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CHANGE OF ACCOUNTING PERIOD
Return of Private Foundation
 or Section 4947(a)(1) Nonexempt Charitable Trust
 Treated as a Private Foundation

OMB No 1545-0052

2011

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

For calendar year 2011 or tax year beginning **NOV 1, 2011**, and ending **MAR 31, 2012**

Name of foundation: **THE WINDHAM FOUNDATION, INC.**

Number and street (or P.O. box number if mail is not delivered to street address): **P.O. BOX 70**

City or town, state, and ZIP code: **GRAFTON, VT 05146**

Room/suite: _____

A Employer identification number: **13-6142024**

B Telephone number: **802-843-2211**

C If exemption application is pending, check here

D 1. Foreign organizations, check here
 2. Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

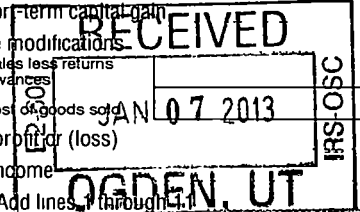
H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16): **\$ 46,600,541.** (Part I, column (d) must be on cash basis.)

J Accounting method: Cash Accrual
 Other (specify) _____

| Part I Analysis of Revenue and Expenses | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|--|------------------------------------|---------------------------|-------------------------|---|
| 1 Contributions, gifts, grants, etc., received | | | | | |
| 2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B | | | | | |
| 3 Interest on savings and temporary cash investments | | 301,875. | 301,875. | 301,875. | STATEMENT 1 |
| 4 Dividends and interest from securities | | 493,777. | 493,777. | 493,777. | STATEMENT 2 |
| 5a Gross rents | | | | | |
| b Net rental income or (loss) | | | | | |
| 6a Net gain or (loss) from sale of assets not on line 10 | | 9,430. | | | |
| b Gross sales price for all assets on line 6a 381,974. | | | | | |
| 7 Capital gain net income (from Part IV, line 2) | | | 9,430. | | |
| 8 Net short-term capital gain | | | | 0. | |
| 9 Income modifications | | | | | |
| 10a Gross sales less returns and allowances | | | | | |
| b Less Cost of goods sold | | | | | |
| c Gross profit (loss) | | | | | |
| 11 Other income | | 106,004. | 0. | 106,004. | STATEMENT 3 |
| 12 Total. Add lines 1 through 11 | | 911,086. | 805,082. | 901,656. | |
| 13 Compensation of officers, directors, trustees, etc | | 337,671. | 0. | 0. | 337,671. |
| 14 Other employee salaries and wages | | 282,789. | 0. | 0. | 2,966. |
| 15 Pension plans, employee benefits | | 21,171. | 0. | 0. | 21,171. |
| 16a Legal fees STMT 4 | | 5,868. | 0. | 5,868. | 5,868. |
| b Accounting fees STMT 5 | | 7,022. | 0. | 7,022. | 7,022. |
| c Other professional fees STMT 6 | | 197,069. | 127,807. | 69,262. | 69,262. |
| 17 Interest | | 51,660. | 0. | 51,660. | 51,660. |
| 18 Taxes STMT 7 | | 157,212. | 0. | 157,212. | 157,212. |
| 19 Depreciation and depletion | | 170,113. | 0. | 170,113. | |
| 20 Occupancy | | 171,731. | 0. | 171,731. | 171,731. |
| 21 Travel, conferences, and meetings | | 22,721. | 0. | 22,721. | 22,721. |
| 22 Printing and publications | | | | | |
| 23 Other expenses STMT 8 | | 991,611. | 0. | 991,611. | 991,611. |
| 24 Total operating and administrative expenses. Add lines 13 through 23 | | 2,416,638. | 127,807. | 1,647,200. | 1,838,895. |
| 25 Contributions, gifts, grants paid | | 72,969. | | | 72,969. |
| 26 Total expenses and disbursements. Add lines 24 and 25 | | 2,489,607. | 127,807. | 1,647,200. | 1,911,864. |
| 27 Subtract line 26 from line 12: | | | | | |
| a Excess of revenue over expenses and disbursements | | -1,578,521. | | | |
| b Net investment income (if negative, enter -0-) | | | 677,275. | | |
| c Adjusted net income (if negative, enter -0-) | | | | 0. | |

