		2,762.
19 Depreciation (attach schedule) and depletion	2,000.	2,000.		
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	65,947.	32,604.		33,201.
24 Total operating and administrative expenses. Add lines 13 through 23	131,131.	63,087.		64,970.
25 Contributions, gifts, grants paid	66,683.			64,682.
26 Total expenses and disbursements. Add lines 24 and 25	197,814.	63,087.		129,652.

27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	227,814.			
b Net investment income (if negative, enter 0)		362,541.		
c Adjusted net income (if negative, enter -0)				

FILMED MAY 25 2000

ADMINISTRATIVE AND EXPENSES

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MAY 17 2000

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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	1,546.	5,712.	5,712.
	2 Savings and temporary cash investments	21,510.	4,184.	4,184.
	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 sch.)			
	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)			
	b Investments – corporate stock (attach schedule) L-10b Stmt.	2,692,105.	2,933,822.	3,951,849.
	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) L-13 Stmt.	130,874.	130,874.	270,466.	
14 Land, buildings, and equipment: basis	19,410.			
Less: accumulated depreciation (attach schedule) L-14 Stmt.	6,544.	13,871.	12,866.	
15 Other assets (describe)				
16 Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	2,859,906.	3,087,458.	4,245,077.	
LIABILITIES	17 Accounts payable and accrued expenses	777.	515.	
	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)	777.	515.	
NET ASSET BALANCES	Organizations 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			
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	2,859,129.	3,086,943.	
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	2,859,129.	3,086,943.		
31 Total liabilities and net assets/fund balances (see instructions)	2,859,906.	3,087,458.		

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	2,859,129.
2 Enter amount from Part I, line 27a	2	227,814.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	3,086,943.
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 30	6	3,086,943.

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 shares MLC Company)

(b) How acquired
P - Purchase
D - Donation

(c) Date acquired
(month, day, year)

(d) Date sold
(month, day, year)

1a SCHEDULE 1	P	Various	Various
b SHORT TERM CAPITAL GAIN DISTRIBUTIONS	P	Various	12/31/99
c LONG TERM CAPITAL GAIN DISTRIBUTIONS	P	Various	12/31/99
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 2,141,615.		1,980,885.	160,730.
b 32,211.		0.	32,211.
c 143,586.		0.	143,586.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a 0.	0.	0.	160,730.
b 0.	0.	0.	32,211.
c 0.	0.	0.	143,586.
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	336,527.
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 organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If 'Yes,' the organization 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 (column (b) divided by column (c))
1998	99,437.	3,178,119.	0.031288
1997	26,623.	3,098,028.	0.008594
1996	5,006.	2,407,640.	0.002079
1995	19,391.	2,427,711.	0.007987
1994	105,712.	2,131,548.	0.049594

2 Total of line 1, column (d)	2	0.099542
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	0.019908
4 Enter the net value of noncharitable-use assets for 1999 from Part X, line 5	4	3,477,833.
5 Multiply line 4 by line 3	5	69,237.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,625.
7 Add lines 5 and 6	7	72,862.
8 Enter qualifying distributions from Part XII, line 4	8	129,652.

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)

1 a Exempt operating foundations described in Section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary - see instructions).			
b Domestic organizations that meet the Section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b.	1	3,625.	
c All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of line 12, column (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	3,625.	
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	3,625.	
6 Credits/Payments:			
a 1999 estimated tax payments and 1998 overpayment credited to 1999.....	6a	1,440.	
b Exempt foreign organizations - tax withheld at source.....	6b		
c Tax paid with application for extension of time to file (Form 2758).....	6c		
d Backup withholding erroneously withheld.....	6d		
7 Total credits and payments. Add lines 6a through 6d.....	7	1,440.	
8 Enter any Penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached.....	8		
9 Tax Due. If the total of lines 5 and 8 is more than line 7, enter Amount Owed.....	9	2,185.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the Amount Overpaid.....	10		
11 Enter the amount on line 10 to be: Credited to 2000 estimated tax.....	11		Refunded.....

