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Form 990

## Return of Organization Exempt From Income Tax

2009

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

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

## A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

B Check if applicable	C Name of organization METHODIST HEALTHCARE FOUNDATION		D Employer identification number 23-7320638
<input type="checkbox"/> Address change	Doing Business As		E Telephone number (901) 516-0500
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address) 1211 UNION AVENUE No 450		G Gross receipts \$ 3,623,765
<input type="checkbox"/> Initial return	Room/suite		
<input type="checkbox"/> Terminated	City or town, state or country, and ZIP + 4 MEMPHIS, TN 38104		
<input type="checkbox"/> Amended return	F Name and address of principal officer chris mclean 1211 Union Avenue MEMPHIS, TN 38104		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Application pending			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)

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

J Website: ► WWW METHODISTHEALTH.ORG

K Form of organization  Corporation  Trust  Association  Other ► L Year of formation 1974 M State of legal domicile TN

## Part I Summary

1 Briefly describe the organization's mission or most significant activities Engage in philanthropy activities by awarding grants & scholarships for programs & projects	
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 19
4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4 8
5 Total number of employees (Part V, line 2a) . . . . .	5 18
6 Total number of volunteers (estimate if necessary) . . . . .	6 275
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

8 Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year 5,213,175	Current Year 3,538,835
9 Program service revenue (Part VIII, line 2g) . . . . .		0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .		0
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	174,941	-172,672
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	5,388,116	3,366,163

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	4,317,763	343,815
14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,159,209	1,479,691
16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		72,000
b Total fundraising expenses (Part IX, column (D), line 25) ► 403,283		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	365,172	3,370,630
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	5,842,144	5,266,136
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	-454,028	-1,899,973

20 Total assets (Part X, line 16) . . . . .	Beginning of Current Year 17,577,571	End of Year 18,308,074
21 Total liabilities (Part X, line 26) . . . . .		823,698 460,748
22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	16,753,873	17,847,326

## 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		
***** Signature of officer CHRIS MCLEAN SR VP Finance assistant treasurer Type or print name and title	2010-10-20 Date	

Preparer's signature M Andrew Shaul	Date 2010-10-19	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 THOMPSON DUNAVANT PLC 5100 POPLAR AVENUE THIRTIETH FLOOR MEMPHIS, TN 38137	EIN ►		Phone no ► (901) 685-5575

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

**Part III Statement of Program Service Accomplishments****1** Briefly describe the organization's mission

THE METHODIST HEALTHCARE FOUNDATION, THE PHILANTHROPIC ARM OF METHODIST HEALTHCARE, RAISES AND MANAGES CHARITABLE FUNDS TO SUPPORT THE MISSION AND VISION OF METHODIST HEALTHCARE. THE FOUNDATION SUPPORTS METHODIST'S ADULT FACILITIES IN THEIR CONTINUING MISSION TO PROVIDE HIGH QUALITY, COST-EFFECTIVE HEALTHCARE IN THE COMMUNITIES WE SERVE THROUGH CAPITAL SUPPORT AND FUNDS FOR NEW RESEARCH AND CLINICAL INITIATIVES. PHILANTHROPY IS ESSENTIAL FOR COMMUNITY-BASED METHODIST HEALTHCARE, AND THE FOUNDATION IS TRULY "THE SPIRIT OF METHODIST HEALTHCARE." IN 2009, THE METHODIST HEALTH FOUNDATION RAISED OVER \$3.4 MILLION AND GAVE BACK OVER \$3.2 MILLION TOWARD A VARIETY OF AREAS INCLUDING EDUCATION, RESEARCH, SCHOLARSHIPS, GRANTS AND EQUIPMENT.

**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 \$ ) (Revenue \$ )  
 including grants of \$ )  
 METHODIST HOSPICE RESIDENCEThe hospice residence will be a \$9 million, 30-bed free-standing facility on six acres. The facility will also contain a large "living room", family recharge areas and lovely gardens that can be accessed by all patient rooms. It will be part of Methodist Alliance Hospice, a 501c(3) organization EIN 62-0841121, division of Methodist Le Bonheur Healthcare. Since 1979, Methodist Hospice has provided compassionate care and support to individuals and their families who are facing life's final journey. As one of the first hospices in the country to receive Medicare certification, Methodist Hospice works to help ease the end-of-life transition for almost 200 families in the Mid-South every day. Expenses related to the hospice residence are expected to begin in 2010

