

Short Form
Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
 (except black lung benefit trust or private foundation)

2009

Department of the Treasury
Internal Revenue Service

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$500,000 and total assets less than \$1,250,000 at the end of the year may use this form.

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 7/01, 2009, and ending 6/30, 2010

<p>B Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input checked="" type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Termination</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>C Please use IRS label or print or type. See Specific Instructions.</p> <p>Sacred Earth Foundation 401 Ekone Rd Goldendale, WA 98620</p>	<p>D Employer identification number 26-2272458</p> <p>E Telephone number 509-773-7536</p> <p>F Group Exemption Number..... ▶</p>
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: ▶ www.ekone.org

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Tax-exempt status (check only one) — 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$500,000 or more, file Form 990 instead of Form 990-EZ..... ▶ \$ 73,776.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

R E V E N U E	1	Contributions, gifts, grants, and similar amounts received.....	1	3,562.
	2	Program service revenue including government fees and contracts.....	2	51,725.
	3	Membership dues and assessments.....	3	
	4	Investment income.....	4	671.
	5a	Gross amount from sale of assets other than inventory.....	5a	12,000.
	5b	Less: cost or other basis and sales expenses.....	5b	2,218.
	5c	c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)..... See Statement 1.....	5c	9,782.
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here..... ▶ <input type="checkbox"/>		
	6a	a Gross revenue (not including \$ <u>3,100.</u> of contributions reported on line 1).....	6a	5,818.
6b	b Less: direct expenses other than fundraising expenses.....	6b	1,881.	
6c	c Net income or (loss) from special events and activities (Subtract line 6b from line 6a).....	6c	3,937.	
7a	7a Gross sales of inventory, less returns and allowances.....	7a		
7b	b Less: cost of goods sold.....	7b		
7c	c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a).....	7c		
8	8 Other revenue (describe ▶ _____).....	8		
9	9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8..... ▶	9	69,677.	
E X P E N S E S	10	10 Grants and similar amounts paid (attach schedule).....	10	
	11	11 Benefits paid to or for members.....	11	
	12	12 Salaries, other compensation, and employee benefits.....	12	
	13	13 Professional fees and other payments to independent contractors.....	13	2,519.
	14	14 Occupancy, rent, utilities, and maintenance.....	14	11,894.
	15	15 Printing, publications, postage, and shipping.....	15	321.
	16	16 Other expenses (describe ▶ <u>See Statement 2</u>).....	16	30,512.
17	17 Total expenses. Add lines 10 through 16..... ▶	17	45,246.	
A S S E T S	18	18 Excess or (deficit) for the year (Subtract line 17 from line 9).....	18	24,431.
	19	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return).....	19	86,034.
	20	20 Other changes in net assets or fund balances (attach explanation).....	20	
	21	21 Net assets or fund balances at end of year. Combine lines 18 through 20..... ▶	21	110,465.

Part II Balance Sheets. If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year	(B) End of year
22 Cash, savings, and investments.....		50,414.	22 style="text-align:right;">63,798.
23 Land and buildings.....		67,500.	23 style="text-align:right;">68,667.
24 Other assets (describe ▶ <u>See Statement 3</u>).....			24 style="text-align:right;">-100.
25 Total assets.		117,914.	25 style="text-align:right;">132,365.
26 Total liabilities (describe ▶ <u>See Statement 4</u>).....		31,880.	26 style="text-align:right;">21,900.
27 Net assets or fund balances (line 27 of column (B) must agree with line 21).....		86,034.	27 style="text-align:right;">110,465.

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Part V Other Information (Note the statement requirements in the instrs for Part V.) See Statement 7

Table with columns for question number, description, and Yes/No columns. Includes questions 33 through 41 regarding organizational activities, financial reporting, and state filing.

42a The organization's books are in care of Shonie Schlotzhauer Telephone no. 509-773-7536 Located at 401 Ekone Rd Goldendale WA ZIP + 4 98620

Table with columns for question number, description, and Yes/No columns. Includes questions 42b and 42c regarding foreign financial accounts.