Part VII A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?.....		X
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 organization in connection with the activities.</i>		X
c Did the organization file Form 1120-POL for this year?.....		X
d Enter the amount (if any) of tax on political expenditures (Section 4955) imposed during the year: (1) On the organization.... ▶ \$ _____ (2) On organization managers..... ▶ \$ _____		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers ▶ \$ _____		
2 Has the organization engaged in any activities that have not previously been reported to the IRS?..... <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the organization 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>		X
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?.....		X
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?..... <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
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?.....	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions)..... <u>OREGON</u>		
b If the answer is 'Yes' to line 7, has the organization 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>	X	
9 Is the organization claiming status as a private operating foundation within the meaning of Section 4942(j)(3) or 4942(j)(5) for calendar year 1999 or the taxable year beginning in 1999 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV.</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X
11 a Did anyone request to see either the organization's annual return or its exemption application (or both)?.....		X
b If 'Yes,' did the organization comply pursuant to the instructions? (See General Instruction Q.).....		
12 The books are in care of ▶ <u>FRANKLIN C. COOK</u> Telephone no. ▶ <u>(503) 977-3226</u> Located at ▶ <u>P. O. BOX 1973065; PORTLAND, OREGON</u> ZIP + 4 ▶ <u>97280-0730</u>		
13 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..... ▶ 13		

Part VIII 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.

1 Self-dealing (section 4941):

a During the year did the organization (either directly or indirectly):

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

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

c Did the organization 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 1999?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation as defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 1999, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1999? If 'Yes,' list the years

b Are there any years listed in 2a for which the organization 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).

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.

3 Taxes on excess business holdings (section 4943):

a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

b If 'Yes,' did it have excess business holdings in 1999 as a result of (1) any purchase by the organization 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 organization had excess business holdings in 1999.)

4 Taxes on investments that jeopardize charitable purposes (section 4944):

a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the organization 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 1999?

5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):

a During the year did the organization pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

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

c If the answer is 'Yes' to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

Table with 2 columns: Yes, No. Rows correspond to questions 1a(1)-(6), 1b, 1c, 2a, 2b, 2c, 3a, 3b, 4a, 4b, 5a(1)-(5), 5b, 5c.

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

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
FRANKLIN C. COOK P. O. BOX 1973065; PORTLAND, OR	EXEC. VP 20 HRS/WK	26,000.	3,914.	0.
ANNA M. SALANTI P. O. BOX 1973065; PORTLAND, OR	PRESIDENT 20 HRS/WK	26,000.	3,535.	0.
KATHLEEN M. COOK 106 BROOK LANE; ITHACA, NY	VICE PRES 1/4 HR/WK	0.	0.	0.
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2 Compensation of five highest paid employees (other than those included on line 1— see instructions). If none, enter 'None.'

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
N/A				
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----

Total number of other employees paid over \$50,000..... **NONE**

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
N/A		
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----

Total number of others receiving over \$50,000 for professional services..... **NONE**

Part IX 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 any program-related investments made by the foundation during the tax year.	Amount
1	
2	
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	3,420,024.
b Average of monthly cash balances	1b	97,905.
c Fair market value of all other assets (see instructions)	1c	12,866.
d Total (add lines 1a, b and c)	1d	3,530,795.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	3,530,795.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	52,962.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,477,833.
6 Minimum investment return. Enter 5% of line 5	6	173,892.

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	173,892.
2a Tax on investment income for 1999 from Part VI, line 5	2a	3,625.
b Income tax for 1999. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	3,625.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	170,267.
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	
5 Add lines 3 and 4c	5	170,267.
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	170,267.

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	129,652.
b Program-related investments — total of lines 1 - 3 of 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	129,652.
5 Organizations 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	3,625.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	126,027.

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 1998	(c) 1998	(d) 1999
1 Distributable amount for 1999 from Part XI, line 7				170,267.
2 Undistributed income, if any, as of the end of 1998:				
a Enter amount for 1998 only			0.	
b Total for prior years: 19__, 19__, 19__				
3 Excess distributions carryover, if any, to 1999:				
a From 1994	0.			
b From 1995	0.			
c From 1996	0.			
d From 1997	0.			
e From 1998	90,431.			
f Total of lines 3a through e	90,431.			
4 Qualifying distributions for 1999 from Part XII, line 4: ▶ \$ 129,652.				
a Applied to 1998, 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)	129,652.			
d Applied to 1999 distributable amount				
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 1999 (If an amount appears in column (d), the same amount must be shown in column (a).)	170,267.			170,267.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	49,816.			
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				
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 1998. Subtract line 4a from line 2a. Taxable amount - see instructions			0.	
f Undistributed income for 1999. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2000				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 1994 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2000. Subtract lines 7 and 8 from line 6a	49,816.			
10 Analysis of line 9:				
a Excess from 1995	0.			
b Excess from 1996	0.			
c Excess from 1997	0.			
d Excess from 1998	0.			
e Excess from 1999	49,816.			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1999, 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)

	Tax year				(e) Total
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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.)