**4b** (Code ) (Expenses \$ ) (Revenue \$ )  
 including grants of \$ )  
 CENTER OF EXCELLENCE IN FAITH AND HEALTHThe spirit of faith and healing pervades Methodist Le Bonheur Healthcare. As a faith-based institution we are working to define how we can better utilize our resources and other assets in the community to improve health. That mission has resulted in a strategy around congregations and our connection with them. We believe that congregations can play a significant role in healthcare when they are strategic partners in their members' health journeys. To that end, we have entered into covenantal relationships with 225+ congregations to improve the access to comprehensive health services for all citizens and to improve the health status of these patients. The Center of Excellence in Faith and Health, (COE) to be housed in renovated space at Methodist University Hospital, is planned to open in January 2011. The COE will advance health by bringing faith and health together for the improved wellbeing of thousands of patients. The Center's goal is to dramatically enhance quality of care and support for our patients and their families. We believe that the coupling of faith and health can not only elevate the level of care we deliver to our patients, but also improve quality of life for our community and beyond. The Center will transform the existing intensive care waiting room into a state-of-the-art family-centered healing environment with a quiet area, resource room, high-tech TVs, moveable furniture, as well as space for local clergy to counsel their members. It will also house creative meeting space for academic partners locally and across the globe to work with each other, as well as provide training and education to our Associates, local clergy and community health partners. Following a \$1-million founding gift in 2007 by local ophthalmologist and philanthropist Dr. Ralph Hamilton and wife Barbara, the Methodist Healthcare Foundation was charged to raise another \$1.5M in philanthropy for the construction project. In 2009, the Foundation raised over \$516,000 towards this project which will be completed in 2010

**4c** (Code ) (Expenses \$ ) (Revenue \$ )  
 771,560 including grants of \$ )  
 Physicians Research NetworkIn order to strengthen clinical initiatives throughout the Methodist Le Bonheur Healthcare System, the Methodist Healthcare Foundation awards grants for programs and research projects that fit its mission and goals. The grants provide support for work conducted in areas of highest interest, specifically neuroscience, transplant, cancer, patient safety, quality of care and nursing excellence and education. Currently Methodist has 214 open clinical research protocols and opened 99 new studies in 2009. The Physicians' Research Network (PRN) operates under the umbrella of the Methodist Healthcare Foundation and facilitates adult and pediatric research within the health system to benefit the system's patients. PRN provides study coordination, support services and regulatory assistance to investigators managing inpatient and outpatient clinical research trials. In 2009, the Foundation provided over \$770,000 in community benefit related to these programs

**4d** Other program services (Describe in Schedule O ) See also Additional Data for Description

(Expenses \$ 3,136,659 including grants of \$ 343,815 ) (Revenue \$ )

**4e** Total program service expenses \$ 3,908,219

**Part IV Checklist of Required Schedules**

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

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

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 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

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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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

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

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.

- 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

12A Was the organization included in consolidated, independent audited financial statements for the tax year?  Yes  No

If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional  12A Yes

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

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

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 U.S.? If "Yes," complete Schedule F, Part II

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 U.S.? If "Yes," complete Schedule F, Part III

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

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

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

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1	Yes	
2	Yes	
3		No
4		No
5		
6		No
7		No
8		No
9		No
10	Yes	
11	Yes	
12		No
13		No
14a		No
14b		No
15		No
16		No
17	Yes	
18	Yes	
19		No
20		No

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

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	Yes	
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	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 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	Yes	
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 questions 24b-24d and complete Schedule K. If "No," go to line 25	24a	No	
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	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No	
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	No	
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	No	
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	No	
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)	28a	No	
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	No	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	No	
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 owner? If "Yes," complete Schedule L, Part IV	29	No	
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	No	
31	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31	No	
32	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32	No	
33	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33	No	
34	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	34	Yes	
35	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	35	No	
36	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36	No	
37	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37	No	
38	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	38	Yes	
<b>Note.</b> All Form 990 filers are required to complete Schedule O				

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	<b>1a</b>	90
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<b>1b</b>	0
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	<b>2a</b>	18
<b>2b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	Yes	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		No
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
<b>4a</b>	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)?		No
<b>4b</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		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>	No
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	No
<b>5c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
<b>6a</b>	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?	<b>6a</b>	No
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>7a</b>	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?	<b>7a</b>	Yes
<b>7b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>	Yes
<b>7c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>	No
<b>7d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>	
<b>7e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>	No
<b>7f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>	No
<b>7g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>	
<b>7h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	<b>7h</b>	
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>9a</b>	Did the organization make any taxable distributions under section 4966?	<b>9a</b>	
<b>9b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>	
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter		
<b>10a</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>	
<b>10b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter		
<b>11a</b>	Gross income from members or shareholders	<b>11a</b>	
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 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	19
b	Enter the number of voting members that are independent . . .	1b	8
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	No
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	No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .	4	No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	5	No
6	Does the organization have members or stockholders? . . . . .	6	Yes
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a	Yes
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following	8a	Yes
a	The governing body? . . . . .	8b	Yes
b	Each committee with authority to act on behalf of the governing body? . . . . .	9	No
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 . . . . .		

### 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	No
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	Yes
11a	Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	Yes
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes
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	Yes
13	Does the organization have a written whistleblower policy? . . . . .	13	Yes
14	Does the organization have a written document retention and destruction policy? . . . . .	14	Yes
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?	15a	Yes
a	The organization's CEO, Executive Director, or top management official . . . . .	15b	Yes
b	Other officers or key employees of the organization . . . . .		
	If "Yes" to line a or b, 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	No
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 ►

18 Section 6104 requires an organization to make its Form 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  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. See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ►  
 SUE WAUGH  
 1211 UNION AVENUE SUITE 600  
 MEMPHIS, TN 38104  
 (901) 516-0656

## **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, and **current** key employees 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, or 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 or former officer, director, trustee or key employee.