SCANNED JAN 10 2012



| Part II Balance Sheets | | Attached schedules and amounts in the description column should be for end-of-year amounts only | | |
|---|--|---|----------------|-----------------------|
| | | Beginning of year | End of year | |
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| Assets | 1 Cash - non-interest-bearing | 178,731. | 56,232. | 56,232. |
| | 2 Savings and temporary cash investments | | | |
| | 3 Accounts receivable ▶ 2,482. | | | |
| | Less: allowance for doubtful accounts ▶ | 184,193. | 2,482. | 2,482. |
| | 4 Pledges receivable ▶ | | | |
| | Less: allowance for doubtful accounts ▶ | | | |
| | 5 Grants receivable | | | |
| | 6 Receivables due from officers, directors, trustees, and other disqualified persons | | | |
| | 7 Other notes and loans receivable ▶ | | | |
| | Less: allowance for doubtful accounts ▶ | | | |
| | 8 Inventories for sale or use | 17,730. | 8,623. | 8,623. |
| | 9 Prepaid expenses and deferred charges | 15,481. | 198,202. | 198,202. |
| | 10a Investments - U.S. and state government obligations | | | |
| | b Investments - corporate stock STMT 10 | 29,339,355. | 29,146,490. | 29,146,490. |
| | c Investments - corporate bonds | | | |
| Liabilities | 11 Investments - land, buildings, and equipment basis ▶ | | | |
| | Less accumulated depreciation ▶ | | | |
| | 12 Investments - mortgage loans | | | |
| | 13 Investments - other STMT 11 | 13,322,494. | 8,628,966. | 8,628,966. |
| | 14 Land, buildings, and equipment basis ▶ 17,740,489. | | | |
| | Less accumulated depreciation ▶ 9,294,035. | 8,551,767. | 8,446,454. | 8,446,454. |
| | 15 Other assets (describe ▶ DUE FROM SUBSIDIARY) | 120,023. | 113,092. | 113,092. |
| | 16 Total assets (to be completed by all filers) | 51,729,774. | 46,600,541. | 46,600,541. |
| | 17 Accounts payable and accrued expenses | 50,214. | 31,167. | |
| | 18 Grants payable | | | |
| 19 Deferred revenue | | | | |
| 20 Loans from officers, directors, trustees, and other disqualified persons | | | | |
| 21 Mortgages and other notes payable STMT 12 | 10,386,486. | 10,439,425. | STATEMENT 13 | |
| 22 Other liabilities (describe ▶ STATEMENT 14) | -145,469. | 1,832,729. | | |
| 23 Total liabilities (add lines 17 through 22) | 10,291,231. | 12,303,321. | | |
| Net Assets or Fund Balances | Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. | | | |
| | 24 Unrestricted | 41,364,606. | 34,271,834. | |
| | 25 Temporarily restricted | 73,937. | 25,386. | |
| | 26 Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31. | | | |
| | 27 Capital stock, trust principal, or current funds | | | |
| | 28 Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| 29 Retained earnings, accumulated income, endowment, or other funds | | | | |
| 30 Total net assets or fund balances | 41,438,543. | 34,297,220. | | |
| 31 Total liabilities and net assets/fund balances | 51,729,774. | 46,600,541. | | |

Part III Analysis of Changes in Net Assets or Fund Balances

| | | |
|--|---|-------------|
| 1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 41,438,543. |
| 2 Enter amount from Part I, line 27a | 2 | -1,578,521. |
| 3 Other increases not included in line 2 (itemize) ▶ UNREALIZED GAINS ON INVESTMENTS | 3 | 397,801. |
| 4 Add lines 1, 2, and 3 | 4 | 40,257,823. |
| 5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9 | 5 | 5,960,603. |
| 6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 | 6 | 34,297,220. |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.) | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|--|--|--------------------------------------|----------------------------------|
| 1a HEWLETT-PACKARD CO GLB 06.125% | P | VARIOUS | 12/12/11 |
| b | | | |
| c | | | |
| d | | | |
| e | | | |

| (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) (e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a 381,974. | | 372,544. | 9,430. |
| b | | | |
| c | | | |
| d | | | |
| e | | | |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|---|--------------------------------------|---|---|
| (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | |
| a | | | 9,430. |
| b | | | |
| c | | | |
| d | | | |
| e | | | |

| | | |
|---|---|--------|
| 2 Capital gain net income or (net capital loss) } { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 | 2 | 9,430. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 | 3 | 0. |