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).)

N/A

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.

N/A

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

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization 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 of the person to whom applications should be addressed:

N/A

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

N/A

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 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
<i>a Paid during the year</i>				
JWALAN MUKTIKA SCHOOL OF HEALING	N/A	PUBLIC	GENERAL SUPPORT	1,937.
OREGON ECOBUILDING NETWORK FOR THE LATEX ALLERGIC AND CHEMICALLY INJURED P. O. BOX 86444 PORTLAND, OR 97286 ELASTIC	N/A	PUBLIC	GENERAL SUPPORT	61,746.
ELIZABETH BOREL DMD/NAT'L DIRECTOR 196 PHEASANT RUN ROAD WEST CHESTER, PA 19380	N/A	PUBLIC	GENERAL SUPPORT	3,000.
Total				3a 66,683.
<i>b Approved for future payment</i>				
N/A				
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue (a-f), g Fees and contracts from government agencies, 2 Membership dues and assessments, 3 Interest on savings and temporary cash investments, 4 Dividends and interest from securities, 5 Net rental income or (loss) from real estate (a Debt-financed property, b Not debt-financed property), 6 Net rental income or (loss) from personal property, 7 Other investment income, 8 Gain or (loss) from sales of assets other than inventory, 9 Net income or (loss) from special events, 10 Gross profit or (loss) from sales of inventory, 11 Other revenue (a WHOLE LIFE INS RESIDUE, b, c, d, e), 12 Subtotal, 13 Total.

(See worksheet in the instructions for line 13 to verify calculations.)

Part XVII-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No. and Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See instructions.)

Part XVIII Information Regarding Transfers to and Transactions and Relationships with Noncharitable Exempt Organizations

Table with 3 columns: Question, Yes, No. Rows include: 1 Did the organization directly or indirectly engage in any of the following...; a Transfers from the reporting organization...; b Other transactions...; 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 organization. If the organization 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.

Schedule table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. One row contains 'N/A'.

2a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... [] Yes [X] No
b If 'Yes,' complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. One row contains 'N/A'.

Part XVIII Public Inspection (see the instructions and General Instruction Q)

- 1 Enter the date the notice of availability of the annual return appeared in a newspaper ... FEBRUARY 29, 2000
2 Enter the name of the newspaper ... DAILY JOURNAL OF COMMERCE
3 Check here ... [X] to indicate that you have attached a copy of the newspaper notice required by the instructions. (If the notice

completing schedules and statements, and to the best of my knowledge and belief, it is true, based on all information of which preparer has any knowledge.

WS-13-00 v V.P.

Affidavit of Publication
Daily Journal
of
Commerce

P.O. Box 10127 / Portland, Oregon 97296-0127 / (503) 226-1311 FAX (503) 222-5358

STATE OF OREGON, COUNTY OF MULTNOMAH,—ss.

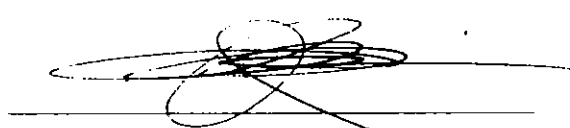
I, I.J. CAPLAN, being first duly sworn, depose and say that I am the Manager of the DAILY JOURNAL OF COMMERCE, a newspaper of general circulation in the counties of CLACKAMAS, MULTNOMAH and WASHINGTON as defined by ORS 193.010 and 193.020; published at Portland in the aforesaid County and State; that I know from my personal knowledge that the

**NOTICE OF AVAILABILITY OF ANNUAL RETURN
PACIFIC NORTHWEST FOUNDATION INC.**

a printed copy of which is hereto annexed,
was published in the entire issue of said newspaper for
ONE time(s)
in the following issues:

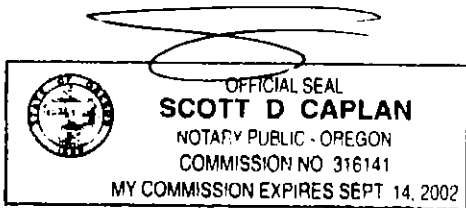
FEBRUARY 29, 2000

Case No. _____



Subscribed and sworn to before me this

29TH DAY OF FEBRUARY, 2000



NOTICE OF AVAILABILITY OF ANNUAL RETURN
Pursuant to Section 6104(d) of the Internal Revenue Code, notice is hereby given that the annual return for the calendar year ended 1999 of PACIFIC NORTHWEST FOUNDATION INC., a private foundation, is available for public inspection by any citizen who requests it at the foundation's principal office located at 7519 SW 26th Ave., Portland, Oregon, 97219 beginning on date of this publication and for 180 days thereafter during regular business hours from 9 a.m. to 5 p.m. The name of the principal manager of the foundation is Franklin C. Oooka. KAREN L. CASSIDY, C.P.A. 611 Elm Street, Arroyo Grande, CA 93420
Published Feb. 29, 2000. PF8740-11

This portion may be detached.

