Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 08/01, 2009, and ending 12/31, 2009

B Check if applicable: Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending ☐

Please use IRS label or print or type. See Specific Instructions.

C Name of organization THE M.S. HERSHEY FOUNDATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 63 WEST CHOCOLATE AVENUE Room/suite

City or town, state or country, and ZIP + 4 HERSHEY, PA 17033

D Employer identification number 23-6242734

E Telephone number (717) 298-2200

G Gross receipts $ 5,113,847.

F Name and address of principal officer MR. RAYMOND GOVER
63 W CHOCOLATE AVENUE HERSHEY, PA 17033

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

H(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW.MSHERSHEYFOUNDATION.ORG

K Form of organization ☐ Corporation ☒ Trust ☐ Association ☐ Other ▶

L Year of formation 1935 **M** State of legal domicile PA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND COMMUNITY VISION AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO THE RESIDENTS OF THE HERSHEY AREA.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	5
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
5	Total number of employees (Part V, line 2a)	5	147
6	Total number of volunteers (estimate if necessary)	6	420
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	6,727,287.	1,603,659.
	9	Program service revenue (Part VIII, line 2g)	5,634,437.	2,672,057.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-21,112.	673,269.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,040.	0.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	12,343,652.	4,948,985.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,353,667.	1,584,550.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses, Part IX, column (D), line 25) ▶ 26.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	6,799,653.	3,389,239.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	10,153,320.	4,973,789.
	19	Revenue less expenses Subtract line 18 from line 12	2,190,332.	-24,804.

			Beginning of Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	55,641,035.	56,597,783.
	21	Total liabilities (Part X, line 26)	21,335,877.	20,695,929.
	22	Net assets or fund balances Subtract line 21 from line 20	34,305,158.	35,901,854.

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OGDEN, UT
IRS-OSC

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Donald C Papson — Signature of officer — Date 11-15-10

▶ DONALD C PAPSON EXECUTIVE DIRECTOR — Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ [signature] Date 11/12/2010 Check if self-employed ▶ ☐ Preparer's identifying number (see instructions) P00132355

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ GRANT THORNTON LLP 2001 MARKET STREET, SUITE 3100 PHILADELPHIA, PA 19103

EIN ▶ 36-6055558

Phone no ▶ 215-561-4200

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.* Form **990** (2009)

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Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission.
TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND COMMUNITY VISION AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO THE RESIDENTS OF THE HERSHEY AREA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 1,982,800. including grants of $ 0) (Revenue $ 1,717,591)
THE HERSHEY THEATRE PRESENTS THEATRICAL, MUSICAL AND DANCE PRODUCTIONS AS WELL AS SPECIAL INTEREST CLASSES AND WORKSHOPS AS A MEANS OF CULTURAL ENRICHMENT FOR THE COMMUNITY. IN ADDITION, IT SPONSORS A SCHOLARSHIP CONTEST FOR AREA HIGH SCHOOL PERFORMERS TO RECOGNIZE THEIR EFFORTS IN THE AREA OF THE PERFORMING ARTS. NUMBER OF PERSONS BENEFITED: 57,800.

4b (Code.) (Expenses $ 1,918,405 including grants of $ 0) (Revenue $ 577,397)
THE HERSHEY STORY DEPICTS THE STORY OF THE LIFE OF MILTON S HERSHEY AND HIS COMMUNITY. THE HERSHEY STORY ALSO PROVIDES EDUCATIONAL PROGRAMMING AS PART OF THE LAB EXPERIENCE AND IN THE COMMUNITY PARK. ALL DERRY TOWNSHIP SCHOOL STUDENTS ARE ADMITTED FREE OF CHARGE TO THE PROGRAM AT THE HERSHEY STORY. NUMBER OF PERSONS BENEFITED: 61,600.

4c (Code) (Expenses $ 476,221 including grants of $ 0) (Revenue $ 238,141)
THE HERSHEY GARDENS OFFERS A FLORAL LANDSCAPE AND BOTANICAL GARDENS AS A MEANS OF EDUCATIONAL AND CULTURAL BENEFIT TO THE COMMUNITY. EDUCATIONAL OPPORTUNITIES FOR ALL AGES ARE OFFERED IN THE FORM OF PROGRAMS AND CLASSES HELD IN AND ABOUT THE GARDENS. ALL DERRY TOWNSHIP SCHOOL STUDENTS ARE ADMITTED FREE OF CHARGE TO THE HERSHEY GARDENS. NUMBER OF PERSONS BENEFITED: 40,200.

4d Other program services (Describe in Schedule O) ATTACHMENT 2
(Expenses $ 181,204 including grants of $ 0) (Revenue $ 138,928)

4e Total program service expenses ▶ 4,558,630.

Part IV **Checklist of Required Schedules**

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		X
5	**Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8	X	
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	X	
11	Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	X	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI* • Did the organization report an amount for investments—other-securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII* • Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII* • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX* • Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X* • Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	X	
12A	Was the organization included in consolidated, independent audited financial statement for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A: Yes [ ] No [X]			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		X

Part IV **Checklist of Required Schedules** *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable	1a	52			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	147			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return (see instructions)			2b	X	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
b	If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter.					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . . 1a 5			
b	Enter the number of voting members that are independent . . . 1b 0			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9a		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	X	
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ PA,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available. Check all that apply

[ ] Own website [ ] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. ▶ DONALD PAPSON, EXEC. DIRECTOR 63 WEST CHOCOLATE AVE. HERSHEY, PA 17033 717-298-2200

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
RAYMOND L GOVER BD OF MGRS-PRESIDENT/CHAIRMAN	1.00	X		X				0.	127,500	0.
JAMES M MEAD BOARD OF MANAGERS	1.00	X						0.	128,539	0.
VELMA A REDMOND ESQ BOARD OF MANAGERS	1.00	X						0.	138,546	0.
ROBERT REESE BOARD OF MANAGERS	3.00	X						0.	1,235,294	270,348.
LEROY S ZIMMERMAN BOARD OF MANAGERS	1.00	X						0.	291,750	215,597.
HERSHEY TRUST COMPANY INSTITUTIONAL TRUSTEE	4.00		X					1,000.	0	0.
GAYLA M BUSH ASST TREAS/ASST SEC(7/15-CURR)	2.00			X				0.	247,277	47,224.
KENNETH GALL ASST TREAS/ASST SEC(1/1-7/14)	1.00			X				0.	124,154	36,821.
MARY LOUISE PORTER ESQ SECRETARY (8/11-CURRENT)	5.00			X				0.	422,578	25,201.
VINCENT B RUDISILL TREASURER	2.00			X				0.	1,042,319	46,004.
JAMES M SHEEHAN ESQ SECRETARY (1/1-8/10)	3.00			X				0.	342,397	61,872.
MARTA HOWELL EXECUTIVE DIRECTOR (1/1-9/21)	40.00			X				129,249.	0	13,061.
DONALD PAPSON EXECUTIVE DIRECTOR(9/22-CURR)	40.00			X				35,226.	32,367	11,739.
ANTHONY J COLISTRA ED D FORMER-BOARD OF MANAGERS	0.00						X	0.	245,032	41,778.
ROBERT C VOWLER FORMER OFFICER	0.00						X	0.	2,844,427	35,417.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total ▶								165,475.	7,222,180.	805,062.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 1

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 0

Part VIII Statement of Revenue 23-6242734

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b	59,808				
	c Fundraising events	1c	90				
	d Related organizations	1d	132,903				
	e Government grants (contributions)	1e	1,410,858				
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f $						
	h **Total.** Add lines 1a-1f ▶			1,603,659			
Program Service Revenue		Business Code					
	2a ADMISSIONS	713990		2,279,357	2,279,357		
	b EDUCATION SERVICES	611710		17,600	17,600		
	c SALE OF MUSEUM COLLECTIONS	900099		44,005	44,005		
	d PROGRAM REVENUE FROM HE&R AGREEMENTS	900099		90,214	90,214		
	e OTHER INCOME	900099		240,881	240,881		
	f All other program service revenue						
	g **Total.** Add lines 2a-2f ▶			2,672,057			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			312,030			312,030
	4 Income from investment of tax-exempt bond proceeds ▶			0			
	5 Royalties ▶			0			
		(i) Real	(ii) Personal				
	6a Gross Rents						
	b Less rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss) ▶			0			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	532,849	-6,748				
	b Less cost or other basis and sales expenses	164,862					
	c Gain or (loss)	367,987	-6,748				
	d Net gain or (loss) ▶			361,239			361,239
	8a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18	a					
	b Less direct expenses	b					
	c Net income or (loss) from fundraising events ▶			0			
	9a Gross income from gaming activities See Part IV, line 19	a					
	b Less direct expenses	b					
	c Net income or (loss) from gaming activities ▶			0			
	10a Gross sales of inventory, less returns and allowances	a					
	b Less cost of goods sold	b					
	c Net income or (loss) from sales of inventory ▶			0			
	Miscellaneous Revenue	Business Code					
	11a						
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d ▶			0			
	12 **Total Revenue.** See instructions ▶			4,948,985	2,672,057	0	673,269