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.) N/A

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col. (b) divided by col. (c)) |
|--|--|--|---|
| 2010 | | | |
| 2009 | | | |
| 2008 | | | |
| 2007 | | | |
| 2006 | | | |

| | | |
|---|---|--|
| 2 Total of line 1, column (d) | 2 | |
| 3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years | 3 | |
| 4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 | 4 | |
| 5 Multiply line 4 by line 3 | 5 | |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | |
| 7 Add lines 5 and 6 | 7 | |
| 8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions. | 8 | |

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here [X] and enter "N/A" on line 1. Date of ruling or determination letter: 08/18/86 (attach copy of letter if necessary-see instructions)
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here [] and enter 1% of Part I, line 27b
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
3 Add lines 1 and 2
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-
6 Credits/Payments:
a 2011 estimated tax payments and 2010 overpayment credited to 2011
b Exempt foreign organizations - tax withheld at source
c Tax paid with application for extension of time to file (Form 8868)
d Backup withholding erroneously withheld
7 Total credits and payments. Add lines 6a through 6d
8 Enter any penalty for underpayment of estimated tax. Check here [] if Form 2220 is attached
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax [] Refunded []

Part VII-A Statements Regarding Activities

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?
c Did the foundation file Form 1120-POL for this year?
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments?
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?
b If "Yes," has it filed a tax return on Form 990-T for this year?
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
By language in the governing instrument, or
By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?
7 Did the foundation have at least \$5,000 in assets at any time during the year?
8a Enter the states to which the foundation reports or with which it is registered (see instructions) NONE
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

Part VII-A Statements Regarding Activities (continued)

| | | | | | |
|----|---|---------|-----|-----|---------|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) | STMT 15 | 11 | X | |
| 12 | Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) | | 12 | | X |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>WWW.WINDHAM-FOUNDATION.ORG</u> | | 13 | X | |
| 14 | The books are in care of ► <u>ROBERT DONALD</u> Telephone no. ► <u>802-843-2211</u> Located at ► <u>P.O. BOX 70, GRAFTON, VT</u> ZIP+4 ► <u>05146</u> | | | | |
| 15 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year | ► 15 | N/A | | |
| 16 | At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ► | | 16 | Yes | No X |

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

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

| | | Yes | No |
|-----|--|-----|----|
| 1a | During the year did the foundation (either directly or indirectly): | | |
| (1) | Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (2) | Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (3) | Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| (4) | Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| (5) | Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (6) | Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b | If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> | 1b | X |
| c | Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? | 1c | X |
| 2 | Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): | | |
| a | At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____ | | |
| b | Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A | 2b | |
| c | If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____ | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| b | If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011) | 3b | X |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | X |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? | 4b | X |

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

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b** X
 Organizations relying on a current notice regarding disaster assistance check here ▶

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

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

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

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|----------------------|---|---|---|---------------------------------------|
| SEE STATEMENT 16 | | 337,671. | 13,854. | 0. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

| (a) Name and address of each employee paid more than \$50,000 | (b) Title, and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|------------------|---|---------------------------------------|
| MELISSA GULLOTTI | COMM. DIR | | | |
| P.O. BOX 70, GRAFTON, VT 05146 | 40.00 | 0. | 0. | 0. |
| PAULA JOHNSON | PAYROLL MGR | | | |
| P.O. BOX 70, GRAFTON, VT 05146 | 40.00 | 0. | 0. | 0. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total number of other employees paid over \$50,000 **0**

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

| List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc. | Expenses |
|--|----------|
| 1 SEE STATEMENT 17 | 933,420. |
| 2 | |
| 3 | |
| 4 | |

Part IX-B Summary of Program-Related Investments

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2. | Amount |
|---|--------|
| 1 N/A | |
| 2 | |
| 3 All other program-related investments. See instructions. | |
| Total. Add lines 1 through 3 ▶ | 0. |