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here [] N/A and enter the amount of tax-exempt interest received or accrued during the tax year. 43

Table with columns for question number, description, and Yes/No columns. Includes questions 44 and 45 regarding donor advised funds and controlled entities.

Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only. All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

	Yes	No
46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I.....	46	X
47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II.....	47	X
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.....	48	X
49a Did the organization make any transfers to an exempt non-charitable related organization?.....	49a	X
b If 'Yes,' was the related organization a section 527 organization?.....	49b	

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				

f Total number of other employees paid over \$100,000 ▶ _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000..... ▶ _____

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 officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ _____ Date _____

▶ _____
Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶ Cheryl K. Woods Date 1/15/11 Check if self-employed Preparer's Identifying Number (See instructions) N/A

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Cheryl K. Woods, CPA, P.C.
550 Woods Rd.
Centerville, WA 98613

EIN ▶ N/A Phone no. ▶ (509) 773-5670

May the IRS discuss this return with the preparer shown above? See instructions ▶ Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization Sacred Earth Foundation	Employer identification number 26-2272458
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33-1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III – Functionally integrated
 - d Type III – Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		
(ii) a family member of a person described in (i) above?		
(iii) a 35% controlled entity of a person described in (i) or (ii) above?		

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of Support
			Yes	No	Yes	No	Yes	No	
Total									

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.')...						0.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.						0.
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.						0.
4 Total. Add lines 1-through 3. ...	0.	0.	0.	0.	0.	0.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) ...						0.
6 Public support. Subtract line 5 from line 4.						0.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4.	0.	0.	0.	0.	0.	0.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						0.
9 Net income from unrelated business activities, whether or not the business is regularly carried on.						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
11 Total support. Add lines 7 through 10.						0.
12 Gross receipts from related activities, etc. (see instructions)					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶ <input checked="" type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2008 Schedule A, Part II, line 14.	15	%
16a 33-1/3 support test – 2009. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 33-1/3 support test – 2008. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2009 If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line, 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶ <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (add lns 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f)).	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17.	18	%

19a 33-1/3 support tests – 2009. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33-1/3 support tests – 2008. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Statement 1
Form 990-EZ, Part I, Line 5c
Net Gain (Loss) from Noninventory Sales

Other Assets

Description:	Stock Trailer		
Date Acquired:	3/10/2004		
How Acquired:	Purchase		
Date Sold:	3/15/2010		
To Whom Sold:			
Gross Sales Price:		12,000.	
Cost or Other Basis:		15,000.	
Basis Method:	Cost		
Expenses of Sale:		75.	
Depreciation:		12,857.	
			Gain (Loss) 9,782.
Total Gain (Loss) Other Assets			<u>\$ 9,782.</u>
Total Net Gain (Loss) From Noninventory Sales			<u>\$ 9,782.</u>

Statement 2
Form 990-EZ, Part I, Line 16
Other Expenses

Advertising and Promotion.....	\$	1,298.
Conferences, Conventions, and Meetings.....		200.
Contracted Services.....		8,450.
Depreciation.....		14.
Dues and Subscriptions.....		295.
Feed.....		1,001.
Fuel.....		4,509.
Income Taxes/C Corporation.....		3,057.
Information Technology.....		449.
Insurance.....		1,543.
Licenses & Fees.....		180.
Meals/Food.....		2,510.
Office Expenses.....		376.
Property Taxes.....		5,133.
Supplies.....		813.
Travel.....		270.
Vet.....		414.
	Total \$	<u>30,512.</u>

Statement 3
Form 990-EZ, Part II, Line 24
Other Assets

		<u>Beginning</u>	<u>Ending</u>
Acct Rec.....	\$	0.	-100.
	Total \$	<u>0.</u>	<u>-100.</u>

**Statement 4
Form 990-EZ, Part II, Line 26
Total Liabilities**

	<u>Beginning</u>	<u>Ending</u>
Note Payable - Trustee	\$ 31,880.	\$ 21,900.
Total	<u>\$ 31,880.</u>	<u>\$ 21,900.</u>

**Statement 5
Form 990-EZ, Part III
Organization's Primary Exempt Purpose**

The Sacred Earth Foundation is a 501(c) (3) non-profit, community-stewarded land trust with a mission to hold Sacred Earth Foundation lands in trust, to steward with reverence, and to teach sustainable living to children of all ages.

