

Return of Organization Exempt From Income Tax

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

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

A For the **2007** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print of type. See Specific Instructions.	C Name of organization SPOKANE PUBLIC LIBRARY FOUNDATION		D Employer identification number 91-1917727
		Number and street (or P.O. box if mail is not delivered to street address) 906 W. MAIN AVE.	Room/suite	E Telephone number (509) 444-5318

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates N/A

H(c) Are all affiliates included? N/A Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number N/A

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

G Website: **SPOKANELIBRARYFDTN.ORG**

J Organization type (check only one) 501(c)(3) (insert no.) 4947(a)(1) or 527

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **153,544.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b	151,513.	
	c	Indirect public support (not included on line 1a)	1c		
	d	Government contributions (grants) (not included on line 1a)	1d		
	e	Total (add lines 1a through 1d) (cash \$ 151,513. noncash \$)	1e	151,513.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4	2,031.	
	5	Dividends and interest from securities	5		
	6a	Gross rents	6a		
	6b	Less: rental expenses	6b		
6c	Net rental income or (loss). Subtract line 6b from line 6a	6c			
7	Other investment income (describe)	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a		
		(B) Other	8b		
		Less: cost or other basis and sales expenses	8c		
		Gain or (loss) (attach schedule)	8d		
9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
a	Gross revenue (not including \$ of contributions reported on line 1b)	9a			
b	Less: direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
		Less: cost of goods sold	10b		
		Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c		
11	Other revenue (from Part VII, line 103)	11			
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	153,544.		
Expenses	13	Program services (from line 44, column (B))	13	22,897.	
	14	Management and general (from line 44, column (C))	14	4,878.	
	15	Fundraising (from line 44, column (D))	15	13,222.	
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses. Add lines 16 and 44, column (A)	17	40,997.	
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	112,547.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	19,466.	
	20	Other changes in net assets or fund balances (attach explanation)	20	0.	
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	132,013.	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>			STATEMENT 1	
22b Other grants and allocations (attach schedule) (cash \$ 3,000 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	3,000.	3,000.		
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	18,085.	5,426.	904.	11,755.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c				
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees	22.		0.	22.
33 Supplies	2,390.	2,301.	89.	
34 Telephone				
35 Postage and shipping				
36 Occupancy	3,174.	3,174.		
37 Equipment rental and maintenance				
38 Printing and publications				
39 Travel				
40 Conferences, conventions, and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	1,149.		1,149.	
43 Other expenses not covered above (itemize):				
a PROMOTION &				
b ADVERTISING	6,970.	5,525.		1,445.
c STATE FILING FEE	10.		10.	
d SERVICES	4,644.	3,411.	1,233.	
e INSURANCE	1,476.		1,476.	
f MISCELLANEOUS	77.	60.	17.	
g				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	40,997.	22,897.	4,878.	13,222.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 2	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a LIBRARY AND LITERARY AWARENESS - "YOU CAN'T DO THAT IN THE LIBRARY" - EVENING IN THE LIBRARY WITH LOCAL GUEST AUTHOR. THIS EVENT IS STRUCTURED TO FEATURE THE COLLECTIONS AND ACTIVITIES OF THE LIBRARY AND TO ENCOURAGE PUBLIC USE OF AND PARTICIATION IN LIBRARY ASSETS AND EVENTS.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	10,899.
b LIBRARY AND LITERACY AWARENESS - "SPOKANE IS SPELLING" - SPELLING BEE WITH DIVISIONS FOR STUDENT AND ADULT TEAMS, AS WELL AS ADULT INDIVIDUAL TEAMS. THIS EVENT IS STRUCTURED TO ENGAGE THE COMMUNITY WITH THE LIBRARY WITH THE GOAL OF INCREASING PUBLIC AWARENESS AND SUPPORT OF THE LIBRARY FUNCTIONS.	
(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	8,998.
c CONTRIBUTION TO SPOKANE PUBLIC LIBRARY TO PURCHASE MAGAZINES IN ALL BRANCH LIBRARIES.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	3,000.
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	22,897.