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

| | | | |
|----------|---|-----------|-------------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes: | | |
| a | Average monthly fair market value of securities | 1a | 29,242,923. |
| b | Average of monthly cash balances | 1b | 117,483. |
| c | Fair market value of all other assets | 1c | |
| d | Total (add lines 1a, b, and c) | 1d | 29,360,406. |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) | 1e | 0. |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | 0. |
| 3 | Subtract line 2 from line 1d | 3 | 29,360,406. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 440,406. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 28,920,000. |
| 6 | Minimum investment return. Enter 5% of line 5 ADJUSTED FOR SHORT TAX PERIOD | 6 | 600,524. |

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

| | | | |
|-----------|---|-----------|--|
| 1 | Minimum investment return from Part X, line 6 | 1 | |
| 2a | Tax on investment income for 2011 from Part VI, line 5 | 2a | |
| b | Income tax for 2011. (This does not include the tax from Part VI.) | 2b | |
| c | Add lines 2a and 2b | 2c | |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | |
| 5 | Add lines 3 and 4 | 5 | |
| 6 | Deduction from distributable amount (see instructions) | 6 | |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7 | |

Part XII Qualifying Distributions (see instructions)

| | | | |
|----------|---|-----------|------------|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes: | | |
| a | Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26 | 1a | 1,911,864. |
| b | Program-related investments - total from Part IX-B | 1b | 0. |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | 84,463. |
| 3 | Amounts set aside for specific charitable projects that satisfy the: | | |
| a | Suitability test (prior IRS approval required) | 3a | |
| b | Cash distribution test (attach the required schedule) | 3b | |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 1,996,327. |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b | 5 | 0. |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 1,996,327. |

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

N/A

| | (a) Corpus | (b) Years prior to 2010 | (c) 2010 | (d) 2011 |
|---|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2011 from Part XI, line 7 | | | | |
| 2 Undistributed income, if any, as of the end of 2011 | | | | |
| a Enter amount for 2010 only | | | | |
| b Total for prior years: | | | | |
| 3 Excess distributions carryover, if any, to 2011: | | | | |
| a From 2006 | | | | |
| b From 2007 | | | | |
| c From 2008 | | | | |
| d From 2009 | | | | |
| e From 2010 | | | | |
| f Total of lines 3a through e | | | | |
| 4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ | | | | |
| a Applied to 2010, but not more than line 2a | | | | |
| b Applied to undistributed income of prior years (Election required - see instructions) | | | | |
| c Treated as distributions out of corpus (Election required - see instructions) | | | | |
| d Applied to 2011 distributable amount | | | | |
| e Remaining amount distributed out of corpus | | | | |
| 5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a)) | | | | |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | | | | |
| b Prior years' undistributed income. Subtract line 4b from line 2b | | | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed | | | | |
| d Subtract line 6c from line 6b. Taxable amount - see instructions | | | | |
| e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr. | | | | |
| f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012 | | | | |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) | | | | |
| 8 Excess distributions carryover from 2006 not applied on line 5 or line 7 | | | | |
| 9 Excess distributions carryover to 2012 Subtract lines 7 and 8 from line 6a | | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2007 | | | | |
| b Excess from 2008 | | | | |
| c Excess from 2009 | | | | |
| d Excess from 2010 | | | | |
| e Excess from 2011 | | | | |

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

01/24/72

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

| | Tax year | Prior 3 years | | | (e) Total |
|---|------------|---------------|------------|------------|-------------|
| | (a) 2011 | (b) 2010 | (c) 2009 | (d) 2008 | |
| b 85% of line 2a | 0. | 0. | 2,246,208. | 2,014,996. | 4,261,204. |
| c Qualifying distributions from Part XII, line 4 for each year listed | 1,996,327. | 6,872,742. | 3,432,349. | 3,287,888. | 15,589,306. |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | 0. | 0. | 276,519. | 271,111. | 547,630. |
| e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c | 1,996,327. | 6,872,742. | 3,155,830. | 3,016,777. | 15,041,676. |
| 3 Complete 3a, b, or c for the alternative test relied upon: | | | | | |
| a "Assets" alternative test - enter: | | | | | |
| (1) Value of all assets | | | | | 0. |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | 0. |
| b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | 400,349. | 989,054. | 1,497,472. | 1,343,331. | 4,230,206. |
| c "Support" alternative test - enter: | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | 0. |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | 0. |
| (3) Largest amount of support from an exempt organization | | | | | 0. |
| (4) Gross investment income | | | | | 0. |

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

SEE STATEMENT 18

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

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

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

THE WINDHAM FOUNDATION, INC. - ATTN: MR. ROBERT ALLEN, 802-843-2211
P.O. BOX 70, GRAFTON, VT 05146

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

SEE ATTACHED INSTRUCTIONS

c Any submission deadlines:

SEE ATTACHED INSTRUCTIONS

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

SCHOLARSHIPS ARE LIMITED TO WINDHAM COUNTY, VERMONT RESIDENTS.