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0.			
2 Grants and other assistance to individuals in the U S See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	35,000.		35,000.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	1,157,744.	985,962.	171,782.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	127,692.	113,925.	13,767.	
9 Other employee benefits	138,159.	113,243.	24,916.	
10 Payroll taxes	125,955.	110,704.	15,251.	
11 Fees for services (non-employees)				
a Management	86,682.	65,430.	21,252.	
b Legal	9,654.		9,654.	
c Accounting	0.			
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	0.			
12 Advertising and promotion	226,241.	224,632.	1,609.	
13 Office expenses	17,221.	15,152.	2,043.	26.
14 Information technology	37,240.	28,733.	8,507.	
15 Royalties	0.			
16 Occupancy	305,218.	263,323.	41,895.	
17 Travel	323.	310.	13.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	760.	667.	93.	
20 Interest	531,863.	531,863.		
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	867,480.	859,062.	8,418.	
23 Insurance	55,853.	51,177.	4,676.	
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a COST OF ATTRACTIONS	989,399.	989,399.		
b PROGRAM SUPPLIES	118,875.	68,548.	50,327.	
c COLLECTIONS MANAGEMENT	63,667.	63,667.		
d EQUIPMENT	9,976.	8,203.	1,773.	
e DUES AND SUBSCRIPTIONS	6,233.	5,343.	890.	
f All other expenses	62,554.	59,287.	3,267.	
25 **Total functional expenses.** Add lines 1 through 24f	4,973,789.	4,558,630.	415,133.	26.
26 **Joint Costs.** Check here ▶ ☐ If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	2,624,036.	2	2,826,688.
	3	Pledges and grants receivable, net	879,413.	3	735,000.
	4	Accounts receivable, net	2,138,418.	4	1,737,049.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	159,690.	9	146,934.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a 32,501,408.			
	b	Less accumulated depreciation — 10b 6,523,025.	26,681,644.	10c	25,978,383.
	11	Investments - publicly traded securities ATCH 3	23,157,834.	11	25,173,729.
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	55,641,035.	16	56,597,783.
Liabilities	17	Accounts payable and accrued expenses	2,337,070.	17	773,224.
	18	Grants payable		18	
	19	Deferred revenue	1,481,783.	19	1,419,429.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D	17,517,024.	25	18,503,276.
	26	**Total liabilities.** Add lines 17 through 25	21,335,877.	26	20,695,929.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	14,090,970.	27	13,952,111.
	28	Temporarily restricted net assets	20,214,188.	28	21,949,743.
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	34,305,158.	33	35,901,854.
	34	Total liabilities and net assets/fund balances	55,641,035.	34	56,597,783.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 [ ] Cash [X] Accrual [ ] Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both [X] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
THE M.S. HERSHEY FOUNDATION

Employer identification number
23-6242734

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state. ______

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☒ An organization that normally receives. (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the supported organization(s)

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

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) . . . 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) . . . 14 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 . . . 15 %

16a **33 1/3% support test - 2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . ▶ ☐

b **33 1/3% support test - 2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . ▶ ☐

17a **10%-facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . ▶ ☐

b **10%-facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organzation meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	572,370	484,284	485,587.	6,730,327	1,603,659	9,876,227
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	4,403,049	4,806,019	5,637,596	5,634,437	2,672,057.	23,153,158
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	4,975,419	5,290,303	6,123,183	12,364,764	4,275,716	33,029,385
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	136,636	176,880	2,143,794	1,216,036	132,903	3,806,249
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b	136,636	176,880	2,143,794	1,216,036	132,903	3,806,249
8 **Public support** (Subtract line 7c from line 6)						29,223,136

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	4,975,419	5,290,303	6,123,183	12,364,764	4,275,716	33,029,385
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	773,281	876,320	813,389	720,883	312,030	3,495,903
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	773,281	876,320	813,389	720,883	312,030	3,495,903.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)	5,748,700	6,166,623	6,936,572	13,085,647	4,587,746	36,525,288

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	80.01 %
16	Public support percentage from 2008 Schedule A, Part III, line 15	16	79.39 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c, column (f) divided by line 13, column (f))	17	9.57 %
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18	10.59 %

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

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

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

23-6242734

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: THE M.S. HERSHEY FOUNDATION
Employer identification number: 23-6242734

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ______

4 Number of states where property subject to conservation easement is located ▶ ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ______

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶$ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items.

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

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Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a [X] Public exhibition
b [X] Scholarly research
c [X] Preservation for future generations
d [ ] Loan or exchange programs
e [ ] Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? [ ] Yes [X] No

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? [ ] Yes [ ] No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? [ ] Yes [ ] No

b If "Yes," explain the arrangement in Part XIV

Part V **Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	20,214,188	28,927,435			
b Contributions	1,686,453				
c Net investment earnings, gains, and losses	1,712,890	-3,996,038			
d Grants or scholarships					
e Other expenditures for facilities and programs	1,663,788	4,717,209.			
f Administrative expenses					
g End of year balance	21,949,743	20,214,188			

2 Provide the estimated percentage of the year end balance held as.

a Board designated or quasi-endowment ▶ ______ %

b Permanent endowment ▶ ______ %

c Term endowment ▶ 100.0000 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		X
(ii) related organizations	3a(ii)	X	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	X	

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI **Investments - Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,000		1,000.
b Buildings		21,962,073	1,333,297	20,628,776.
c Leasehold improvements		8,229,804	4,111,919	4,117,885.
d Equipment		2,250,918	1,115,550	1,135,368.
e Other		117,785	22,431	95,354.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				25,978,383.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
ACCRUED POST RETIREMENT BEN OB	3,408,769.
LOAN GUARANTEE OBLIGATION	14,613,807.
INTEREST RATE SWAP LIABILITY	480,700.
Total (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	18,503,276.

2. FIN 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	4,948,985.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	4,973,789.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-24,804.
4	Net unrealized gains (losses) on investments	4	1,605,648.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	15,855.
9	Total adjustments (net). Add lines 4 through 8	9	1,621,503.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	1,596,699.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	6,526,483.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	1,605,648.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	15,855.		
e	Add lines **2a** through **2d**			2e	1,621,503.
3	Subtract line **2e** from line **1**			3	4,904,980.
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	44,005.		
c	Add lines **4a** and **4b**			4c	44,005.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12)*			5	4,948,985.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	4,929,784.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d	-44,005.		
e	Add lines **2a** through **2d**			2e	-44,005.
3	Subtract line **2e** from line **1**			3	4,973,789.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18)*			5	4,973,789.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

SEE PAGE 5

Part XIV Supplemental Information *(continued)*

COLLECTIONS OF ART, HISTORICAL TREASURERS, AND OTHER SIMILAR ASSETS

SCHEDULE D, PART III, LINE 4

THE M.S. HERSHEY FOUNDATION'S COLLECTION INCLUDES THE FOLLOWING: (1) ARTIFACTS AND HISTORICAL ORAL AND WRITTEN DOCUMENTS RELATED TO THE LIFE AND LEGACY OF MILTON S. HERSHEY FROM HIS PERSONAL LIFE TO HIS VARIOUS BUSINESSES TO HIS PHILANTHROPIES (2) ARTIFACTS AND HISTORICAL ORAL AND WRITTEN DOCUMENTS RELATED TO THE COMMUNITY OF HERSHEY (3) ARTIFACTS THAT DOCUMENT PENNSYLVANIA GERMAN CULTURE (4) ETHNOGRAPHIC MATERIALS RELATED TO INDIGENOUS PEOPLE OF THE UNITED STATES (5) PLANTINGS AT THE HERSHEY GARDEN THE ABOVE COLLECTIONS FURTHER M.S. HERSHEY FOUNDATION'S EXEMPT PURPOSE OF EDUCATION AND CULTURAL ENRICHMENT FOR THE RESIDENTS OF THE HERSHEY AREA BY BEING DISPLAYED IN AN ACCESSIBLE PUBLIC MUSEUM, PUBLIC ARCHIVE AND GARDENS.

INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS

SCHEDULE D, PART V, LINE 4

MILTON S. HERSHEY MADE HIS GIFT TO THE M.S. HERSHEY FOUNDATION ON DECEMBER 5, 1935 WITH THE PURPOSE OF CREATING AND ENDOWING IN PERPETUITY THIS FOUNDATION FOR EDUCATIONAL PURPOSES. THE TRUST WAS FUNDED FOR SEVERAL USES, INTENTS AND PURPOSES: FOR THE ESTABLISHMENT AND MAINTENANCE IN WHOLE OR IN PART OF ONE OR MORE EDUCATIONAL INSTITUTIONS IN DERRY TOWNSHIP, PENNSYLVANIA, THE SUPPORT OF PUBLIC SCHOOLS OF DERRY TOWNSHIP AND THE IMPROVEMENT AND ELEVATION OF THE STANDARD OF EDUCATION, AND THE VOCATIONAL, CULTURAL OR PROFESSIONAL EDUCATION OF ANY RESIDENT OF DERRY TOWNSHIP. IN ADDITION, UPON APPROVAL BY THE BOARD OF MANAGERS, THE ENDOWMENT FUNDS CAN BE UTILIZED TO PURCHASE LAND AND ERECT A BUILDING OR

Part XIV Supplemental Information *(continued)*

BUILDINGS UPON SUCH LAND.