<b>1b Total</b>	783,838	1,418,595	357,608
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**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 **►5**

		<b>Yes</b>	<b>No</b>
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	<b>3</b>		No
<b>4</b> 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	<b>4</b>	Yes	
<b>5</b> 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	<b>5</b>		No

## 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

<b>(A)</b> Name and business address	<b>(B)</b> Description of services	<b>(C)</b> Compensation
UNIVERSITY OF TENNESSEE HEALTH 62 S DUNLAP ST RM 320 MEMPHIS, TN 38103	INSTITUTION REVIEW BOARD	233,741
UNIVERSITY OF TENNESSEE CANCER 1331 UNION AVENUE STE 800 MEMPHIS, TN 381047508	REIMBURSEMENT FOR SYMPOSIUM EXPENSES	102,394
<b>2</b> Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization <b>►2</b>		

**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514														
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>																	
	<b>b</b> Membership dues . . . . .	<b>1b</b>																	
	<b>c</b> Fundraising events . . . . .	<b>1c</b>	347,809																
	<b>d</b> Related organizations . . . . .	<b>1d</b>																	
	<b>e</b> Government grants (contributions)	<b>1e</b>	257,761																
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	2,933,265																
	<b>g</b> Noncash contributions included in lines 1a-1f \$ 8,305																		
	<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .		3,538,835																
<b>Program Service Revenue</b>	<b>Business Code</b>																		
			<b>2a</b>																
			<b>b</b>																
			<b>c</b>																
			<b>d</b>																
			<b>e</b>																
			<b>f</b> All other program service revenue																
	<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .																		
<b>Other Revenue</b>	<table border="1"> <tr> <td>(i) Real</td> <td>(ii) Personal</td> </tr> <tr> <td></td> <td></td> </tr> </table>		(i) Real	(ii) Personal															
			(i) Real	(ii) Personal															
<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .																			
<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .																			
<b>5</b> Royalties . . . . .																			
<b>6a</b> Gross Rents	(i) Real	(ii) Personal																	
<b>b</b> Less rental expenses																			
<b>c</b> Rental income or (loss)																			
<b>d</b> Net rental income or (loss) . . . . .																			
<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other																	
<b>b</b> Less cost or other basis and sales expenses																			
<b>c</b> Gain or (loss)																			
<b>d</b> Net gain or (loss) . . . . .																			
<b>8a</b> Gross income from fundraising events (not including \$ 347,809 of contributions reported on line 1c) See Part IV, line 18 . . . . .																			
<b>a</b>	84,930																		
<b>b</b> Less direct expenses . . . . .	<b>b</b>	257,602																	
<b>c</b> Net income or (loss) from fundraising events . . . . .			-172,672		-172,672														
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .																			
<b>a</b>																			
<b>b</b> Less direct expenses . . . . .	<b>b</b>																		
<b>c</b> Net income or (loss) from gaming activities . . . . .																			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .																			
<b>a</b>																			
<b>b</b> Less cost of goods sold . . . . .	<b>b</b>																		
<b>c</b> Net income or (loss) from sales of inventory . . . . .																			
<b>Miscellaneous Revenue</b>		<b>Business Code</b>																	
<b>11a</b>																			
<b>b</b>																			
<b>c</b>																			
<b>d</b> All other revenue . . . . .																			
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .																			
<b>12</b> <b>Total revenue.</b> See Instructions . . . . .		3,366,163	0	0	-172,672														

**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	38,648	38,648		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	305,167	305,167		
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees . . . . .	259,852		259,852	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
7 Other salaries and wages	944,437	625,554	64,053	254,830
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .				
9 Other employee benefits . . . . .	171,878		171,878	
10 Payroll taxes . . . . .	103,524	44,573	21,577	37,374
11 Fees for services (non-employees)				
a Management . . . . .				
b Legal . . . . .				
c Accounting . . . . .	26,988		26,988	
d Lobbying . . . . .				
e Professional fundraising See Part IV, line 17 . . . . .	72,000			72,000
f Investment management fees . . . . .				
g Other . . . . .	23,643		9,388	14,255
12 Advertising and promotion . . . . .	1,408		1,408	
13 Office expenses . . . . .	80,878	1,633	64,929	14,316
14 Information technology . . . . .				
15 Royalties . . . . .				
16 Occupancy . . . . .	1,338		1,338	
17 Travel . . . . .	6,312		1,512	4,800
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19 Conferences, conventions, and meetings . . . . .	2,935		1,105	1,830
20 Interest . . . . .	316,209		316,209	
21 Payments to affiliates . . . . .				
22 Depreciation, depletion, and amortization . . . . .	3,194		3,194	
23 Insurance . . . . .	142		142	
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 VARIOUS PROJECT DISBURS	2,892,644	2,892,644		
b repairs & mx	8,901		8,901	
c dues and subscriptions	6,038		2,160	3,878
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	5,266,136	3,908,219	954,634	403,283
26 Joint costs. Check here <input checked="" type="checkbox"/> 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**