Part XV Supplementary Information (continued)

| 3 Grants and Contributions Paid During the Year or Approved for Future Payment | | | | |
|--|---|--------------------------------|----------------------------------|---------|
| Recipient | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
| Name and address (home or business) | | | | |
| a Paid during the year | | | | |
| CONTRIBUTIONS AND SCHOLARSHIPS - SEE ATTACHED STATEMENT | NONE | PUBLIC | CHARITABLE/EDUCATIONAL | 72,969. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | | | ▶ 3a | 72,969. |
| b Approved for future payment | | | | |
| NONE | | | | |
| | | | | |
| | | | | |
| Total | | | ▶ 3b | 0. |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue (FUEL SALES 80,652), 2 Membership dues and assessments, 3 Interest on savings and temporary cash investments (14, 301,875), 4 Dividends and interest from securities (14, 493,777), 8 Gain or (loss) from sales of assets other than inventory (18, 9,430), 11 Other revenue (MISCELLANEOUS INCOME 25,352), 12 Subtotal (0, 805,082, 106,004), 13 Total (911,086).

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

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

Table with 2 columns: Line No, Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). Row 1C: SALES, AT OR BELOW FAIR MARKET VALUE AND THE COST OF PROVIDING THE SERVICES.

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code...
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule...

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Contains one entry with 'N/A'.

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Contains one entry with 'N/A'.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer or trustee: Robert S. Donald, Date: 1/2/13, Title: CHIEF FINANCIAL OFFICER

Paid Preparer Use Only Print/Type preparer's name: PHILIP A. LAPP, CPA, Preparer's signature: [Signature], Date: 12/28/12, Check [] if self-employed, PTIN: P00356904, Firm's name: GALLAGHER, FLYNN & COMPANY, LLP, Firm's EIN: 03-0225774, Firm's address: 55 COMMUNITY DRIVE, SUITE 401 SOUTH BURLINGTON, VT 05403, Phone no.: (802)-863-1331

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

| SOURCE | AMOUNT |
|--|----------|
| INTEREST INCOME | 301,875. |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 301,875. |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|----------------------------------|--------------|-------------------------|-------------------|
| DIVIDEND INCOME | 493,777. | 0. | 493,777. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 493,777. | 0. | 493,777. |

FORM 990-PF OTHER INCOME STATEMENT 3

| DESCRIPTION | (A) REVENUE PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME |
|---------------------------------------|-----------------------|---------------------------|-------------------------|
| FUEL SALES | 80,652. | 0. | 80,652. |
| MISCELLANEOUS INCOME | 25,352. | 0. | 25,352. |
| TOTAL TO FORM 990-PF, PART I, LINE 11 | 106,004. | 0. | 106,004. |

FORM 990-PF LEGAL FEES STATEMENT 4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|----------------------------|------------------------|---------------------------|-------------------------|-------------------------|
| LEGAL FEES | 5,868. | 0. | 5,868. | 5,868. |
| TO FM 990-PF, PG 1, LN 16A | 5,868. | 0. | 5,868. | 5,868. |

| FORM 990-PF | ACCOUNTING FEES | | | STATEMENT 5 |
|------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| ACCOUNTING FEES | 7,022. | 0. | 7,022. | 7,022. |
| TO FORM 990-PF, PG 1, LN 16B | 7,022. | 0. | 7,022. | 7,022. |

| FORM 990-PF | OTHER PROFESSIONAL FEES | | | STATEMENT 6 |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| CONSULTING & INVESTMENT MANAGEMENT FEES | 197,069. | 127,807. | 69,262. | 69,262. |
| TO FORM 990-PF, PG 1, LN 16C | 197,069. | 127,807. | 69,262. | 69,262. |