LOAN GUARANTEE OBLIGATION

SCHEDULE D, PART X, OTHER LIABILITIES

THE M.S. HERSHEY FOUNDATION (FOUNDATION) CONSTRUCTED A BUILDING, WHICH IS THE SITE OF THE HERSHEY STORY MUSEUM. IN ORDER TO PROVIDE FUNDING FOR THE PROJECT, THE FOUNDATION ENTERED INTO AGREEMENTS DATED MARCH 1, 2007, WITH THE TOWNSHIP OF DERRY INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY (AUTHORITY). UNDER THESE AGREEMENTS, THE FOUNDATION WAS RESPONSIBLE FOR THE CONSTRUCTION OF THE BUILDING. UPON COMPLETION, THE FOUNDATION SOLD THE BUILDING TO THE AUTHORITY AT THE COST TO CONSTRUCT AND LEASED IT BACK FOR $20,000 PER YEAR FOR A PERIOD OF 29 YEARS, AT WHICH TIME THE BUILDING OWNERSHIP WILL REVERT BACK TO THE FOUNDATION. IN ADDITION, THE FOUNDATION GUARANTEED A $9,000,000 NONRECOURSE LOAN BETWEEN THE AUTHORITY AND PNC BANK, NATIONAL ASSOCIATION (PNC BANK) TO FUND THE CONSTRUCTION OF THE PROJECT. DURING DECEMBER 2007, THE FOUNDATION GUARANTEED A FLOATING-TO-FIXED RATE SWAP IN THE NOTIONAL AMOUNT OF $8,100,000 BETWEEN THE AUTHORITY AND PNC BANK TO MANAGE THE RISK OF INCREASED DEBT SERVICE COST FROM RISING INTEREST RATES. DURING MAY 2008, THE FOUNDATION GUARANTEED AN ADDITIONAL $6,000,000 NONRECOURSE LOAN BETWEEN THE AUTHORITY AND PNC TO FURTHER FUND THE CONSTRUCTION OF THE PROJECT.

Part XIV Supplemental Information *(continued)*

SCHEDULE D, PART XI, LINE 8

CHANGE IN UNRECOGNIZED POST RETIREMENT BENEFIT	$333,643
UNREALIZED LOSS ON INTEREST RATE SWAP	(317,788)

	$15,855

SCHEDULE D, PART XII, LINE 2D

CHANGE IN UNRECOGNIZED POST RETIREMENT BENEFIT	$333,643
UNREALIZED LOSS ON INTEREST RATE SWAP	(317,788)

	$15,855

SCHEDULE D, PART XII, LINE 4B

RECLASS - DEACCESSION OF MUSEUM COLLECTION 44,005

SCHEDULE D, PART XIII, LINE 2D

RECLASS - DEACCESSION OF MUSEUM COLLECTION (44,005)

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Travel for companions ☐ Tax indemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Independent compensation consultant ☒ Form 990 of other organizations ☒ Written employment contract ☐ Compensation survey or study ☒ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a	X	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
GAYLA M BUSH	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	161,636.	84,475.	1,166.	36,759.	10,465.	294,501.	
KENNETH GALL	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	101,855.	21,998.	301.	19,050.	17,771.	160,975.	
MARY LOUISE PORTER ESQ	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	208,823.	213,755.	0.	6,895.	18,306.	447,779.	
VINCENT B RUDISILL	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	354,744.	675,298.	12,277.	36,750.	9,254.	1,088,323.	
JAMES M SHEEHAN ESQ	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	312,851.	0.	29,546.	50,519.	11,353.	404,269.	
ROBERT C VOWLER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	139,341.	0.	2,705,086.	15,400.	20,017.	2,879,844.	
ROBERT REESE	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	1,232,843.	0.	2,451.	241,793.	28,555.	1,505,642.	
LEROY S ZIMMERMAN	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	251,750.	40,000.	0.	200,000.	15,597.	507,347.	
ANTHONY J COLISTRA ED D	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	145,079.	40,000.	59,953.	0.	41,778.	286,810.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

REPORTABLE COMPENSATION

SCHEDULE J-2

THE M.S. HERSHEY FOUNDATION IS ASSOCIATED WITH THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST AND OTHER HERSHEY CHARITIES AND FOR-PROFIT ENTITIES.

MR. AND MRS. HERSHEY ORGANIZED THE SCHOOL IN THE FORM OF A TRUST (THE "SCHOOL TRUST") CREATED UNDER AN ORIGINAL 1909 DEED OF TRUST WHICH, AS AMENDED, STILL GOVERNS THE OPERATION OF THE SCHOOL. THE DEED OF TRUST SETS FORTH THE RESPECTIVE POWERS AND AUTHORITIES OF THE TRUSTEE AND MANAGERS OF THE SCHOOL, NAMED THE HERSHEY TRUST COMPANY, A STATE CHARTERED TRUST COMPANY, AS TRUSTEE FOR COMPENSATION OF NO MORE THAN $1,000 PER YEAR AND PROVIDES FOR THE TRUSTEE TO APPOINT THE MANAGERS OF THE SCHOOL FROM ITS OWN BOARD OF DIRECTORS. THE MANAGERS SUBSEQUENTLY INCORPORATED AND, TOGETHER WITH THE SCHOOL TRUST, THE RESULTING INTEGRATED TAX-EXEMPT ORGANIZATION IS THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST (EIN: 23-1353340).

MR. HERSHEY CREATED THE SAME STRUCTURE FOR THE M.S. HERSHEY FOUNDATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

AS A RESULT, THE MEMBERS OF THE BOARD OF MANAGERS OF THE M.S. HERSHEY FOUNDATION ARE APPOINTED BY THE HERSHEY TRUST COMPANY IN ITS CAPACITY AS TRUSTEE FROM AMONG ITS OWN BOARD OF DIRECTORS. TOGETHER, THE TRUSTEE AND THE BOARD OF MANAGERS SERVE AS THE GOVERNING BODY OF THE M.S. HERSHEY FOUNDATION.

MILTON HERSHEY WAS A VISIONARY IN HIS DESIGN OF AN ORGANIZATIONAL STRUCTURE WHICH LIMITS THE COSTS OF MANAGING AND ADMINISTERING THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST AND THE M.S. HERSHEY FOUNDATION. A MEMBER OF THE BOARD OF EITHER CHARITY RECEIVES NO COMPENSATION FOR HIS OR HER EFFORTS TO OVERSEE THE CHARITY. MR. HERSHEY ALSO SEVERELY LIMITED THE COMPENSATION TO THE HERSHEY TRUST COMPANY FOR MANAGING AND ADMINISTERING HIS CHARITIES. PER THE DEED OF TRUST, THE M.S. HERSHEY FOUNDATION'S PAYMENT TO THE HERSHEY TRUST COMPANY FOR TRUSTEE SERVICES IS LIMITED TO $1,000 PER YEAR. THE SAME LIMITATION IS IMPOSED ON THE PAYMENT BY THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST.

THE COMPENSATION OF A BOARD MEMBER SERVING ON THE BOARDS OF ANY OF THE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

RELATED FOR-PROFIT ENTITIES (HERSHEY TRUST COMPANY, HERSHEY ENTERTAINMENT & RESORTS COMPANY AND THE HERSHEY COMPANY) IS COMMENSURATE WITH THE RESPONSIBILITIES OF THE BOARD MEMBER WITH RESPECT TO THE RELEVANT FOR-PROFIT ENTITY.