Form 990 (2007)

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45	Cash - non-interest-bearing	45	789.	
	46	Savings and temporary cash investments	34,466.	46	161,510.
	47 a	Accounts receivable	47a		
	b	Less: allowance for doubtful accounts	47b	47c	
	48 a	Pledges receivable	48a		
	b	Less: allowance for doubtful accounts	48b	48c	
	49	Grants receivable		49	
	50 a	Receivables from current and former officers, directors, trustees, and key employees		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a	Other notes and loans receivable	51a		
	b	Less: allowance for doubtful accounts	51b	51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	
	54 a	Investments - publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a	
	b	Investments - other securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b	
	55 a	Investments - land, buildings, and equipment: basis	55a		
	b	Less: accumulated depreciation	55b	55c	
	56	Investments - other		56	
	57 a	Land, buildings, and equipment: basis	57a	3,948.	
b	Less: accumulated depreciation STMT 3	57b	1,149.	57c	2,799.
58	Other assets, including program-related investments (describe ▶ _____)		58		
59	Total assets (must equal line 74). Add lines 45 through 58	34,466.	59	165,098.	
Liabilities	60	Accounts payable and accrued expenses		60	
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	b	Mortgages and other notes payable		64b	
	65	Other liabilities (describe ▶ SEE STATEMENT 4)	15,000.	65	33,085.
66	Total liabilities. Add lines 60 through 65	15,000.	66	33,085.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		67	
	68	Temporarily restricted		68	
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds	0.	70	0.
	71	Paid-in or capital surplus, or land, building, and equipment fund	0.	71	0.
	72	Retained earnings, endowment, accumulated income, or other funds	19,466.	72	132,013.
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	19,466.	73	132,013.	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	34,466.	74	165,098.	

Part VI Other information (continued)

Form 990 (2007) Part VI Other information (continued) table with columns for question, Yes, and No. Includes questions 82a through 91b regarding donations, lobbying, and foreign accounts.

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?
If "Yes," enter the name of the foreign country N/A
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here
and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Table with 5 columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include Program service revenue, Interest on savings and temporary cash investments (2,031), and Subtotal (2,031).

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

Table with 5 columns: (A) Name, address, and EIN of corporation, partnership, or disregarded entity; (B) Percentage of ownership interest; (C) Nature of activities; (D) Total income; (E) End-of-year assets.

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). N/A

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

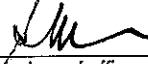
				Yes	No
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

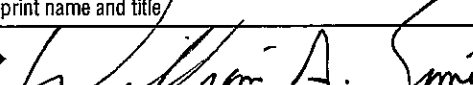
107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

				Yes	No
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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.

Please Sign Here:  Date: 11-17-08
 Signature of officer: Sandia Kernerman Director of Development
 Type or print name and title

Paid Preparer's Use Only: Preparer's signature:  Date: 11/13/08 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. X):
 Firm's name (or yours if self-employed), address, and ZIP + 4: MCDIRMIID, MIKKELSEN & SECREST, P.S.
 926 W. SPRAGUE AVE, STE 300
 SPOKANE, WA 99201.4000
 EIN: Phone no.: 509.747.6154

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **SPOKANE PUBLIC LIBRARY FOUNDATION** Employer identification number **91: 1917727**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE STATEMENT 6	X	
e	Transfer of any part of its income or assets?		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966? N/A		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A		
d	Enter the total number of donor advised funds owned at the end of the tax year	N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year		0.

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	21,514.	28,387.	10,375.	574.	60,850.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	89.	48.	15.	1.	153.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 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					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	21,603.	28,435.	10,390.	575.	61,003.
24 Line 23 minus line 17	21,603.	28,435.	10,390.	575.	61,003.
25 Enter 1% of line 23	216.	284.	104.	6.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 1,220.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 18,524.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 61,003.
d Add: Amounts from column (e) for lines: 18 153. 19 22 18,524.					26d 18,677.
e Public support (line 26c minus line 26d total)					26e 42,326.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 69.3835%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2006) (2005) (2004) (2003)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2006) (2005) (2004) (2003)					
c Add: Amounts from column (e) for lines: 15 16 17 20 21					27c N/A
d Add: Line 27a total and line 27b total					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