Protecting 1,260 acres of land in and around Rock Creek Canyon, the Sacred Earth Foundation is responsible for overseeing events and programs that operate on the property. Current programs include the White Eagle Memorial Preserve (conservation burial ground), White Eagle Vision Expedition summer camps and Ekone Ranch.

**Statement 6
Form 990-EZ, Part III, Line 28
Statement of Program Service Accomplishments**

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****Land Conservation** - Sacred Earth Foundation holds 1060 acres in a conservation land trust for future generations. Stewardship of this land is a central feature of the work we do. Number benefited: Approximately 425 children and adults gained inspiration, renewal and nature-based education during this period.
Significant achievements:

- Completed a 20-acre cost-share contract with the Department of Natural Resources for the purposes of forest-fire fuel reduction, therefore reducing the hazard of forest fires on SEF and neighboring lands.
- Conducted massive cleanup of previous timber harvest areas, restoring heavily impacted land for the benefit of wildlife and native species.
- Discontinued grazing livestock on sensitive areas.
- Discontinued raising Bison on SEF land, therefore reducing impact on grazing areas.
- Took measures to control invasive species, including fiddleneck, Canadian thistle, knapweed, and California ground squirrels.

****Youth Education** - Sacred Earth Foundation conducts youth education in 2 primary ways; we lease our facilities to schools and businesses running nature-based education programs, and we also provide our own programming and curriculum for groups. Number benefited: Approximately 200 children visited Sacred Earth Foundation land for a deep experience on a working ranch and wild lands during this period. Significant achievements:

- White Eagle Vision Expeditions, LLC conducted the 24th season of Ekone Summer Camps for children, inspiring approximately 100 children to be good earth stewards, develop a positive work ethic, and create healthy peer relationships. Through WEVE's innovative horse program, the children gain confidence, gentleness, and integrity while learning to ride.
- Four schools and one girl scout troupe brought groups of children to SEF land for several days of wilderness exploration, ranch projects, and hands-on

Statement 6 (continued)
Form 990-EZ, Part III, Line 28
Statement of Program Service Accomplishments

learning in the kitchen, garden, forest, and riding arena.
•SEF hosted our first coming-of-age retreat for graduating high-school seniors, providing a space and a forum for young adults to deepen their relationships with the earth and themselves before launching into the adult world.

****Adult Education & Retreat - Sacred Earth Foundation is expanding into work with adults as well as children, offering a healing place and increasing number of programs where adults can come to recharge their batteries and gain skills for the demanding work of modern living and social and environmental changemaking. Number benefited: Approximately 200 adults visited Sacred Earth Foundation land during this period, and overwhelmingly report deeply valuable and renewing experiences. Significant achievements:**

- 10 workparties drew an average of 15 people each, with approximately 75 unique individuals participating during this period. Our very high rate of return to these events proves their value to participants.
- Our first annual fundraising event was a tremendous success and drew approximately 150 attendees. The event included hikes and opportunities to explore and enjoy SEF land.
- Our annual celebration of the life of Sacred Earth Foundation's founder drew approximately 75 people to the land for connection and remembrance.

****Green Cemetery - Sacred Earth Foundation's wilderness cemetery, the White Eagle Memorial Preserve, exists to offer a low-impact alternative to conventional burial methods, and be an active part of the green cemetery movement. Number benefited: 6 people were interred in the Preserve during this period, with approximately 40 friends and relatives of the deceased participating in burials. Significant achievements:**

- Each of the 6 burials during this period were conducted with no embalming fluid, hardwood or concrete used.
An additional 10 burial plots were purchased.
The methods, practices & marketing for the Preserve were greatly refined.

Statement 7
Form 990-EZ, Part V
Regarding Transfers Associated with Personal Benefit Contracts

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?..... No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?..... No