| FORM 990-PF | TAXES | | | STATEMENT 7 |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| PAYROLL TAXES | 31,967. | 0. | 31,967. | 31,967. |
| REAL ESTATE TAXES | 125,245. | 0. | 125,245. | 125,245. |
| TO FORM 990-PF, PG 1, LN 18 | 157,212. | 0. | 157,212. | 157,212. |

| FORM 990-PF | OTHER EXPENSES | | | STATEMENT 8 |
|-----------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| SHEEP PROGRAM EXPENSE | 1,478. | 0. | 1,478. | 1,478. |
| BLACKSMITH PROJECT | 9,903. | 0. | 9,903. | 9,903. |
| NURSERY EXPENSES | 16,736. | 0. | 16,736. | 16,736. |
| RETREAT TRAILS | 150. | 0. | 150. | 150. |
| SPECIAL EVENTS & MISC EXPENSES | 158. | 0. | 158. | 158. |

| | | | | |
|-----------------------------|----------|----|----------|----------|
| UNREIMBURSED EXPENSES FROM | | | | |
| SUBSIDIARIES | 933,420. | 0. | 933,420. | 933,420. |
| MARKETING EXPENSE | 10,813. | 0. | 10,813. | 10,813. |
| OFFICE EXPENSES | 18,953. | 0. | 18,953. | 18,953. |
| TO FORM 990-PF, PG 1, LN 23 | 991,611. | 0. | 991,611. | 991,611. |

FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES STATEMENT 9

| DESCRIPTION | AMOUNT |
|---|------------|
| CURRENT YEAR CHANGE IN PENSION OBLIGATION | 2,444,545. |
| GAAP PRIOR PERIOD ADJUSTMENT | 3,465,057. |
| ROUNDING | 1. |
| ASSET IMPAIRMENT LOSS | 51,000. |
| TOTAL TO FORM 990-PF, PART III, LINE 5 | 5,960,603. |

FORM 990-PF CORPORATE STOCK STATEMENT 10

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|-------------|-------------------|
| CORPORATE STOCK | 29,146,490. | 29,146,490. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 29,146,490. | 29,146,490. |

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|--|------------------|-------------|-------------------|
| INVESTMENT IN TOWNSEND VERMONT HOLDINGS, INC. | COST | -3,670,915. | -3,670,915. |
| NOTES RECEIVABLE - GRAFTON VILLAGE CHEESE COMPANY, LLC | COST | 12,299,881. | 12,299,881. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 8,628,966. | 8,628,966. |

FORM 990-PF

MORTGAGES PAYABLE

STATEMENT 12

DESCRIPTION

BALANCE DUE

PEOPLE'S UNITED BANK

403,241.

TOTAL TO FORM 990-PF, PART II, LINE 21, COLUMN B

403,241.

FORM 990-PF

OTHER NOTES AND LOANS PAYABLE

STATEMENT 13

| | | | | |
|----------------------|--|---------------------------|--|--------------------------------------|
| <u>LENDER'S NAME</u> | | <u>TERMS OF REPAYMENT</u> | | <u>SECURITY PROVIDED BY BORROWER</u> |
| MERRILL LYNCH | | DUE ON DEMAND | | FIXED INCOME PORTFOLIO |

| | | | | |
|---------------------|----------------------|-----------------------------|----------------------|---------------------------------------|
| <u>DATE OF NOTE</u> | <u>MATURITY DATE</u> | <u>ORIGINAL LOAN AMOUNT</u> | <u>INTEREST RATE</u> | <u>PURPOSE OF LOAN</u> |
| 07/15/09 | | 0. | .00% | PROVIDE WORKING CAPITAL TO SUBSIDIARY |

RELATIONSHIP OF LENDER

NONE

| | | |
|-------------------------------------|-----------------------------|--------------------|
| <u>DESCRIPTION OF CONSIDERATION</u> | <u>FMV OF CONSIDERATION</u> | <u>BALANCE DUE</u> |
| | 0. | 9,931,787. |

| | | | | |
|---------------------------|--|---------------------------|--|--------------------------------------|
| <u>LENDER'S NAME</u> | | <u>TERMS OF REPAYMENT</u> | | <u>SECURITY PROVIDED BY BORROWER</u> |
| VARIOUS INSTALLMENT NOTES | | 36 TO 48 MONTHS | | VEHICLES |

| | | | | |
|---------------------|----------------------|-----------------------------|----------------------|------------------------|
| <u>DATE OF NOTE</u> | <u>MATURITY DATE</u> | <u>ORIGINAL LOAN AMOUNT</u> | <u>INTEREST RATE</u> | <u>PURPOSE OF LOAN</u> |
| | | 145,033. | .00% | PURCHASE VEHICLES |