AS A RESULT OF THE STRUCTURE CREATED BY MILTON S. HERSHEY, THE HERSHEY TRUST COMPANY SERVES (A) AS TRUSTEE FOR THE $7 BILLION MILTON HERSHEY SCHOOL AND SCHOOL TRUST (ADMINISTRATION OF WHICH TRUST INCLUDES RESPONSIBILITY FOR (1) THE HERSHEY COMPANY, A FORTUNE 500 COMPANY; (2) HERSHEY ENTERTAINMENT & RESORTS COMPANY, A $200 MILLION RESORT AND ENTERTAINMENT COMPANY; (3) AN ACTIVELY MANAGED PORTFOLIO OF APPROXIMATELY $3.3 BILLION IN SECURITIES AND OTHER INVESTMENTS; AND (4) APPROXIMATELY 12,000 ACRES OF REAL ESTATE); (B) AS TRUSTEE FOR THE $28 MILLION ACTIVELY MANAGED PORTFOLIO OF THE M.S. HERSHEY FOUNDATION TRUST; AND (C) AS TRUSTEE OF THE $35 MILLION ACTIVELY MANAGED PORTFOLIO OF THE DERRY TOWNSHIP SCHOOL DISTRICT TRUST. THE HERSHEY TRUST COMPANY ALSO OPERATES A PRIVATE WEALTH MANAGEMENT BUSINESS WITH $1.1 BILLION OF ASSETS UNDER MANAGEMENT.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

THE FOLLOWING INFORMATION DETAILS THE COMPENSATION ARRANGEMENTS OF THE BOARD OF MANAGERS AND OFFICERS, WHO ARE NOT COMPENSATED BY THE M.S. HERSHEY FOUNDATION, BUT ARE COMPENSATED BY FOR-PROFIT RELATED ENTITIES. IN THE INTERESTS OF PROVIDING COMPREHENSIVE DISCLOSURE, THE M.S. HERSHEY FOUNDATION HAS DECIDED TO TREAT VARIOUS HERSHEY ENTITIES AS "RELATED ORGANIZATIONS" FOR PURPOSES OF REPORTING ON THE FORM 990 AND SCHEDULES EVEN THOUGH IT IS UNCERTAIN WHETHER THEY CONSTITUTE RELATED ORGANIZATIONS FOR PURPOSES OF FORM 990 (SEE SCHEDULE R).

RAYMOND L. GOVER - COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B) REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information.

JAMES M. MEAD - COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B) REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

VELMA A. REDMOND, ESQ - COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B) REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

ROBERT REESE - COMPENSATION IS SOLELY FOR SERVICE AS THE MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) AND PRESIDENT OF HERSHEY TRUST COMPANY (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION. MR. REESE IS A MANAGER OF THE M.S. HERSHEY FOUNDATION. MR. REESE RECEIVES NO COMPENSATION FROM THE M.S. HERSHEY FOUNDATION. NONE OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE BENEFITS ARE PAID BY THE M.S. HERSHEY FOUNDATION. HIS COMPENSATION IS REPORTED IN THE FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990 REQUIRES THE REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE M.S. HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE COMPENSATION FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE HERSHEY TRUST COMPANY ABOVE. MR. REESE'S COMPENSATION AS MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) AND PRESIDENT OF HERSHEY TRUST COMPANY IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS USING A PROCESS THAT INDEPENDENT COUNSEL OPINES IS IN ACCORDANCE WITH THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" PROCEDURE SET OUT IN THE REGULATIONS FOR SECTION 4958 OF THE INTERNAL REVENUE CODE. THIS PROCESS IS BASED ON POSITION COMPARABLES

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

TAKING INTO ACCOUNT RESPONSIBILITIES AND DUTIES, AUTHORITY, AND
OBJECTIVES. MR. REESE WORKS 57 HOURS PER WEEK IN HIS POSITION OF
MANAGING DIRECTOR. OF MR. REESE'S COMPENSATION, $334,500 IS
RETROACTIVE-PAY FOR HIS PRIOR YEAR (2008) SERVICE AS MANAGING DIRECTOR
AND PRESIDENT THAT WAS NOT PAID UNTIL 2009. MR. REESE RECEIVED NO NET
COMPENSATION AS A MEMBER OF THE BOARD OF DIRECTORS OF HERSHEY TRUST
COMPANY OR HERSHEY ENTERTAINMENT & RESORTS COMPANY OR AS A MEMBER OF THE
BOARD OF MANAGERS OF MILTON HERSHEY SCHOOL. MR. REESE RETIRED FROM THE
HERSHEY COMPANY PRIOR TO HIS EMPLOYMENT WITH HERSHEY TRUST COMPANY AND
PRIOR TO BEING APPOINTED AS A DIRECTOR OF HERSHEY TRUST COMPANY, MILTON
HERSHEY SCHOOL AND THE M.S. HERSHEY FOUNDATION. AS A RETIREE, MR. REESE
RECEIVED PENSION AND BENEFIT COVERAGE FROM THE HERSHEY COMPANY DURING THE
REPORTING PERIOD. THESE PAYMENTS ARE REQUIRED TO BE INCLUDED IN THE
COMPENSATION FIGURES REPORTED ON THE M.S. HERSHEY FOUNDATION'S FORM 990.
NONE OF THESE PAYMENTS WERE MADE BY THE M.S. HERSHEY FOUNDATION. THE
AVERAGE HOURS PER WEEK, AS REPORTED ON PART VII, SECTION A, QUESTION 1A,
COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY.
TIME DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE ENTIRE 2009 CALENDAR YEAR.

LEROY S. ZIMMERMAN - COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM RELATED FOR-PROFIT COMPANIES: HERSHEY TRUST COMPANY (EIN 23-0692150), THE HERSHEY COMPANY (EIN 23-0691590) AND HERSHEY ENTERTAINMENT & RESORTS CO (EIN 23-0691815). NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B) REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

GAYLA M. BUSH - COMPENSATION IS SOLELY FOR SERVICE AS THE TREASURER OF HERSHEY TRUST COMPANY AND VICE PRESIDENT, FINANCE, OF HERSHEY TRUST COMPANY, HERITAGE TRUSTS (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION. MS. BUSH WAS ELECTED ASSISTANT SECRETARY/ASSISTANT TREASURER OF THE M.S. HERSHEY FOUNDATION ON JULY 15, 2009. MS. BUSH

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

RECEIVES NO COMPENSATION FROM THE M.S. HERSHEY FOUNDATION. NONE OF THE
COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE BENEFITS ARE
PAID BY THE M.S. HERSHEY FOUNDATION. HER COMPENSATION IS REPORTED IN THE
FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990 REQUIRES THE
REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE M. S.
HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE COMPENSATION
FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE HERSHEY TRUST
COMPANY ABOVE. MS. BUSH'S COMPENSATION AS TREASURER OF HERSHEY TRUST
COMPANY AND VICE PRESIDENT, FINANCE, OF HERSHEY TRUST COMPANY, HERITAGE
TRUSTS IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS. THIS
PROCESS IS BASED ON POSITION COMPARABLES TAKING INTO ACCOUNT
RESPONSIBILITIES AND DUTIES, AUTHORITY, AND OBJECTIVES. MS. BUSH WORKS
53 HOURS PER WEEK IN HER POSITION OF TREASURER OF HERSHEY TRUST COMPANY
AND VICE PRESIDENT, FINANCE, OF HERSHEY TRUST COMPANY, HERITAGE TRUSTS.
THE AVERAGE HOURS PER WEEK, AS REPORTED ON PART VII, SECTION A, QUESTION
1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION
ONLY. TIME DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J.
ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

REPORTED IS FOR THE ENTIRE 2009 CALENDAR YEAR.

KENNETH GALL - COMPENSATION IS SOLELY FOR SERVICE AS THE DIRECTOR OF REAL ESTATE OF HERSHEY TRUST COMPANY (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION. HE WAS ASSISTANT SECRETARY/ASSISTANT TREASURER OF THE M.S. HERSHEY FOUNDATION UNTIL JULY 15, 2009. MR. GALL RECEIVES NO COMPENSATION FROM THE M.S. HERSHEY FOUNDATION. NONE OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE BENEFITS ARE PAID BY THE M.S. HERSHEY FOUNDATION. HIS COMPENSATION IS REPORTED IN THE FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990 REQUIRES THE REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE M.S. HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE COMPENSATION FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE HERSHEY TRUST COMPANY ABOVE. MR. GALL'S COMPENSATION AS DIRECTOR OF REAL ESTATE OF HERSHEY TRUST COMPANY IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS. THIS PROCESS IS BASED ON POSITION COMPARABLES TAKING INTO ACCOUNT RESPONSIBILITIES AND DUTIES, AUTHORITY, AND OBJECTIVES. MR. GALL WORKS 54 HOURS PER WEEK IN HIS POSITION OF DIRECTOR OF REAL ESTATE. THE AVERAGE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

HOURS PER WEEK, AS REPORTED ON PART VII, SECTION A, QUESTION 1A, COLUMN
(B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. TIME
DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J. ALTHOUGH
THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR
THE ENTIRE 2009 CALENDAR YEAR.