Part V

Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended?		
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table - if the amount on line 40 is - The lobbying nontaxable amount is -		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

2007 DEPRECIATION AND AMORTIZATION REPORT FORM 990 PAGE 2 990

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	MANAGEMENT AND GENERAL											
30	DELL COMPUTER	012407200DB5.00	19B	5.00	19B	1,254.			1,254.			251.
35	SOFTWARE	011607SL		3.00	16	2,694.			2,694.			898.
46				.000	16							0.
	* 990 PAGE 2 TOTAL					3,948.		0.	3,948.	0.	0.	1,149.
	MANAGEMENT AND GENERAL											
	* GRAND TOTAL 990 PAGE 2 DEPR					3,948.		0.	3,948.	0.	0.	1,149.

728102 04-27-07 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone 19



Department of the Treasury
Internal Revenue Service
OGDEN, UT 84201-0074

For assistance, call:
1-877-829-5500

Notice Number: CP211A
Date: September 29, 2008

Taxpayer Identification Number:
91-1917727
Tax Form: 990
Tax Period: December 31, 2007

174894.541693.0586.013 1 AT 0.346 530



SPOKANE PUBLIC LIBRARY FOUNDATION
906 W MAIN AVE
SPOKANE WA 99201-0905069

APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN - APPROVED

We have received your Form 8868, Application for Extension of Time to File an Exempt Organization Return, for the return (form) and tax period identified above.

We have approved your request and have extended the due date to file your return to November 15, 2008.

Please attach a copy of this letter to your return when you file it. It is evidence that we granted an extension of time to file your return. A copy is provided for your records.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top left of this letter.

Reminder - You May Be Required to File Electronically

Exempt organizations may be required to file certain returns electronically. For tax years ending on or after December 31, 2006, the electronic filing requirement applies to exempt organizations with \$10 million or more in total assets if the organization files at least 250 returns in a calendar year, including income, excise, employment tax and information returns. Private foundations and charitable trusts will be required to file Forms 990-PF electronically regardless of their asset size, if they file at least 250 returns annually. For more information, go to www.irs.gov. Click "Charities and Non-Profits" and look for the "e-file for Charities and Non-Profits" tab.

For tax forms, instructions and information visit www.irs.gov. (Access to this site will not provide you with your specific taxpayer account information.)

Application for Extension of Time To File an Exempt Organization Return

File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization	Employer identification number
	SPOKANE PUBLIC LIBRARY FOUNDATION	91-1917727
	Number, street, and room or suite no. If a P.O. box, see instructions. 906 W. MAIN AVE.	
File by the due date for filing your return. See instructions.	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SPOKANE, WA 99201	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of **THE ORGANIZATION**
Telephone No. **(509)444-5318** FAX No. _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

calendar year **2007** or

tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c	Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.		
Type or print	Name of Exempt Organization SPOKANE PUBLIC LIBRARY FOUNDATION	Employer identification number 91-1917727
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 906 W. MAIN AVE.	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SPOKANE, WA 99201	

Check type of return to be filed (File a separate application for each return):

- Form 990 Form 990-EZ Form 990-T (sec. 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870
- Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **THE ORGANIZATION**
Telephone No. **(509) 444-5318** FAX No.
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **NOVEMBER 15, 2008.**
- 5 For calendar year **2007**, or other tax year beginning _____, and ending _____.
- 6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED IN ORDER TO GATHER INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete, and that I am authorized to prepare this form.

Signature *William A. Sme* Title *CPA* Date *8/14/08*

FORM 990 CASH GRANTS AND ALLOCATIONS TO OTHERS STATEMENT 1

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
EDUCATIONAL-PURCHASE MAGAZINES IN ALL BRANCH LIBRARIES SPOKANE PUBLIC LIBRARY 906 W MAIN AVENUE SPOKANE, WA 99201	3,000.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B	3,000.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III STATEMENT 2

EXPLANATION

THE SPOKANE PUBLIC LIBRARY FOUNDATION SEEKS TO INCREASE PUBLIC AWARENESS OF THE COLLECTIONS AND ACTIVITIES OF THE SPOKANE PUBLIC LIBRARY, AND TO AUGMENT PUBLIC FUNDS WITH PRIVATE SUPPORT TO ENSURE CONTINUED EXCELLENCE IN LIBRARY SERVICES FOR THE SPOKANE COMMUNITY.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 3

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
DELL COMPUTER	1,254.	251.	1,003.
SOFTWARE	2,694.	898.	1,796.
TOTAL TO FORM 990, PART IV, LN 57	3,948.	1,149.	2,799.