		<b>(A)</b> Beginning of year	<b>(B)</b> End of year
Assets	1 Cash—non-interest-bearing . . . . .	218,318	<b>1</b> 3,239
	2 Savings and temporary cash investments . . . . .	2	
	3 Pledges and grants receivable, net . . . . .	2,275,750	<b>3</b> 2,347,482
	4 Accounts receivable, net . . . . .	400	<b>4</b>
	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 . . . . .	9	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	710,272
	b Less accumulated depreciation . . . . .	10b	202,697
		510,769	<b>10c</b> 507,575
	11 Investments—publicly traded securities . . . . .	12,038,539	<b>11</b> 12,184,321
	12 Investments—other securities See Part IV, line 11 . . . . .	932,037	<b>12</b> 1,161,047
	13 Investments—program-related See Part IV, line 11 . . . . .	13	
	14 Intangible assets . . . . .	14	
	15 Other assets See Part IV, line 11 . . . . .	1,601,758	<b>15</b> 2,104,410
	<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	17,577,571	<b>16</b> 18,308,074
Liabilities	17 Accounts payable and accrued expenses . . . . .	823,698	<b>17</b> 460,748
	18 Grants payable . . . . .	18	
	19 Deferred revenue . . . . .	19	
	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 . . . . .	25	
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	823,698	<b>26</b> 460,748
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>		
	27 Unrestricted net assets . . . . .	6,590,275	<b>27</b> 6,436,973
	28 Temporarily restricted net assets . . . . .	10,163,598	<b>28</b> 11,410,353
	29 Permanently restricted net assets . . . . .	29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>		
	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 . . . . .	16,753,873	<b>33</b> 17,847,326
	<b>34 Total liabilities and net assets/fund balances . . . . .</b>	17,577,571	<b>34</b> 18,308,074

**Part XI Financial Statements and Reporting**

**1** Accounting method used to prepare the Form 990       Cash  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? . . . . .

**b** Were the organization's financial statements audited by an independent accountant? . . . . .

**c** If "Yes," to 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?  
 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  
 Separate basis       Consolidated basis       Both consolidated and separated 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? . . . . .

**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 . . . . .

	<b>Yes</b>	<b>No</b>
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>	Yes	
<b>3b</b>	Yes	

2009

Open to Public  
Inspection**SCHEDULE A**  
(Form 990 or 990EZ)**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.

Department of the Treasury  
Internal Revenue ServiceName of the organization  
METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

**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 **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

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?

(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?  Yes  No

(ii) a family member of a person described in (i) above?  Yes  No

(iii) a 35% controlled entity of a person described in (i) or (ii) above?  Yes  No

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

	Yes	No
11g(i)		No
11g(ii)		No
11g(iii)		No

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
METHODIST HEALTHCARE- MEMPHIS HOSPITALS	620479367	3	Yes		Yes		Yes		38,648
<b>Total</b>									38,648

**Part II Support Schedule for Organizations Described in IRC 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 <b>Total.</b> 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 <b>Public Support.</b> 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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 <b>Total support</b> (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 <b>First Five Years</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b>						►

**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 for 2008 Schedule A, Part II, line 14	15	
16a <b>33 1/3% support test—2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization		►
b <b>33 1/3% support test—2008.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization		►
17a <b>10%-facts-and-circumstances test—2009.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		►
b <b>10%-facts-and-circumstances test—2008.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		►
18 <b>Private Foundation</b> 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 IRC 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")						
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						
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						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public Support</b> (Subtract line 7c from line 6 )						

**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						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>13 Total support</b> (Add lines 9, 10c, 11 and 12 )						
<b>14 First Five Years</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b>						

**Section C. Computation of Public Support Percentage**

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

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18
<b>19a 33 1/3% support tests—2009.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization	
<b>b 33 1/3% support tests—2008.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization	
<b>20 Private Foundation</b> If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions	

**Part IV** **Supplemental Information.** 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

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## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 23-7320638  
**Name:** METHODIST HEALTHCARE FOUNDATION

### Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

#### 4d. Other program services

(Code	(Expenses \$	3,136,659	including grants of \$	343,815	) (Revenue \$	)
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To benefit one of the system's Centers of Excellence, the Neuroscience Institute, the Foundation attempts to raise funds to enhance and strengthen the clinical and research initiatives. Funds from the Foundation were used to underwrite basic science research of brain tumor cells and ultimately to seek answers on effective treatments. Funds supported research lab space and expenses, instrument costs and personnel, including lab technicians and researchers. In 2009, the Foundation provided over \$663,000 in support to this activity. Methodist Healthcare supports lifelong learning for physicians by providing them the necessary evidence-based information in formats that will develop and maintain competence, enhance knowledge and skills, improve performance and patient outcomes. In 2009, 49 CME courses were offered at a total of 948.25 hours. A total of 10,547 physicians and 5,146 non-physicians participated in the education. Total community benefit provided for this was over \$443,000. Some of the grants approved by the Methodist Healthcare Foundation Board of Directors in 2009 include - Nursing Excellence and Education Evaluation of the Methodist University Hospital Dedicated Education Unit on 9 Tower - Transoral Robot-Assisted Surgery for Lesions of the Upper Aerodigestive Tract. This pilot project will include 40 patients and will assess the feasibility and safety of using the da Vinci Robot to assist in the surgical resection of primary neoplasms in the upper aerodigestive system (head and neck) - The effect of Vitagel surgical hemostatic agent on postoperative blood loss and transfusion rates in hip replacement surgery. This project will evaluate the use of a FDA approved hemostatic agent (Vitagel) applied to the surgical site after the hardware has been installed for either a partial or total hip replacement procedure. The Methodist Foundation awards college scholarships to children and dependents of associates who plan to pursue a career in a health-related field of study. In 2009, the Methodist Foundation presented 17 scholarships totaling \$22,500. Many years ago, the Methodist Foundation established the Humanitarian Fund which helps employees in times of crisis (e.g., fire, crime, death, loss of work). In 2009, \$480,000 in gifts and pledges was raised during the Associate Annual Fund Campaign. For more information on the work of Methodist Healthcare Foundation, please go to our website, [www.methodisthealth.org/give](http://www.methodisthealth.org/give)