**DAILY JOURNAL OF COMMERCE
P.O. Box 10127, Portland, Ore. 97296-0127**

KAREN L. CASSIDY
611 S. ELM STREET
ARROYO GRANDE, CA 93420

Ad. No. PF8740

Form 990-PF, Page 1, Part I, Line 18
Line 18 Stmt

Taxes: (see instructions)	Rev/Exp Book	Net Inv Inc.	Adj Net Inc.	Charity Disb
FEDERAL TAX - 1998 FORM 990PF	1,492.			
OREGON DEPT. OF JUSTICE	361.			361.
PAYROLL TAXES	4,803.	2,402.		2,401.
FEDERAL ESTIMATED TAX PAYMENTS	1,440.			
Total	<u>8,096.</u>	<u>2,402.</u>		<u>2,762.</u>

Form 990-PF, Page 1, Part I, Line 23
Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc.	Adj Net Inc.	Charity Disb
BANK CHARGES	160.	160.		
DUES AND SUBSCRIPTIONS	1,224.	924.		300.
INSURANCE	8,199.	4,664.		3,535.
LICENSES AND FEES	20.	20.		
MEDICAL EXPENSE	49,812.	22,227.		27,585.
OFFICE EXPENSE	4,517.	3,388.		1,129.
ON-LINE SERVICES	296.	222.		74.
OUTSIDE LABOR	235.	235.		
PENALTIES	142.			
POSTAGE	390.	195.		195.
SOFTWARE	186.	186.		
TELEPHONE	766.	383.		383.
Total	<u>65,947.</u>	<u>32,604.</u>		<u>33,201.</u>

Form 990-PF, Page 1, Part I, Line 16a
L-16a Stmt

Line 16a - Legal Fees: Name of Provider	Type of Service Provided	Amount Paid
QUARLES & BRADY	CONSULTATIONS RE: OECBN, JHALAN SCHOOL & JUSTICE DEPT.	1,652.
Total		<u>1,652.</u>

Form 990-PF, Page 1, Part I, Line 16b
L-16b Stmt

Line 16b - Accounting Fees: Name of Provider	Type of Service Provided	Amount Paid
KAREN L. CASSIDY, C.P.A.	ACCOUNTING & PREP. OF F/S & TAX RETURNS	1,355.
Total		<u>1,355.</u>

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Line 10b – Investments in Corporate Stock:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
NEW PERSPECTIVE FUND	104,791.	0.	0.
EUROPACIFIC FUND	638,042.	655,304.	1,192,290.
SMALL CAP WORLD FUND	294,151.	0.	0.
INLAND REAL ESTATE CORP.	40,000.	40,000.	41,800.
SUNAMERICA SECURITIES BROKERAGE PORTFOLIO	1,615,121.	1,887,598.	2,390,137.
WASHINGTON MUTUAL INVESTORS	0.	350,920.	327,622.
Total	<u>2,692,105.</u>	<u>2,933,822.</u>	<u>3,951,849.</u>

Form 990-PF, Page 2, Part II, Line 13
L-13 Stmt

Line 13 – Investments – Other:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
PACIFIC SELECT VARIABLE ANNUITY (DEF COMP PLAN)	130,874.	130,874.	270,466.
Total	<u>130,874.</u>	<u>130,874.</u>	<u>270,466.</u>

Form 990-PF, Page 2, Part II, Line 14
L-14 Stmt

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
LAND/BUILDING - MEDITERRANEAN RES.	8,995.	0.	8,995.
8/21/95 COMPUTER EQUIPMENT	3,292.	2,852.	440.
7/11/96 COMPUTER EQUIPMENT	2,165.	1,516.	649.
4/4/97 COMPUTER UPGRADE	1,563.	860.	703.
7/4/97 COMPUTER & MONITOR	2,400.	1,200.	1,200.
5/22/99 COMPUTER	995.	116.	879.
Total	<u>19,410.</u>	<u>6,544.</u>	<u>12,866.</u>