FORM 990 OTHER LIABILITIES STATEMENT 4

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
EXPENSE REIMBURSEMENT PAYABLE	15,000.	33,085.
TOTAL TO FORM 990, PART IV, LINE 65	15,000.	33,085.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, STATEMENT 5
TRUSTEES AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
COLLEEN BRANDON 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
DIANN BROWN 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
GARRY SHEA 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
MARY GIANNINI 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
NED BARNES 906 W. MAIN AVE SPOKANE, WA 99201	PRESIDENT 2.00	0.	0.	0.
PAT PARTOVI 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 5.00	0.	0.	0.
RON MILLER 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
TERRY NOVAK PHD 906 W. MAIN AVE SPOKANE, WA 99201	TRUSTEE 2.00	0.	0.	0.
WILLIAM A. SIMER 906 W. MAIN AVE SPOKANE, WA 99201	TREASURER 2.00	0.	0.	0.
SANDRA KERNERMAN 906 W. MAIN AVE SPOKANE, WA 99201	EXECUTIVE DIRECTOR 20.00	18,085.	0.	0.
DR. IRWIN ROSE, NOBEL LAURATE 906 W. MAIN AVE SPOKANE, WA 99201	HON. TRUSTEE 0.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		18,085.	0.	0.

SCHEDULE A

EXPLANATION OF TRANSACTIONS
PART III, LINE 2D

STATEMENT 6

REIMBURSEMENTS OF EXPENSES FOR PROGRAM SUPPLIES, RENTALS, PROMOTIONS
AND MISCELLANEOUS EXPENSES TOTALING \$3,953 WERE PAID TO SANDRA
KERNERMAN IN 2007.

Depreciation and Amortization 990 (Including Information on Listed Property)

See separate instructions. Attach to your tax return.

Department of the Treasury Internal Revenue Service

Name(s) shown on return

Business or activity to which this form relates

identifying number

SPOKANE PUBLIC LIBRARY FOUNDATION

FORM 990 PAGE 2

91-1917727

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 main rows for Section 179 election. Line 1: 125,000. Line 3: 500,000. Line 13: 13.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

Table with 3 rows for Special Depreciation Allowance. Line 16: 898.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

Table with 2 rows for MACRS deductions. Line 17: 17. Line 18: 18.

Section B - Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year property, and residential/nonresidential real property.

Section C - Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 12-year and 40-year class life.

Part IV Summary (see instructions)

Table with 3 rows for Summary. Line 21: 21. Line 22: 1,149. Line 23: 23.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with columns (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost

25 Special allowance for qualified Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with columns for percentage and other details

27 Property used 50% or less in a qualified business use: Table with columns for percentage and other details

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with rows 30-36 and columns (a)-(f) Vehicle. Includes questions about commuting miles, personal use, and availability.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with rows 37-41 and columns Yes/No. Includes questions about written policies and vehicle use.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

Table with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year

42 Amortization of costs that begins during your 2007 tax year: Table with columns for percentage and other details

43 Amortization of costs that began before your 2007 tax year 43

44 Total. Add amounts in column (f). See the instructions for where to report 44

FIRST AMENDED BYLAWS
OF
SPOKANE PUBLIC LIBRARY FOUNDATION

FIRST AMENDED BYLAWS
OF
SPOKANE PUBLIC LIBRARY FOUNDATION

ARTICLE I
Office and Registered Agent

The registered office of the corporation (the "Foundation") shall be located in the state of Washington at the place determined by the Board of Directors upon filing of such notices as may be required by law. The registered agent shall have a business office identical with the registered office.

ARTICLE II
Members

The Foundation shall have no members.