MARY LOUISE PORTER, ESQ - MS. PORTER'S COMPENSATION IS SOLELY FOR SERVICE
AS THE CHIEF COMPLIANCE OFFICER OF HERSHEY TRUST COMPANY AND GENERAL
COUNSEL AND SECRETARY OF HERSHEY TRUST COMPANY, PRIVATE WEALTH MANAGEMENT
GROUP (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION. SHE WAS
ELECTED SECRETARY OF THE M.S. HERSHEY FOUNDATION ON AUGUST 11, 2009. MS.
PORTER RECEIVES NO COMPENSATION FROM THE M. S. HERSHEY FOUNDATION. NONE
OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE
BENEFITS ARE PAID BY THE M.S. HERSHEY FOUNDATION. HER COMPENSATION IS
REPORTED IN THE FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990
REQUIRES THE REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE
M.S. HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE
COMPENSATION FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

HERSHEY TRUST COMPANY ABOVE. MS. PORTER'S COMPENSATION FROM THE HERSHEY TRUST COMPANY IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS USING A PROCESS THAT INDEPENDENT COUNSEL OPINES IS IN ACCORDANCE WITH THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" PROCEDURE SET OUT IN THE REGULATIONS FOR SECTION 4958 OF THE INTERNAL REVENUE CODE. THIS PROCESS IS BASED ON POSITION COMPARABLES TAKING INTO ACCOUNT RESPONSIBILITIES AND DUTIES, AUTHORITY, AND OBJECTIVES. MS. PORTER WORKS 50 HOURS PER WEEK IN HER POSITION OF CHIEF COMPLIANCE OFFICER OF HERSHEY TRUST COMPANY AND GENERAL COUNSEL AND SECRETARY OF HERSHEY TRUST COMPANY, PRIVATE WEALTH MANAGEMENT GROUP. MS. PORTER WAS FORMERLY EMPLOYED BY THE HERSHEY COMPANY PRIOR TO HER EMPLOYMENT WITH HERSHEY TRUST COMPANY ON MARCH 2, 2009 AND HER ELECTION AS AN OFFICER OF THE M.S. HERSHEY FOUNDATION ON AUGUST 11, 2009. AS AN EMPLOYEE OF THE HERSHEY COMPANY, MS. PORTER RECEIVED COMPENSATION AND BENEFIT COVERAGE FROM THE HERSHEY COMPANY DURING THE CALENDAR YEAR ENDING DECEMBER 31, 2009. THE AMOUNTS ARE REQUIRED TO BE INCLUDED IN THE COMPENSATION FIGURES REPORTED ON THE M.S. HERSHEY FOUNDATION'S FORM 990. NONE OF THESE PAYMENTS WERE MADE BY THE M.S. HERSHEY FOUNDATION. THE AVERAGE HOURS PER WEEK, AS REPORTED ON PART

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information

VII, SECTION A, QUESTION 1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. TIME DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE ENTIRE 2009 CALENDAR YEAR.

VINCENT B. RUDISILL - MR. RUDISILL'S COMPENSATION IS SOLELY FOR SERVICE AS THE ASSISTANT SECRETARY OF HERSHEY TRUST COMPANY AND THE CHIEF INVESTMENT OFFICER OF HERSHEY TRUST COMPANY, HERITAGE TRUSTS (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION. HE IS TREASURER OF THE M.S. HERSHEY FOUNDATION. MR. RUDISILL RECEIVES NO COMPENSATION FROM THE M.S. HERSHEY FOUNDATION. NONE OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE BENEFITS ARE PAID BY THE M.S. HERSHEY FOUNDATION. HIS COMPENSATION IS REPORTED IN THE FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990 REQUIRES THE REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE M.S. HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE COMPENSATION FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE HERSHEY TRUST COMPANY ABOVE. MR.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

RUDISILL'S COMPENSATION AS ASSISTANT SECRETARY OF HERSHEY TRUST COMPANY AND THE CHIEF INVESTMENT OFFICER OF HERSHEY TRUST COMPANY, HERITAGE TRUSTS IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS. THIS PROCESS IS BASED ON POSITION COMPARABLES TAKING INTO ACCOUNT RESPONSIBILITIES AND DUTIES, AUTHORITY, AND OBJECTIVES. MR. RUDISILL WORKS 39 HOURS PER WEEK IN HIS POSITION OF ASSISTANT SECRETARY OF HERSHEY TRUST COMPANY AND THE CHIEF INVESTMENT OFFICER OF HERSHEY TRUST COMPANY, HERITAGE TRUSTS. THE AVERAGE HOURS PER WEEK, AS REPORTED ON PART VII, SECTION A, QUESTION 1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. TIME DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE ENTIRE 2009 CALENDAR YEAR.

JAMES M. SHEEHAN, ESQ - MR. SHEEHAN'S COMPENSATION IS SOLELY FOR SERVICE AS THE GENERAL COUNSEL OF HERSHEY TRUST COMPANY (EIN: 23-0692150), A FOR-PROFIT RELATED CORPORATION AND THE VICE PRESIDENT, LEGAL AFFAIRS & EXTERNAL RELATIONS OF MILTON HERSHEY SCHOOL, WHICH IS PART OF THE MILTON

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

HERSHEY SCHOOL AND SCHOOL TRUST (EIN: 23-1353340), A RELATED TAX-EXEMPT ORGANIZATION (HERSHEY TRUST COMPANY SERVES AS TRUSTEE AND, PURSUANT TO THE DEED OF TRUST, APPOINTS ITS OWN BOARD AS THE MANAGERS OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST). HE WAS SECRETARY OF THE M.S. HERSHEY FOUNDATION UNTIL AUGUST 10, 2009. MR. SHEEHAN RECEIVES NO COMPENSATION FROM THE M.S. HERSHEY FOUNDATION. NONE OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS OR NON-TAXABLE BENEFITS ARE PAID BY THE M.S. HERSHEY FOUNDATION. HIS COMPENSATION IS REPORTED IN THE FORM 990 FOR THE M.S. HERSHEY FOUNDATION BECAUSE FORM 990 REQUIRES THE REPORTING OF COMPENSATION FROM OTHER ENTITIES RELATED TO THE M.S. HERSHEY FOUNDATION, EVEN IF THE INDIVIDUAL DOES NOT RECEIVE COMPENSATION FROM THE REPORTING ORGANIZATION. SEE DISCUSSION OF THE HERSHEY TRUST COMPANY ABOVE. MR. SHEEHAN'S COMPENSATION AS GENERAL COUNSEL OF HERSHEY TRUST COMPANY AND THE VICE PRESIDENT, LEGAL AFFAIRS & EXTERNAL RELATIONS OF MILTON HERSHEY SCHOOL IS DETERMINED BY INDEPENDENT COMPENSATION CONSULTANTS USING A PROCESS THAT INDEPENDENT COUNSEL OPINES IS IN ACCORDANCE WITH THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" PROCEDURE SET OUT IN THE REGULATIONS FOR SECTION 4958 OF THE INTERNAL REVENUE CODE. THIS PROCESS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

IS BASED ON POSITION COMPARABLES TAKING INTO ACCOUNT RESPONSIBILITIES AND DUTIES, AUTHORITY, AND OBJECTIVES. MR. SHEEHAN WORKS 15 HOURS PER WEEK IN HIS POSITION AS GENERAL COUNSEL OF HERSHEY TRUST COMPANY AND 40 HOURS PER WEEK IN HIS POSITION AS VICE PRESIDENT, LEGAL AFFAIRS & EXTERNAL RELATIONS OF MILTON HERSHEY SCHOOL. THE AVERAGE HOURS PER WEEK, AS REPORTED ON PART VII, SECTION A, QUESTION 1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. TIME DEVOTED TO THE RELATED ENTITIES IS DISCLOSED WITH SCHEDULE J. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE ENTIRE 2009 CALENDAR YEAR.

ANTHONY J. COLISTRA, ED. D. - DR. COLISTRA WAS A DIRECTOR OF A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150) AND A RELATED TAX-EXEMPT ORGANIZATION, THE MILTON S. HERSHEY SCHOOL & SCHOOL TRUST (EIN 23-1353340) UNTIL DECEMBER 2007. HE WAS ALSO A BOARD MEMBER OF HERSHEY ENTERTAINMENT & RESORTS (EIN 23-0691815), A COMPANY WHOLLY OWNED BY MILTON HERSHEY SCHOOL TRUST, UNTIL JULY 2009. IN AUGUST 2009, DR. COLISTRA WAS APPOINTED THE PRESIDENT OF MILTON HERSHEY SCHOOL.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES HERSHEY ENTERTAINMENT & RESORTS COMPANY AND SALARY AND BENEFITS FROM MILTON HERSHEY SCHOOL. NONE OF THE COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS, OR OTHER ALLOWANCES ARE PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

ROBERT C. VOWLER - MR. VOWLER WAS AN OFFICER AND DIRECTOR OF THE M.S. HERSHEY FOUNDATION UNTIL APRIL 2008. HE WAS ALSO AN OFFICER AND DIRECTOR OF A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN: 23-0692150) AND DIRECTOR OF A RELATED FOR-PROFIT COMPANY HERSHEY ENTERTAINMENT AND RESORTS (EIN: 23-0691815) UNTIL APRIL 2008. COMPENSATION REPORTED CONSISTS OF AMOUNTS PAID BY HERSHEY TRUST COMPANY IN ACCORDANCE WITH AN ADVISOR CONTRACT EXECUTED APRIL 7, 2008 AND NON-TAXABLE BENEFITS RECEIVED FROM HERSHEY ENTERTAINMENT AND RESORTS DURING 2009. NONE OF THE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information

COMPENSATION, EMPLOYEE BENEFIT CONTRIBUTIONS, OR OTHER ALLOWANCES ARE PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734) OR THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST (EIN: 23-1353340). THE HOURS WORKED PER WEEK ON PART VII, SECTION A, QUESTION 1A, COLUMN (B), REFLECTS TIME DEVOTED TO THE M.S. HERSHEY FOUNDATION ONLY. ALTHOUGH THE TAX REPORTING PERIOD IS 8/1/09-12/31/09, COMPENSATION REPORTED IS FOR THE PERIOD 1/1/09 TO 12/31/09.