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(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
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
L KIRKPATRICK BOBO BOARD VICE CHAIR	2 00	X		X			0	0	0
THOMAS M CARR BOARD MEMBER	2 00	X					0	0	0
B LANE CARRICK BOARD MEMBER	2 00	X					0	0	0
BENA CATES BOARD MEMBER	2 00	X					0	0	0
REV CYNTHIA DAVIS BOARD MEMBER	2 00	X					0	0	0
MAURICE ELLIOTT BOARD MEMBER	2 00	X					0	0	0
JOHN D GLASS BOARD MEMBER	2 00	X					0	0	0
DENNIS HIGDON BOARD MEMBER	2 00	X					0	0	0
REV RICK KIRCHOFF BOARD MEMBER	2 00	X					0	0	0
WILLIAM TAD MAYS JR BOARD MEMBER	2 00	X					0	0	0
SUSAN MURRMANN CHAIR	2 00	X					0	0	0
JOHN PETTEY BOARD MEMBER	2 00	X					0	0	0
TOM PREWITT BOARD MEMBER	2 00	X					0	0	0
SHERRI SAWYER BOARD MEMBER	2 00	X					0	0	0
SALLY SHY BOARD MEMBER	2 00	X					0	0	0
BRIDGET TRENARY BOARD MEMBER	2 00	X					0	0	0
CAROLE W WEST BOARD MEMBER	2 00	X					0	0	0
PAULA S JACOBSON FOUNDATION PRESIDENT	50 00	X		X			259,852	0	50,197
JOHN BOBANGO BOARD MEMBER	2 00	X					0	0	0
ROBERT MILLS BOARD MEMBER	2 00	X					0	0	0
ALLEN K SILLS BOARD MEMBER	2 00	X					0	0	0
KENNARD BROWN BOARD MEMBER	2 00	X					0	0	0
MIKE P STURDIVANT BOARD MEMBER	2 00	X					0	0	0
LEWIS WILLIAMSON BOARD MEMBER	2 00	X					0	0	0
KING ROGERS BOARD MEMBER	2 00	X					0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(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
		Individual trustee or director	Institutional Trustee	Office	Key employee	Highest compensated employee			
CHRIS MCLEAN ASSISTANT TREASURER	2 00			X			0	661,910	92,180
LARRY SPRATLIN TREASURER	2 00			X			0	320,393	60,565
STEVE WEST SECRETARY	2 00			X			0	436,292	62,026
LORI A KESSLER DIRECTOR	40 00				X		146,289	0	26,671
MARK BILLINGSLEY DIRECTOR MAJOR GIFTS	40 00				X		122,669	0	15,017
KAVANAUGH R CASEY DIRECTOR OF DEVELOPMENT	40 00				X		149,255	0	28,318
BOB PLUNK CORP DIRECTOR DEVELOPMEN	40 00				X		105,773	0	22,634

**SCHEDULE D**

(Form 990)

**Supplemental Financial Statements****2009**Department of the Treasury  
Internal Revenue Service

► 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.

**Open to Public  
Inspection****Name of the organization**

METHODIST HEALTHCARE FOUNDATION

**Employer identification number**

23-7320638

**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 may 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)  Preservation of an historically importantly land area

Protection of natural habitat  Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a-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
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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 ► \$ \_\_\_\_\_

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

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

**a**  Public exhibition  
**b**  Scholarly research  
**c**  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  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

	<b>Amount</b>
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

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 the organization answered "Yes" to Form 990, Part IV, line 10.

	<b>(a) Current Year</b>	<b>(b) Prior Year</b>	<b>(c) Two Years Back</b>	<b>(d) Three Years Back</b>	<b>(e) Four Years Back</b>
<b>1a</b> Beginning of year balance . . . . .	10,163,577	7,204,323			
<b>b</b> Contributions . . . . .	1,510,669	4,813,973			
<b>c</b> Investment earnings or losses . . . . .	362,622	-417,684			
<b>d</b> Grants or scholarships . . . . .	260,261	324,504			
<b>e</b> Other expenditures for facilities and programs . . . . .	366,275	1,112,531			
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	11,410,332	10,163,577			

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

a Board designated or quasi-endowment ► 0 % %

b Permanent endowment ► 0 % %

c Term endowment ► 100 000 % %

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

	<b>Yes</b>	<b>No</b>
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

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.