ARTICLE III
Purposes and Mission

3.01 Purposes. The purposes for which the Foundation was formed are:

a. To benefit and support Spokane Public Library, its branches and its successors by providing goods and services which include but are not limited to the following: books and other library materials, buildings, facilities, equipment, monies, endowment funds, and other real and personal property; or grants for any such purpose;

b. To provide for services and facilities over and above what the traditional tax base funding of Spokane Public Library has provided, but not to provide funds which can be substituted for the traditional tax base funding; and

c. To engage in any other lawful activity which may hereafter be authorized from time to time by the Board of Directors; provided, however, that the purposes for which the Foundation is formed shall at all times be consistent with Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), including within such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

3.02 Mission. The Foundation seeks to enhance public funding with private dollars to ensure continued excellence in library services for the Spokane Public Library community.

Through its Board of Directors, the Foundation will provide faithful stewardship of resources and prudent expenditure of funds to enrich the traditional tax-based funding. Foundation funds will not be used to replace funds traditionally allocated by the public sector, but to expand and

maintain the standard of excellence in library services already demonstrated by the Spokane Public Library in its mission to "provide the power to read, learn, and discover".

ARTICLE IV Board of Directors

4.01 Number and Powers. The management of all the affairs, property, and interests of the Foundation shall be vested in a Board of Directors consisting of no fewer than seven (7) and no more than twenty-five (25) persons. At least one (1), but no more than two (2) directors shall be current members of the Spokane Public Library board of Trustees, who shall be appointed by the Spokane Public Library Board of Trustees at its annual meeting. The Board of Directors elected at the initial meeting of the Board of Directors shall be divided into three classes (Class A, Class B, and Class C) each consisting, as nearly as possible, of one-third (1/3) of the total number of directors elected at that time. The term of office of Class A directors shall expire at the next annual meeting following the annual meeting at which they are elected. The term of office of the Class B directors shall expire at the next annual meeting thereafter. The term of office of the Class C directors shall expire at the third annual meeting following the annual meeting at which they are elected. At each annual meeting after the initial annual meeting, directors shall be elected for a term of three (3) years to succeed the directors whose terms expire at such meeting. In addition to the powers and authorities expressly conferred upon it by these Bylaws and Articles of Incorporation, the Board of Directors may exercise all such powers of the Foundation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the members of the Foundation. The Spokane Public Library Director shall be an ex officio nonvoting member of the Board of Directors.

4.02 Change of Number. The number of directors may at any time be increased or decreased by amendment of these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director.

4.03 Vacancies. All vacancies on the Board of Directors, whether caused by resignation, death or otherwise, may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum of the Board of Directors. A director elected to fill any vacancy shall hold office for the unexpired term of the predecessor director and until a successor is elected and qualified.

4.04 Regular Meetings. Regular meetings of the Board of Directors may be held at the registered office of the Foundation or at another in the state of Washington, as the Board of Directors may from time to time designate. The annual meeting shall be held without notice at the registered office of the Foundation or at the time and place the Board of Directors shall designate by written notice. In addition to the annual meeting, there shall be regular meetings of the Board of Directors held, with proper notice, not less frequently than once each calendar quarter.

4.05 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or upon written request by any two directors. Such meetings shall be held at

the registered office of the Foundation or at such other place or places as the directors may from time to time designate.

4.06 Notice. Notice of all special meetings of the Board of Directors (and of all regular meetings other than the annual meetings to be held at the place and time designated in Section 4.4) shall be given to each director by three (3) days' prior service of the same by telegram, by letter, by email or facsimile, or personally. Such notice need not specify the business to be transacted at, nor the purpose of, the meeting.

4.07 Quorum. A majority of the whole Board of Directors shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business. The Board of Directors may transact business with directors participating by conference phone.