SCHEDULE J, PART I, QUESTION 4A

ROBERT C. VOWLER WAS PAID BY A RELATED ORGANIZATION $140,000 AS A SEVERANCE PAYMENT.

MARTA HOWELL WAS PAID BY THE FILING ORGANIZATION $36,253 AS A SEVERANCE PAYMENT.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SCHEDULE J, PART I, QUESTION 4B

DONALD PAPSON WAS PAID BY A RELATED ORGANIZATION FROM A SUPPLEMENTAL

NONQUALIFIED RETIREMENT PLAN $32,367.

ROBERT C. VOWLER WAS PAID BY A RELATED ORGANIZATION FROM A SUPPLEMENTAL

NONQUALIFIED RETIREMENT PLAN $2,705,086.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization	Employer identification number
THE M.S. HERSHEY FOUNDATION	23-6242734

ATTACHMENT 1

CHANGE IN TAX YEAR END

SHORT PERIOD TAX RETURN AUGUST 1, 2009 - DECEMBER 31, 2009

THE M.S. HERSHEY FOUNDATION CHANGED ITS TAX YEAR END FROM JULY 31 TO DECEMBER 31. THIS 2009 FORM 990 IS A SHORT PERIOD TAX RETURN FOR THE PERIOD AUGUST 1, 2009 TO DECEMBER 31, 2009.

SUMMARY SECTION

FORM 990, PART I, LINE 6

VOLUNTEERS ARE A VITAL PART OF THE M.S. HERSHEY FOUNDATION. MANY OF OUR VOLUNTEERS HAVE INTRODUCED A CHILD TO HISTORY, NATURE OR LIVE THEATRE. OTHERS HAVE HELPED BEAUTIFY HERSHEY GARDENS, USHERED A SHOW AT THE HERSHEY THEATRE OR PROUDLY ANSWERED QUESTIONS ABOUT OUR COMMUNITY'S RICH HISTORY AT THE MUSEUM: THE HERSHEY STORY.

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT

FORM 990, PART III, LINE 4D

ARCHIVES - THE HERSHEY COMMUNITY ARCHIVES COLLECTS AND MAINTAINS HISTORICAL DOCUMENTATION SUCH AS PHOTOGRAPHS, ORAL HISTORIES, AND OTHER TWO DIMENSIONAL ARTIFACTS CHRONICLING THE HISTORY OF THE COMMUNITY. EDUCATIONAL PROGRAMMING IS OFFERED TO THE THIRD GRADERS OF THE DERRY TOWNSHIP SCHOOL DISTRICT AND IN THE FORM OF LECTURES AND DEMONSTRATIONS AT VARIOUS VENUES.

GOVERNING BODY & MANAGEMENT

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

FORM 990, PART VI, SECTION A, LINE 2

SEVERAL OF THE BOARD OF MANAGERS MEMBERS AND OFFICERS OF THE FILING ORGANIZATION ALSO SERVE AS DIRECTORS AND OFFICERS OF BUSINESS ENTITIES THAT ARE RELATED TO THIS FILING ORGANIZATION. PLEASE SEE FORM 990, SCHEDULE R FOR FURTHER INFORMATION.

GOVERNING BODY & MANAGEMENT

FORM 990, PART VI, SECTION A, LINE 3

THE M.S. HERSHEY FOUNDATION HAS SEVERAL OPERATIONS IN HERSHEY, PENNSYLVANIA, INCLUDING THE HERSHEY GARDENS, THE HERSHEY COMMUNITY ARCHIVES, THE HERSHEY THEATRE, THE HERSHEY STORY, AND CHOCOLATETOWN SQUARE, COLLECTIVELY REFERRED TO AS "FOUNDATION OPERATIONS". THESE OPERATIONS EXIST TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND COMMUNITY VISION AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO RESIDENTS AND VISITORS OF HERSHEY, PA. HERSHEY ENTERTAINMENT & RESORTS COMPANY (HE&R), A RELATED FOR PROFIT OPERATION, HAS ESTABLISHED A REPUTATION FOR PROVIDING HIGH QUALITY SERVICES, AND HAS EXTENSIVE EXPERIENCE PROVIDING LIVE PERFORMANCE ENTERTAINMENT, RETAIL, CATERING, FOOD AND BEVERAGE AND ASSOCIATES SERVICES. HE&R OWNS AND OPERATES NUMEROUS ENTERTAINMENT AND HOSPITALITY VENUES IN HERSHEY, PENNSYLVANIA. FOUNDED IN 1927, BY MILTON HERSHEY, HE&R'S MISSION AND GOALS INCLUDE DEMONSTRATING SENSITIVITY ABOUT THE QUALITY OF LIFE FOR THE COMMUNITY AND USING ITS RESERVOIR OF TALENT AND EXPERIENCE TO MAKE A POSITIVE DIFFERENCE WITH THE M.S. HERSHEY FOUNDATION. IN ORDER TO ENHANCE FOUNDATION OPERATIONS AND FURTHER ITS MISSION, THE M.S. HERSHEY FOUNDATION ENTERED INTO A CONTRACT WITH HE&R TO PROVIDE VARIOUS SERVICES INCLUDING THE FOLLOWING:

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

1. WEDDING, PARTY AND EVENT CATERINGS

2. RETAIL OPERATIONS SUPPORT

3. THEATRE OPERATIONS MANAGEMENT

4. IT, COMMUNICATIONS AND SECURITY SERVICES

PRIOR TO THE COMMENCEMENT OF SERVICES, THE M.S. HERSHEY FOUNDATION, ASSISTED BY INDEPENDENT OUTSIDE COUNSEL, EVALUATED THE PROPOSED SERVICES TO ENSURE COMPLIANCE WITH INTERMEDIATE SANCTIONS RULES PURSUANT TO IRC SECTION 4958 AND PRIVATE INUREMENT RULES PURSUANT TO TREASURY REGULATIONS 53.4958-4. THESE SERVICES ARE REVIEWED AND APPROVED BY THE BOARD OF MANAGERS ON AN ANNUAL BASIS. THE M.S. HERSHEY FOUNDATION HAS ESTABLISHED AN INDEPENDENT COMMITTEE TO PERIODICALLY REVIEW THE SERVICES BEING PERFORMED AND THE CONTRACTUAL RELATIONSHIP WITH HE&R TO ENSURE IT IS IN THE BEST INTEREST OF THE M.S. HERSHEY FOUNDATION TO CONTINUE USING THE SERVICES OF HE&R AND TO ENSURE COMPLIANCE WITH THE IRC SECTION AND TREASURY REGULATION NOTED ABOVE.

FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION B, LINE 11A

THE FORM 990 IS PREPARED UNDER THE DIRECTION OF THE DIRECTOR OF FINANCE OF THE M.S. HERSHEY FOUNDATION. THE FORM 990 IS REVIEWED BY ADDITIONAL MEMBERS OF THE M.S. HERSHEY FOUNDATION, OUTSIDE COUNSEL AND ITS INDEPENDENT TAX ADVISORS WHO SIGN THE RETURN AS "PAID PREPARERS." THE BOARD OF MANAGERS OF THE M.S. HERSHEY FOUNDATION REVIEWS AND DISCUSSES THE FORM 990 AT ONE OF ITS SCHEDULED MEETINGS PRIOR TO FILING THE RETURN WITH THE INTERNAL REVENUE SERVICE. ADDITIONALLY, THE FORM 990 IS

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

PROVIDED TO THE FULL BOARD OF MANAGERS, NOTING KEY DISCLOSURES, PRIOR TO THE FILING OF THE FORM 990 WITH THE INTERNAL REVENUE SERVICE.