RELATIONSHIP OF LENDER

NONE

| | | |
|-------------------------------------|-----------------------------|--------------------|
| <u>DESCRIPTION OF CONSIDERATION</u> | <u>FMV OF CONSIDERATION</u> | <u>BALANCE DUE</u> |
| | 0. | 104,397. |

| | |
|--|--------------------|
| TOTAL TO FORM 990-PF, PART II, LINE 21, COLUMN B | <u>10,036,184.</u> |
|--|--------------------|

FORM 990-PF OTHER LIABILITIES STATEMENT 14

| DESCRIPTION | BOY AMOUNT | EOY AMOUNT |
|--|------------|------------|
| OTHER ACCRUED EXPENSES | -145,469. | 1,832,729. |
| TOTAL TO FORM 990-PF, PART II, LINE 22 | -145,469. | 1,832,729. |

FORM 990-PF

LIST OF CONTROLLED ENTITIES
PART VII-A, LINE 11

STATEMENT 15

NAME OF CONTROLLED ENTITY

EMPLOYER ID NO

TOWNSEND VERMONT HOLDINGS, INC.

27-0034707

ADDRESS

P.O. BOX 70
GRAFTON, VT 05146

NAME OF CONTROLLED ENTITY

EMPLOYER ID NO

TOWNSEND VERMONT HOLDINGS, INC.

27-0034707

ADDRESS

P.O. BOX 70
GRAFTON, VT 05146

NAME OF CONTROLLED ENTITY

EMPLOYER ID NO

TOWNSEND VERMONT HOLDINGS, INC.

ADDRESS

P.O. BOX 70
GRAFTON, VT 05146

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 16

| NAME AND ADDRESS | TITLE AND AVRG HRS/WK | COMPEN- SATION | EMPLOYEE BEN PLAN CONTRIB | EXPENSE ACCOUNT |
|---|---------------------------|-------------------|---------------------------------|--------------------|
| EDWARD ZUCCARO P.O. BOX 70 GRAFTON, VT 05146 | CHAIRMAN 10.00 | 9,250. | 0. | 0. |
| ROBERT ALLEN P.O. BOX 70 GRAFTON, VT 05146 | PRESIDENT & CEO 40.00 | 128,054. | 0. | 0. |
| ELIZABETH BANKOWSKI P.O. BOX 70 GRAFTON, VT 05146 | VICE PRESIDENT 8.00 | 8,167. | 0. | 0. |
| WILLIAM H. BRUETT P.O. BOX 70 GRAFTON, VT 05146 | VICE PRESIDENT 8.00 | 7,500. | 0. | 0. |
| ROBERT M. OLMSTED P.O. BOX 70 GRAFTON, VT 05146 | TREASURER 8.00 | 7,500. | 0. | 0. |
| WILLIAM A. GILBERT P.O. BOX 70 GRAFTON, VT 05146 | SECRETARY 8.00 | 7,500. | 0. | 0. |
| ROBERT DONALD P.O. BOX 70 GRAFTON, VT 05146 | ASST. SEC/TREAS. 40.00 | 63,462. | 6,927. | 0. |
| SAMUEL LAMBERT P.O. BOX 70 GRAFTON, VT 05146 | TRUSTEE 8.00 | 7,500. | 0. | 0. |
| JAMIE SAPOCH P.O. BOX 70 GRAFTON, VT 05146 | TRUSTEE 8.00 | 7,500. | 0. | 0. |
| JEFFREY SMITH P.O. BOX 70 GRAFTON, VT 05146 | TRUSTEE 2.00 | 7,500. | 0. | 0. |
| DANIEL NORMANDEAU P.O. BOX 70 GRAFTON, VT 05146 | VICE PRESIDENT 40.00 | 83,738. | 6,927. | 0. |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII | | 337,671. | 13,854. | 0. |

FORM 990-PF

SUMMARY OF DIRECT CHARITABLE ACTIVITIES

STATEMENT 17

ACTIVITY ONE

PRESERVATION, RESTORATION AND MANAGEMENT OF HISTORICALLY AND CULTURALLY SIGNIFICANT PROPERTY IN GRAFTON AND OTHER VERMONT LOCATIONS, INCLUDING THE GRAFTON VILLAGE CHEESE COMPANY, THE GRAFTON INN AND THE RETREAT FARM.