	<b>Description of investment</b>	<b>(a) Cost or other basis (investment)</b>	<b>(b) Cost or other basis (other)</b>	<b>(c) Accumulated depreciation</b>	<b>(d) Book value</b>
<b>1a</b> Land . . . . .		500,000			500,000
<b>b</b> Buildings . . . . .					
<b>c</b> Leasehold improvements . . . . .					
<b>d</b> Equipment . . . . .		210,272	202,697		7,575
<b>e</b> Other . . . . .					
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .					507,575

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

<b>(a) Description of security or category (including name of security)</b>	<b>(b) Book value</b>	<b>(c) Method of valuation Cost or end-of-year market value</b>
Financial derivatives		
Closely-held equity interests		
Other		
HEDGE FUND OF FUNDS -LONG/SHORT EQUITY	805,244	F
PRIVATE REAL ESTATE COMINGLED FUND	355,803	F

**Total.** (Column (b) should equal Form 990, Part X, col (B) line 12) **1,161,047**

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

**Total.** (Column (b) should equal Form 990, Part X, col (B) line 13 ) ►

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

**Total.** (Column (b) should equal Form 990, Part X, col.(B) line 15.) . . . . .

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

**Total. (Column (b) should equal Form 990, Part X, col (B) line 25 )** ►

**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 Financial Statements**

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1
2 Total expenses (Form 990, Part IX, column (A), line 25)	2
3 Excess or (deficit) for the year Subtract line 2 from line 1	3
4 Net unrealized gains (losses) on investments	4
5 Donated services and use of facilities	5
6 Investment expenses	6
7 Prior period adjustments	7
8 Other (Describe in Part XIV)	8
9 Total adjustments (net) Add lines 4 - 8	9
10 Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10

**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
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a Net unrealized gains on investments . . . . .	2a
b Donated services and use of facilities . . . . .	2b
c Recoveries of prior year grants . . . . .	2c
d Other (Describe in Part XIV) . . . . .	2d
e Add lines 2a through 2d . . . . .	2e
3 Subtract line 2e from line 1 . . . . .	3
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
c Add lines 4a and 4b . . . . .	4c
5 Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5

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

1 Total expenses and losses per audited financial statements . . . . .	1
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
e Add lines 2a through 2d . . . . .	2e
3 Subtract line 2e from line 1 . . . . .	3
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 should equal Form 990, Part I, line 18 ) . . . . .	5

**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, 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.

Identifier	Return Reference	Explanation
Part V, Line 4	Description of Intended Use of Endowment Funds	THE FOUNDATION RECEIVED A LIMITED AMOUNT OF DONOR-RESTRICTED ENDOWMENT FUNDS, AND DOES NOT MAINTAIN ANY BOARD-DESIGNATED ENDOWMENTS. THE FOUNDATION HAS INTERPRETED TENNESSEE'S STATE PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT (SPMIFA) AS REQUIRING THE PRESERVATION OF THE FAIR VALUE OF THE ORIGINAL GIFT AS OF THE GIFT DATE OF THE DONOR-RESTRICTED ENDOWMENT FUNDS, ABSENT EXPLICIT DONOR STIPULATIONS TO THE CONTRARY. IN ALL MATERIAL RESPECTS, INCOME FROM THE DONOR-RESTRICTED ENDOWMENT FUNDS IS ITSELF RESTRICTED TO SPECIFIC DONOR-DIRECTED PURPOSES, AND IS THEREFORE ACCOUNTED FOR WITHIN TEMPORARILY-RESTRICTED NET ASSETS UNTIL EXPENDED IN ACCORDANCE WITH THE DONOR'S WISHES. THE FOUNDATION OVERSEES INDIVIDUAL DONOR-RESTRICTED ENDOWMENT FUNDS TO ENSURE THAT THE FAIR VALUE OF THE ORIGINAL GIFT IS PRESERVED.

SCHEDULE G  
(Form 990 or 990-EZ)Supplemental Information Regarding  
Fundraising or Gaming Activities

2009

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,  
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.  
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

Name of the organization

METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

**Part I Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17.  
Form 990-EZ filers are not required to complete this part.

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply

<b>a</b> <input checked="" type="checkbox"/> Mail solicitations	<b>e</b> <input checked="" type="checkbox"/> Solicitation of non-government grants
<b>b</b> <input checked="" type="checkbox"/> Internet and e-mail solicitations	<b>f</b> <input checked="" type="checkbox"/> Solicitation of government grants
<b>c</b> <input checked="" type="checkbox"/> Phone solicitations	<b>g</b> <input checked="" type="checkbox"/> Special fundraising events
<b>d</b> <input checked="" type="checkbox"/> In-person solicitations	

**2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities?

Yes  No

**b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
GASKILL STRATEGIES LLC	FUNDRAISING/CONSULTING		No	0	72,000	0
<b>Total . . . . .</b>		►			72,000	