CONFLICT OF INTEREST

FORM 990, PART VI, SECTION B, LINE 12C

THE BOARD OF MANAGERS, OFFICERS AND KEY EMPLOYEES OF THE M.S. HERSHEY FOUNDATION HAVE A FIDUCIARY RELATIONSHIP WITH THE M.S. HERSHEY FOUNDATION WHICH REQUIRES THAT THEY ACT IN GOOD FAITH WITH REGARD TO THE M.S. HERSHEY FOUNDATION'S BEST INTERESTS. IT IS ESSENTIAL IN FULFILLING THEIR DUTIES THAT THEY APPLY THE HIGHEST MORAL, LEGAL, AND ETHICAL STANDARDS IN THEIR CONDUCT AND BUSINESS RELATIONSHIPS. THE HERSHEY TRUST COMPANY, TRUSTEE FOR THE M.S. HERSHEY FOUNDATION, HAS WRITTEN CONFLICT OF INTEREST POLICES WHICH ARE INTENDED TO PERMIT THE M.S. HERSHEY FOUNDATION AND ITS MANAGERS, OFFICERS AND OTHER KEY EMPLOYEES TO IDENTIFY, EVALUATE AND ADDRESS ANY CONFLICT OF INTEREST THAT MIGHT CALL INTO QUESTION THIS FIDUCIARY DUTY TO THE M.S. HERSHEY FOUNDATION. THE CONFLICT OF INTEREST POLICY COVERING THE MANAGERS IS DOCUMENTED IN THE CONFLICT OF INTEREST SECTION OF THEIR GOVERNANCE GUIDELINES. THE CONFLICT OF INTEREST POLICY COVERING OFFICERS AND OTHER KEY EMPLOYEES OF HERSHEY TRUST COMPANY, TRUSTEE FOR THE M.S. HERSHEY FOUNDATION IS DOCUMENTED IN POLICY 1.3 ETHICAL STANDARDS AND POLICY 1.5 CONFLICT OF INTEREST OF ITS EMPLOYEE POLICY MANUAL AND POLICY 1.02 CODE OF CONDUCT OF ITS POLICY MANUAL. EACH MANAGER, OFFICER AND KEY EMPLOYEE IS REQUIRED TO AVOID ALL ACTIVITY THAT COULD CREATE A CONFLICT OF INTEREST OR EVEN GIVE AN APPEARANCE OF A CONFLICT OF INTEREST. ANY CONFLICTS OF INTEREST ARE TO BE REPORTED AS SOON AS PRACTICAL AFTER THEY BECOME AWARE OF SUCH A CONFLICT. ANNUALLY EACH MANAGER (IN EFFECT FOR THE TAX YEAR ENDING 7/31/2009), OFFICER AND

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

KEY EMPLOYEE (IN EFFECT FOR THE TAX YEAR BEGINNING 8/1/2009) IS REQUIRED TO COMPLETE AN ANNUAL STATEMENT OF DISCLOSURE. THE FORMS IDENTIFY VENDORS, INVESTMENTS, OTHER BOARD MEMBERSHIPS, AND FAMILY MEMBERS THAT COULD GIVE RISE TO CONFLICTS OF INTEREST. THE STATEMENTS ARE REVIEWED BY THE FOUNDATION'S EXECUTIVE DIRECTOR AND THE DIRECTOR OF FINANCE IN ORDER FOR THEM TO BE AWARE OF ACTIVITIES THAT COULD GIVE RISE TO CONFLICTS OF INTEREST. POTENTIAL CONFLICTS OF INTEREST RELATED TO MANAGERS, OFFICERS AND KEY EMPLOYEES ARE BROUGHT TO THE ATTENTION OF THE PRESIDENT OF THE BOARD OF MANAGERS OF THE M.S. HERSHEY FOUNDATION. THE PRESIDENT (OR HIS DESIGNEE) DETERMINES THE CORRECTIVE MEASURE, IF ANY, TO BE TAKEN TO RESOLVE THE CONFLICT, OR WILL IMPOSE APPROPRIATE RESTRICTIONS, IF ANY ON THE PERSON WITH THE CONFLICT. FOR CONFLICTS OF INTEREST INVOLVING THE PRESIDENT, THE MATTER WOULD BE DISCUSSED WITH THE CHAIR OF THE AUDIT COMMITTEE AND THE CHAIR OF THE BOARD OF THE HERSHEY TRUST COMPANY. THE TWO CHAIR PERSONS, IN CONSULTATION WITH THE OTHER BOARD MEMBERS, EXCLUDING SUCH CONFLICTED PERSON, HAVE THE FINAL APPROVAL OF ANY RECOMMENDED CORRECTIVE MEASURES OR IMPOSED RESTRICTIONS.

COMPENSATION PROCESS

FORM 990, PART VI, SECTION B, LINES 15A AND 15B

THE M.S. HERSHEY FOUNDATION'S BOARD OF MANAGERS (THE GOVERNING BODY OF THE M.S. HERSHEY FOUNDATION) CONTROLS THE PROCESS IN DETERMINING WHETHER THE TOTAL COMPENSATION OF THE EXECUTIVE DIRECTOR IS FAIR AND REASONABLE. THIS PROCESS OCCURS AT THE INITIAL HIRE OF THE EXECUTIVE DIRECTOR AND AT REGULAR INTERVALS THEREAFTER. THE REVIEW OF THE TOTAL COMPENSATION OF THE EXECUTIVE DIRECTOR, INCLUDES BUT IS NOT LIMITED TO, A REVIEW OF COMPARABLE EXECUTIVE DIRECTOR TOTAL COMPENSATION AS DISCLOSED IN THE

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

FORMS 990 OF SIMILAR-SIZED EXEMPT ORGANIZATIONS. AS PART OF THIS PROCESS, THE COMPENSATION INFORMATION IS REVIEWED AND APPROVED BY THE BOARD OF MANAGERS FOR THE EXECUTIVE DIRECTOR. THOSE BOARD OF MANAGERS WITH A CONFLICT IN REGARD TO THE EXECUTIVE DIRECTOR'S COMPENSATION REVIEW PROCESS ABSTAIN FROM THE DELIBERATIONS.

THE BOARD OF MANAGERS DO NOT RECEIVE ANY COMPENSATION FROM M.S. HERSHEY FOUNDATION. THE BOARD OF MANAGERS RECEIVE COMPENSATION FROM HERSHEY TRUST COMPANY AS DIRECTORS OF THE TRUST COMPANY IN ACCORDANCE WITH SECTION 16 OF ITS BYLAWS. THE COMPENSATION IS PERIODICALLY REVIEWED BY THIRD PARTY COMPENSATION CONSULTANTS. ANY MEMBER OF THE BOARD OF MANAGERS WHO ALSO SERVES AS A DIRECTOR OR OFFICER OF THE HERSHEY COMPANY OR OF HERSHEY ENTERTAINMENT & RESORTS CO. RECEIVES COMPENSATION FROM SUCH RELATED FOR-PROFIT COMPANY, PURSUANT TO SUCH COMPANY'S PROCEDURES.

THE COMPENSATION OF THE M.S. HERSHEY FOUNDATION'S OFFICERS, WHO ARE DIRECTORS OR EMPLOYEES OF THE HERSHEY TRUST COMPANY (TRUSTEE OF M.S. HERSHEY FOUNDATION), IS DETERMINED BY PERIODIC REVIEW (GENERALLY PERFORMED AT LEAST EVERY 3 YEARS) BY THIRD PARTY COMPENSATION CONSULTANTS TO DETERMINE THAT IT IS FAIR AND REASONABLE AS PART OF THE HERSHEY TRUST COMPANY'S COMPENSATION REVIEW PROCESS. THE COMPENSATION OF THE STATUTORY OFFICERS, THE MANAGING DIRECTOR AND COMPLIANCE OFFICER IS FIXED BY THE BOARD OF DIRECTORS OF HERSHEY TRUST COMPANY IN ACCORDANCE WITH SECTION 5 OF ITS BYLAWS. THE PRESIDENT AND MANAGING DIRECTOR OF HERSHEY TRUST COMPANY APPROVES COMPENSATION OF THE OTHER OFFICERS AND KEY EMPLOYEES AND

Name of the organization: THE M.S. HERSHEY FOUNDATION

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ATTACHMENT 1 (CONT'D)

REPORTS THIS COMPENSATION TO THE BOARD OF DIRECTORS OR A DESIGNATED COMMITTEE OF THE BOARD OF DIRECTORS AS ANY CHANGES ARE MADE. ANY OFFICER OF THE M.S. HERSHEY FOUNDATION WHO ALSO SERVES AS A DIRECTOR OR OFFICER OF THE HERSHEY COMPANY OR OF HERSHEY ENTERTAINMENT & RESORTS CO. RECEIVES COMPENSATION FROM SUCH RELATED FOR-PROFIT COMPANY, PURSUANT TO SUCH COMPANY'S PROCEDURES.