4.08 Waiver of Notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.

4.09 Registering Dissent. A director who is present at a meeting of the Board of Directors at which action on a Foundation matter is taken shall be presumed to have assented to such action unless the director files a written dissent or abstention to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forwards such dissent by registered mail to the Secretary of the Foundation immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

4.10 Executive and Other Committees. The Board of Directors may appoint, from time to time, from its own number, a Finance Committee and other standing or temporary committees each consisting of no fewer than two (2) directors. Committees may be vested with powers as the Board may determine by resolution passed by a majority of the full Board of Directors. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be maintained in the office of the Foundation. The designation of any such committee and the delegation of authority thereto, shall not relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

4.11 Remuneration. No stated salary shall be paid directors for their service, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board. Nothing in these Bylaws precludes any director from serving the Foundation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

4.12 Loans. No loans shall be made by the Foundation to any director.

4.13 Removal. Any director may be removed at any time, with or without cause, by the affirmative vote of two-thirds (2/3) of the votes cast by members having voting rights with regard to the election of any director represented in person or by proxy at a meeting of members at which a quorum is present. Notice stating that a named director shall be considered for removal and the cause for such removal must be mailed to the director prior to a duly called meeting of the Board of Directors at the same time and in the same manner prescribed for the notice of the meeting. Absence from three (3) consecutive meetings of the Board of Directors will be cause for removal.

4.14 Action by Directors without a Meeting. Any action required or permitted to be taken at a meeting of the directors, or of a committee thereof, may be taken without a meeting by a written consent setting forth the action so to be taken, signed by all of the directors, or all of the members of the committee, as the case may be, before such action is taken. The consent may be transmitted by email or facsimile, and directors may execute and return a consent by facsimile or email verified to be from the director. Such consent shall have the same effect as a unanimous vote. Any such action may also be ratified after it has been taken, either at a meeting of the directors or by unanimous written consent.

ARTICLE V Advisory Board

The Board of Directors of the Foundation may appoint individuals who may but need not be directors, officers, or employees of the Foundation to serve as members of The Foundation Advisory Board. The functions of the Advisory Board shall be designated by the Board of Directors, and includes, but is not limited, to support and advice to the Board of Directors; providing contacts and introductions for development activities as appropriate; contributing letters of support, and assistance on special projects. Members of the Advisory Board will be requested to attend one or two Board meetings during the year. Members of the Advisory Board shall be appointed to three (3) year terms.

ARTICLE VI Officers

6.01 Designations. The officers of the Foundation shall be a President, a Secretary and a Treasurer, or a Secretary/Treasurer. All officers shall be elected for terms of one year by the Board of Directors. Such officers shall hold office until their successors are elected and qualify. Any two or more offices may be held by the same person, except the offices of President and Secretary. The Board of Directors may, but need not, elect a Vice President.

6.02 The President. The President shall preside at all meetings of the Board of Directors, shall have general supervision of the affairs of the Foundation, and shall perform such other duties as are incident to the office or are properly required of the President by the Board of Directors.

6.03 Vice President. During the absence or disability of the President, the Vice President, if any, shall exercise all the functions of the President. The Vice President shall have such powers

and discharge such duties as may be assigned to the Vice President from time to time by the Board of Directors.

6.04 Secretary. The Secretary shall issue notices for all meetings, except for notices of special meetings of the members and the Board of Directors which are called by the requisite number of directors, shall keep minutes of all meetings, shall have charge of the seal and the Foundation's books, and shall make such reports and perform such other duties as are incident to the office, or are properly required of the Secretary by the Board of Directors.

~~6.05~~ The Treasurer. The Treasurer shall oversee the custody of all monies and securities of the Foundation and shall direct that regular books of account be kept by staff or other appropriate persons. The Treasurer shall direct disbursement of the funds of the Foundation in payment of the just demands against the Foundation or as may be ordered by the Board of Directors (taking proper vouchers for such disbursements) and shall direct to be rendered to the Board of Directors from time to time as may be required, an account of all transactions undertaken and of the financial condition of the Foundation. The Treasurer shall perform or direct that staff or other appropriate persons perform such other duties as are incident to the office or are properly required by the Board of Directors. The Treasurer shall preside over the Finance Committee ~~and the committee responsible for audit functions~~—which will also function as the Audit Committee.

6.06 Executive Director. The Board may select an Executive Director who shall be responsible for the administration and conduct of the business and affairs of the Foundation pursuant to guidelines established by the Board. The Executive Director shall have full authority for direction of the employees of the Foundation, if any. The Executive Director, if selected, may be compensated for services in that capacity in such amount and manner as the Board of Directors shall determine.