SCHEDULE 1

PART IV - Capital Gains and Losses

Description	Date Acquired	Date Sold	Proceeds	Cost	Gain (Loss)
625 shs Affymetrix Inc	6/11/97	2/10/99	22,261	20,120	2,141
1000 shs Applebees	9/16/97	2/10/99	23,608	25,414	(1,806)
8000 shs Asia Tigers Fund	9/17/97	2/10/99	47,480	66,619	(19,139)
6400 shs Berkshire Realty	5/3/95	2/10/99	58,188	60,981	(2,793)
14389.818 shs Oppenheimer Convertible	11/4/96	2/11/99	215,126	217,602	(2,476)
2879 shs Central European Equity Fund	2/10/92	2/10/99	36,309	43,400	(7,091)
870shs Columbia/HCA Healthcare	9/16/97	2/10/99	15,084	24,495	(9,411)
1500 shs Cott Corp.	9/2/94	2/10/99	4,398	18,063	(13,665)
3700shs Equity Inns Inc.	4/3/97	2/10/99	34,370	49,036	(14,666)
100000 shs FHLMC Multiclass Mtg	7/10/97	2/10/99	145,128	72,188	72,940
3100 shs Fidelity Advisor Korea Fd Inc	1/21/97	2/10/99	16,371	29,805	(13,434)
13548.446 shs Franklin Real Estate Secs	7/15/96	2/11/99	184,121	184,733	(612)
2700 shs Global High Income Dollar Fund	9/17/97	2/10/99	28,163	39,435	(11,272)
3000 shs Healthcare Realty Trust	2/23/95	2/10/99	58,637	60,077	(1,440)
8000 shs Invesco Global Health Sciences	12/29/97	2/10/99	148,985	99,137	49,848
800 shs Lund Int'l Holdings	9/23/96	2/10/99	5,282	9,267	(3,985)
11000 shs MFS Charter Income	5/5/94	2/10/99	106,969	98,741	8,228
5400 shs MFS Multimarket Income Trust	9/17/97	2/10/99	33,942	40,486	(6,544)
1806 New Plan Excel Realty Inc	10/7/91	2/10/99	35,539	37,016	(1,477)
2940 shs Ogden Corp.	2/7/94	2/10/99	74,059	58,105	15,954
6967.9 shs Seligman Comm	2/3/98	2/11/99	199,700	157,948	41,752
1400 shs Silicon Graphics	12/5/97	2/10/99	23,345	19,478	3,867
3000 shs Simpson Industries	9/24/96	2/10/99	27,760	32,948	(5,188)
3000 shs United Dominion Realty Trust	8/29/96	2/10/99	28,754	41,705	(12,951)
3000 shs Western Inv't Real Estate	7/10/97	2/10/99	33,045	40,572	(7,527)
8052.652 shs New Perspective Fund	pre-1996	2/10/99	188,513	104,791	83,722
12618.108 shs Smallcap World Fund	pre-1996	2/10/99	304,475	294,151	10,324
1288.533 shs Europacific Growth Fund	pre-1996	2/10/99	36,687	29,327	7,360
164,277 shs Washington Mutual Inv.	2/10/99	2/11/99	5,316	5,245	71
			<u>2,141,615</u>	<u>1,980,885</u>	<u>160,730</u>

SCHEDULE 2

PART XIII - LINE 4c

**SECTION 4942(h)(2) ELECTION
AS TO THE TREATMENT OF QUALIFYING DISTRIBUTIONS**

Pursuant to IRC Section 4942(h)(2) and Regulation 53.4942(a)-3(d)(2), the above referenced foundation hereby elects to treat current year qualifying distributions in excess of the immediately preceding tax year's undistributed income as being made out of corpus.

Franklin C. Cook
Signature

V.P.
Title

PART I - LINE 19
PART II - LINE 14

	<u>Date</u>	<u>Cost</u>	<u>Accum</u>	<u>Method</u>	<u>Life</u>	<u>Depr</u>
	<u>Purchased</u>		<u>Depr</u>			<u>Expense</u>
Land/Bldg - Mediterranean Res.		8,995	-			-
Computer equipment	8/21/95	3,292	2,194	SL	5	658
Computer equipment	7/11/96	2,165	1,083	SL	5	433
Computer upgrade	4/4/97	1,563	547	SL	5	313
Computer and monitor	7/4/97	2,400	720	SL	5	480
Computer equipment	5/28/99	995	-	SL	5	116
		<u>19,410</u>	<u>4,544</u>			<u>2,000</u>