PUBLIC AVAILABILITY OF GOVERNING DOCUMENTS

FORM 990, PART VI, SECTION C, LINE 19

THE FOUNDATION MAKES THE DEED OF TRUST AVAILABLE TO THE PUBLIC ON ITS WEBSITE. THE FOUNDATION'S CONFLICT OF INTEREST POLICY AND ITS AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

HOURS SPENT ON RELATED ORGANIZATIONS

FORM 990, PART VII, SECTION A, COLUMN B

THE FOLLOWING TABLE DETAILS M.S. HERSHEY FOUNDATION BOARD OF MANAGERS MEMBERS AND OFFICERS WHO ARE ALSO BOARD OF MANAGERS MEMBERS AND OFFICERS OF RELATED ORGANIZATIONS AND THE HOURS SPENT PER WEEK ON DUTIES FOR THESE RELATED ORGANIZATIONS:

Name of the organization
THE M.S. HERSHEY FOUNDATION

Employer identification number
23-6242734

ATTACHMENT 1 (CONT'D)

	MILTON HERSHEY ENTERTAIN & RESORTS	HERSHEY CO	HERSHEY SCHOOL & SCHOOL TRUST	HERSHEY TRUST CO.
RAYMOND L. GOVER	-	-	5.5	FOOTNOTE 1
JAMES M. MEAD	-	-	9	FOOTNOTE 1
VELMA A. REDMOND	-	-	6	FOOTNOTE 1
ROBERT REESE	4	-	57	FOOTNOTE 1
LEROY S. ZIMMERMAN	2	2.5	6.5	FOOTNOTE 1
GAYLA M. BUSH	-	-	43	10
KENNETH GALL	-	-	54	FOOTNOTE 1
MARY LOUISE PORTER*	-	-	10	40
VINCENT B. RUDISILL	-	-	29	10
JAMES M. SHEEHAN	-	-	40	15

Name of the organization: THE M.S. HERSHEY FOUNDATION

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ATTACHMENT 1 (CONT'D)

ANTHONY J. COLISTRA	1.5	-	-	-
ROBERT C. VOWLER	-	-	-	-

FOOTNOTE 1: TIME SPENT ON HERSHEY TRUST COMPANY MATTERS IS INCLUDED IN THE AVERAGE HOURS WORKED PER WEEK UNDER THE COLUMN FOR THE MILTON HERSHEY SCHOOL & SCHOOL TRUST.

* MS. PORTER WAS A FULL-TIME EMPLOYEE OF THE HERSHEY COMPANY FOR THE FIRST TWO MONTHS OF 2009, PRIOR TO HER EMPLOYMENT BY HERSHEY TRUST COMPANY.

FINANCIAL STATEMENTS AUDITED BY INDEPENDENT ACCOUNTANT

FORM 990, PART XI, LINE 2B

THE M.S. HERSHEY FOUNDATION CHANGED ITS TAX YEAR END FROM JULY 31 TO DECEMBER 31. AS A RESULT OF THIS CHANGE, THE M.S. HERSHEY FOUNDATION DECIDED TO HAVE ITS INDEPENDENT ACCOUNTANTS CONDUCT AN AUDIT AND PRODUCE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD: AUGUST 1, 2008 THROUGH DECEMBER 31, 2009. THE M.S. HERSHEY FOUNDATION DOES NOT HAVE STANDALONE AUDITED FINANCIAL STATEMENTS FOR THE 5-MONTH PERIOD: AUGUST 1, 2009 THROUGH DECEMBER 31, 2009; HOWEVER, THE FINANCIAL INFORMATION FOR THE 5-MONTH PERIOD ENDED DECEMBER 31, 2009, AS PRESENTED ON THIS FEDERAL FORM 990, IS AUDITED FINANCIAL INFORMATION INCLUDED IN THE AUDITED FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD.

SCHEDULE R - SUPPLEMENTAL DISCLOSURE

SCHEDULE R, PART V, TRANSACTIONS WITH RELATED ORGANIZATIONS

ACCORDING TO THE INSTRUCTIONS TO SCHEDULE R, PART V, TRANSACTIONS WITH RELATED ORGANIZATIONS, THE FOLLOWING TRANSACTIONS ARE TO BE REPORTED IN

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

LINE 2:

(1) (A) ALL RECEIPTS OR ACCRUALS, REGARDLESS OF THE AMOUNT, OF INTEREST, ANNUITIES, ROYALTIES, OR RENT FROM A CONTROLLED ENTITY; (B) A LOAN MADE TO A CONTROLLED ENTITY*; OR (C) ANY OTHER TRANSFER OF FUNDS BETWEEN THE ORGANIZATION AND THE CONTROLLED ENTITY*

(2) TRANSACTIONS WITH RELATED TAX-EXEMPT ORGANIZATIONS NOT DESCRIBED IN SECTION 501(C)(3)*

* THESE TRANSACTIONS ARE TO BE DISREGARDED WHERE THE TOTAL AMOUNTS INVOLVED DO NOT EXCEED $50,000

ALTHOUGH THE M.S. HERSHEY FOUNDATION IS NOT REQUIRED TO DISCLOSE ITS RELATED PARTY TRANSACTIONS IN SCHEDULE R, PART V, LINE 2 ACCORDING TO THE INSTRUCTIONS ABOVE, THE M.S. HERSHEY FOUNDATION IS ELECTING TO DISCLOSE ALL TRANSACTIONS WITH ITS RELATED PARTIES AS FOLLOWS:

SCHEDULE R, PART V, LINE 1C

GIFT, GRANT OR CAPITAL CONTRIBUTION FROM OTHER ORGANIZATIONS:

HERSHEY TRUST COMPANY $56,273

SCHEDULE R, PART V, LINE 1I

LEASE OF FACILITIES, EQUIPMENT OR OTHER ASSETS TO OTHER ORGANIZATION:

MILTON HERSHEY SCHOOL AND TRUST $881 (STORAGE OF THE ARCHIVES)

HERSHEY TRUST COMPANY $732 (STORAGE OF THE ARCHIVES)

SCHEDULE R, PART V, LINE 1J

Name of the organization: THE M.S. HERSHEY FOUNDATION

Employer identification number: 23-6242734

ATTACHMENT 1 (CONT'D)

LEASE OF FACILITIES, EQUIPMENT OR OTHER ASSETS FROM OTHER ORGANIZATION:

MILTON HERSHEY SCHOOL & SCHOOL TRUST $1,820 (MUSEUM RENTAL FOR STORAGE BARN)

ATTACHMENT 2

FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

DESCRIPTION	GRANTS	EXPENSES	REVENUE
ARCHIVES & MISCELLANEOUS PROGRAM	0.	181,204.	138,928.
TOTALS	0.	181,204.	138,928.

ATTACHMENT 3

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION	ENDING BOOK VALUE	COST OR FMV
U.S. COMMON STOCKS/FUNDS	20,614,893.	FMV
CORPORATE BONDS	1,711,076.	FMV
TREASURY BONDS AND NOTES	1,978,595.	FMV
AGENCY BONDS	180,688.	FMV
ALTERNATIVE ASSETS	688,477.	FMV
TOTALS	25,173,729.	

The M.S. Hershey Foundation
EIN: 23-6242734
Tax Period: 8/1/2009 - 12/31/2009

The M.S. Hershey Foundation changed its tax year-end from July 31st to December 31st. This 2009 Form 990 is a short period tax return for the period August 1, 2009 to December 31, 2009.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36 or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: THE M.S. HERSHEY FOUNDATION
Employer identification number: 23-6242734

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
THE MILTON HERSHEY SCHOOL & SCHOOL TRUST 23-1353340 PO BOX 445 HERSHEY, PA 17033	SCHOOL	PA	501(C)(3)	2	N/A
DEARDEN HOUSE ADVISORY BOARD 20-2579678 PO BOX 830 HERSHEY, PA 17033	SVCS TO ALUM	PA	501(C)(3)	7	N/A
HERSHEY CEMETERY TRUST 20-6629638 PO BOX 445 HERSHEY, PA 17033	CMTRY FUNDS	PA	501(C)(13)		N/A
HERSHEY CEMETERY COMPANY 23-1973529 PO BOX 445 HERSHEY, PA 17033	CEMETERY	PA	501(C)(13)		N/A

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		X
b	Gift, grant, or capital contribution to other organization(s)	1b		X
c	Gift, grant, or capital contribution from other organization(s)	1c	X	
d	Loans or loan guarantees to or for other organization(s)	1d		X
e	Loans or loan guarantees by other organization(s)	1e		X
f	Sale of assets to other organization(s)	1f		X
g	Purchase of assets from other organization(s)	1g		X
h	Exchange of assets	1h		X
i	Lease of facilities, equipment, or other assets to other organization(s)	1i	X	
j	Lease of facilities, equipment, or other assets from other organization(s)	1j	X	
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l	X	
m	Sharing of facilities, equipment, mailing lists, or other assets	1m		X
n	Sharing of paid employees	1n		X
o	Reimbursement paid to other organization for expenses	1o	X	
p	Reimbursement paid by other organization for expenses	1p		X
q	Other transfer of cash or property to other organization(s)	1q		X
r	Other transfer of cash or property from other organization(s)	1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

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