6.07 Delegation. If any officer of the Foundation is absent or unable to act and no other person is authorized to act in such officer's place by the provisions of these Bylaws, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.

6.08 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.

6.09 Loans. No loan shall be made by the Foundation to any officer.

6.10 Term - Removal. The officers of the Foundation shall hold office until their successors are chosen and qualified. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.11 Bonds. The Board of Directors may, by resolution, require any and all of the officers to provide bonds to the Foundation, with surety or sureties acceptable to the Board, conditioned for

the faithful performance of the duties of their respective offices, and to comply with such other conditions as may from time to time be required by the Board of Directors.

6.12 Salaries. The officers of the corporation shall receive no salary, but officers may be reimbursed for reasonable expenses actually incurred in the performance of their duties.

6.13 Repayment. Any payments made to a director, officer, or other employee of the Foundation for compensation, salary, bonus, interest, rent, or expense incurred by the party which shall be determined to be unreasonable in whole or in part by the Internal Revenue Service pursuant to '4941(d)(2)(E) of the Internal Revenue Code of 1986, as amended, shall be reimbursed by such director, officer, or employee to the Foundation to the full extent of such determination of unreasonableness. It shall be the duty of the Board of Directors to enforce repayment of each such amount. In lieu of repayment by the director, officer, or employee, subject to the determination of the Board of Directors, amounts may be withheld from future compensation or expense reimbursement payments of the director, officer, or employee until the amount owed to the Foundation shall have been recovered.

ARTICLE VII Depositories

The monies of the Foundation shall be deposited in the name of the Foundation in such bank or trust company as the Board of Directors designates, and shall be drawn from such accounts only by check or other order for payment of money signed by such persons, and in such manner, as may be determined by resolution of the Board of Directors.

ARTICLE VIII Notices

Except as may otherwise be required by law, any notice to any director may be delivered personally, by email, by facsimile, or by mail. If mailed, the notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the addressee at his or her last known address in the records of the Foundation, postage prepaid, or when sent by email or facsimile.

ARTICLE IX Indemnification of Officers, Directors, Employees, and Agents

The Foundation shall indemnify its officers, directors, employees, and agents to the greatest extent permitted by law. The Foundation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Foundation or who is or was serving at the request of the Foundation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the Foundation would have the power to indemnify such person against such liability under the provisions of this Article.

ARTICLE X
Contracts and Conveyances

All contracts, deeds, conveyances, negotiable instruments, and other such instruments which have first been approved by the Board of Directors shall be signed by the person or persons designated by the Board of Directors. No contract of any officer of the Foundation shall be valid without previous authorization or subsequent ratification of the Board of Directors.

ARTICLE XI
Books and Records

The Foundation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors; and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its directors, giving the names and addresses of all directors.

ARTICLE XII
Amendments

The Board of Directors shall have power to make, alter, amend, and repeal the Bylaws of this corporation with the approval of two-thirds (2/3) of the Board of Directors.

ARTICLE XIII
Charitable Purposes/Negation of Pecuniary Gain

13.01 Charitable purposes. The Foundation is organized exclusively for charitable, scientific, literary, or educational purposes within the meaning of ' 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

Notwithstanding any provisions of these bylaws to the contrary, this Foundation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization qualified for tax-exempt status under ' 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws. Furthermore, this Foundation shall neither conduct nor carry on any activities which subject the Foundation to liability for excise taxes imposed pursuant to ' ' 4941, 4942, 4943, 4944, or 4945, of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

The Foundation will not engage in nor shall any of its funds, property, or income be used in carrying on propaganda or otherwise attempting to influence legislation; nor shall the Foundation participate or intervene in any political campaign (including the publishing or distributing of statements) on behalf of any candidate for public office.

If this Foundation is dissolved or otherwise ceases to do business, its assets shall be distributed only to another entity designated as a §501(c)(3) tax-exempt organization.

13.02 Negation of pecuniary gain. No part of the net earnings of this Foundation shall ever inure to or for the benefit of or be distributable to its directors, officers, or other private persons, except that the Foundation shall be empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the exempt purposes for which it was formed.

Adopted by resolution of the Foundation's Board of Directors on 4.11.06.

Mad M Bame
Secretary Chairman