**3** List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col (a) through col (c))
		CANCER CENTER LUNCHEON (event type)	METHODIST HEALTHCARE GOLF (event type)	1 (total number)	
Revenue	1 Gross receipts . . .	199,054	169,335	64,350	432,739
	2 Less Charitable contributions . . .	170,934	134,800	42,075	347,809
	3 Gross income (line 1 minus line 2) . . .	28,120	34,535	22,275	84,930
Direct Expenses	4 Cash prizes . . .		505		505
	5 Non-cash prizes . . .	1,843	4,512	3,324	9,679
	6 Rent/facility costs . . .	4,485	40,338		44,823
	7 Food and beverages . . .	31,379	3,776	30,242	65,397
	8 Entertainment . . .	63,308	3,268	200	66,776
	9 Other direct expenses . .	31,324	7,746	31,352	70,422
	10 Direct expense summary Add lines 4 through 9 in column (d) . . . . .				257,602
	11 Net income summary Combine lines 3, column d, and line 10. . . . .				-172,672

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue . . . .				
Direct Expenses	2 Cash prizes . . . .				
	3 Non-cash prizes . . . .				
	4 Rent/facility costs . . . .				
	5 Other direct expenses . . .				
	6 Volunteer labor . . . .	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary Add lines 2 through 5 in column (d) . . . . .				
	8 Net gaming income summary Combine lines 1, column d, and line 7 . . . . .				

9 Enter the state(s) in which the organization operates gaming activities . . . . .	Yes	No
a Is the organization licensed to operate gaming activities in each of these states? . . . . .	9a	
b If "No," Explain _____		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b If "Yes," Explain _____		
11 Does the organization operate gaming activities with nonmembers? . . . . .	11	
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .	12	

	<b>Yes</b>	<b>No</b>
<b>13</b> Indicate the percentage of gaming activity operated in	<b>13a</b>	<b>13b</b>
<b>a</b> The organization's facility . . . . .	. . . . .	. . . . .
<b>b</b> An outside facility . . . . .	. . . . .	. . . . .
<b>14</b> Enter the name and address of the person who prepares the organization's gaming/special events books and records		
Name ►		
Address ►		
<b>15a</b> Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .	<b>15a</b>	. . . . .
<b>b</b> If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
<b>c</b> If "Yes," enter name and address		
Name ►		
Address ►		
<b>16</b> Gaming manager information		
Name ►		
Gaming manager compensation ► \$ _____		
Description of services provided ►		
<input type="checkbox"/> Director/officer	<input type="checkbox"/> Employee	<input type="checkbox"/> Independent contractor
<b>17</b> Mandatory distributions		
<b>a</b> Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .	<b>17a</b>	. . . . .
<b>b</b> Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____	. . . . .	. . . . .

**Schedule I  
(Form 990)****2009****Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States**

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.

► Attach to Form 990

**Open to Public  
Inspection**Department of the Treasury  
Internal Revenue ServiceName of the organization  
METHODIST HEALTHCARE FOUNDATIONEmployer identification number  
23-7320638**Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed. ►

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
METHODIST HEALTHCARE-MEMPHIS HOSPITAL 1265 UNION AVENUE MEMPHIS, TN 38104	620479367	501C(3)	38,648		BOOK		TO PURCHASE CAPITAL EQUIPMENT

2 Enter total number of section 501(c)(3) and government organizations . . . . . ► \_\_\_\_\_

3 Enter total number of other organizations . . . . . ► \_\_\_\_\_

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
GRANTS AWARDED FOR RESEARCH AND EDUCATIONAL ACTIVITES AND PROGRAMS OF METHODIST HEALTHCARE FOUNDATION	7	40,641			
HUMANITARIAN FUND - FINANCIAL ASSISTANCE PROVIDED FOR ELIGIBLE ASSOCIATES	931	264,526			
See Additional Data Table					

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 The Grant Review Committee (GRC) of the Methodist Healthcare Foundation (MHF) biannually assesses proposals, in the format provided as part of its grant application packet, for funding Projects that are ultimately funded are those that answer key questions best Additionally, funded projects include those that fit current grant making priorities of Methodist Healthcare - Grant application process A Eligibility criteria To be eligible for the grant, the applicant must - Focus on clinical research or health outcomes related to the mission, goals and strategic plan of MH - Be a member of the MH medical staff in good standing with MH - Have received appropriate administrative or Institutional Review Board approval, if applicable B Grant making priorities The GRC funds projects of many types, including research The GRC will give priority to projects that fit the mission and goals of MH The grant award program provides support to groups and individuals that complement the work conducted in areas of most interest to MH, specifically - Neuroscience - Transplantation - Cancer - Patient safety - Quality of care - Nursing excellence and education Due to the high level of competition for philanthropic resources, some types of projects are not supported as a matter of general policy The following is a list of activities that are not supported by the grant review process of the Foundation - Basic science - Ongoing general operating expenses or existing deficits - Indirect costs - Political contributions - Projects in conflict with the mission statement of MH - Projects in conflict with the social principle of the United Methodist Church Additionally, the GRC rarely awards grants for - Conferences or symposia (unless they are clearly related to the Foundation's goals and priorities) - Publications or media projects except those that grow out of one of our grant programs

**Schedule J**  
(Form 990)**Compensation Information**

OMB No 1545-0047

**2009****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
**► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.**  
**► Attach to Form 990. ► See separate instructions.**

**Name of the organization**

METHODIST HEALTHCARE FOUNDATION

**Employer identification number**

23-7320638

**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

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

**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?

**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

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> 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?