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 1

933,420.

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 18

NAME OF MANAGER

ROBERT M. OLMSTED
WILLIAM A. GILBERT

EIN: 13-6142024

THE WINDHAM FOUNDATION, INC.

FORM 990-PF

Part XV – Supplementary Information

Item 2:

The Windham Foundation limits its grants to assist Vermont elementary and secondary education although other non-profit agencies are considered from time to time. The Foundation has a particular interest in innovative programs and furthering proven academic programs that could be replicated in other Vermont locations. Grants are further limited by the Internal Revenue Service to tax-exempt organizations. The Foundation has an application form and guidelines available upon request. A grant request is best initiated through a letter describing the proposed project, including an approximate budget, a reference to other funding sources, enclosure of the latest available balance sheet and income statement, and a copy of the Internal Revenue Service determination letter as to the tax-exempt status of the applicant. Scholarship grants are limited to Windham County residents and are sent directly to the institution the student is attending.

The Windham Foundation, Inc.

Grafton Fund Contributions Paid 11/1/2011-3/31/2012

| <u>Recipient</u> | <u>Amount</u> |
|--------------------------------------|----------------------|
| Steve Sonntag – Concert Series | \$300 |
| Chris Kleeman Band – Concert Series | \$600 |
| Verandah Porche – Concert Series | \$300 |
| Draa Hobbs Ensemble – Concert Series | \$250 |
| Tim Gilmore – Concert Series | \$250 |
| Wim Auer – Concert Series | \$250 |
| Robert Stabach – Concert Series | \$250 |
| Kelly Stockwell – Concert Series | \$600 |
| Grafton Public Library | \$800 |
| Grafton Music Festival Inc. | \$5,000 |
| Concert Series receipts | \$(40) |

TOTAL \$8,560

The Windham Foundation, Inc.

Grants and Contributions Paid 11/1/2011 – 3/31/2012

| <u>Recipient</u> | <u>Address</u> | <u>Amount</u> |
|---------------------------------------|-----------------|---------------|
| Girls on the Run of Vermont | Vernon, VT | \$1,000 |
| Strolling of the Heifer's | Brattleboro, VT | \$3,000 |
| Project Feed the Thousands | Brattleboro, VT | \$1,000 |
| Windham & Windsor Housing Trust | Putney, VT | \$1,000 |
| Grafton Rescue Squad | Grafton, VT | \$3,000 |
| Grafton Historical Society | Grafton, VT | \$1,000 |
| Grafton Public Library | Grafton, VT | \$1,000 |
| Monteverdi Artists Collaborative | Guilford, VT | \$3,500 |
| The Brattleboro Women's Chorus | Brattleboro, VT | \$1,000 |
| Beth Morrison Project | New York, NY | \$1,000 |
| Nature Museum | Grafton, VT | \$500 |
| Grafton Firemen's Association | Grafton, VT | \$500 |
| Grafton Elementary School | Grafton, VT | \$500 |
| Grafton Cares | Grafton, VT | \$500 |
| Grace Cottage Hospital – Golf Benefit | Townshend, VT | \$500 |
| Project Linus | Townshend, VT | \$300 |
| Pack 258 | Springfield, VT | \$150 |
| River Gallery School | Brattleboro, VT | <u>\$100</u> |

TOTAL \$19,550

All recipients of grants and contributions are public charities.

The Windham Foundation, Inc.

Hurricane Irene Relief Fund Contributions Paid 11/1/2011-3/31/2012

| <u>Recipient</u> | <u>Amount</u> |
|------------------------------|---------------|
| Grafton Cares | \$23,600 |
| SEVCA | \$15,339.51 |
| Neighborhood Connections | \$5,000 |
| Community College of Vermont | \$919.95 |

| | |
|--------------|--------------------|
| TOTAL | \$44,859.46 |
|--------------|--------------------|