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3) and 501(c)(4) organizations only 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?

**b** Any related organization?

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?

**b** Any related organization?

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

**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

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

<b>1b</b>		
<b>2</b>		
<b>4a</b>		No
<b>4b</b>	Yes	
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>	Yes	
<b>8</b>		No
<b>9</b>		

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

**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

Identifier	Return Reference	Explanation
	Part I, Line 4a	CHRIS MCLEAN - \$30,695, LARRY SPRATLIN - \$33,465, PAULA JACOBSON - \$19,654 The purpose of the Methodist Healthcare Consolidated Executive Deferred Compensation Plan is to provide retirement benefits for certain executive level employees in addition to the benefits provided through the other retirement plans that are sponsored by the company. It is intended that this Plan comply with Internal Revenue Code Section 457(f) and qualify for the short term deferral exception to Code Section 409A. Under the Plan, corporate executives at the Vice President or above level are eligible to receive Executive Deferred Compensation Credits depending on their position classification [6%, 8%, 10%, 12% of base salary]. Each Plan Year, the executive must elect a Deferred Vesting Date to be applied to the Deferred Compensation Credit that will be earned in that Plan Year. The Deferred Vesting Date is subject to a vesting schedule that requires a minimum deferral of 5 years to become vested. Upon reaching age 55, the minimum deferral is reduced to 3 yrs. Upon reaching age 60, the minimum deferral is reduced to 2 yrs. At age 64, a cash equivalent is provided to the executive and no additional deferrals are made under this Plan. The Plan is unfunded with all benefits paid from the company's general assets. However, the executive is allowed to direct the investments of his Deferred Compensation Credit in a menu of investment alternatives made available by the company. Upon vesting, a distribution is provided less applicable tax. In the case of a voluntary termination of employment by the executive or involuntary termination of employment for cause by the company, the non-vested funds are forfeited. Accelerated vesting (100%) is allowed upon death, disability or an involuntary termination by the company without cause.
Supplemental Information	Part III	PART 1 LINE 7 The management incentive plan intends to reward management for the achievement of performance against a pre-established set of balanced and challenging goals. The plan also includes a provision that defers vesting of a portion of the award subject to continued employment (with a substantial risk of forfeiture) to encourage retention of executives. This plan is reviewed by an external third-party consultant.

2009

Open to Public  
Inspection**SCHEDULE O**  
(Form 990)**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.

Department of the Treasury  
Internal Revenue Service

Employer identification number

23-7320638

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		Methodist Healthcare Foundation is a subsidiary of Methodist Le Bonheur Healthcare (MLH) 58-1454711 MLH is the sole member of the organization
Form 990, Part VI, Section A, line 7a		As the sole member of the organization, MLH and its' board of directors elect all members of the governing body for Methodist Healthcare foundation
Form 990, Part VI, Section B, line 11		The 990 is prepared with input from Human Resources, Legal, Compliance and Finance departments and external financial consultants. Financial information is reconciled to audited financial statements as appropriate. The information to be disclosed regarding compensation is reviewed with the Compensation Committee of the Board. The returns are reviewed by the Chief Financial Officer. A copy of the return is provided to each Board Member via email prior to filing return
Form 990, Part VI, Section B, line 12c		Methodist Healthcare employs a compliance officer that monitors our policies
Form 990, Part VI, Section B, line 15		An external independent consultant advises the Board of Directors Compensation Committee on executive salary and incentive compensation. Benefits are periodically benchmarked by a separate external consultant and any changes are approved by the Board of Directors Compensation Committee. The Compensation committee is made up of independent members and is a subgroup of the Board of Directors. The compensation consultant annually develops total cash compensation comparisons of peer non-profit systems established by the Compensation Committee. The compensation consultant interprets the information and provides an opinion of reasonableness on the total cash compensation package. The compensation committee approves any changes to the compensation and executive benefit structure of the CEO and other top executives otherwise known as disqualified candidates. All other compensation decisions are determined by management as delegated by the Board of Directors. The committee documents the determinations
Form 990, Part VI, Section C, line 19		METHODIST HEALTHCARE FOUNDATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC EXCEPT THE DOCUMENTS THAT ARE FILED AS PART OF THE FORM 1023, AND THIS RETURN
	PART XI, LINE 2C	NO CHANGE FROM PRIOR YEAR
PART VI, SECTION A, LINE 1B	INDEPENDENCE OF BOARD	METHODIST HEALTHCARE FOUNDATION IS A SUBSIDIARY OF METHODIST LEBONEHUR HEALTHCARE (MLH) 58-1454711, WITH MLH AS THE SOLE MEMBER OF THE ORGANIZATION. A MAJORITY OF THE BOARD OF METHODIST HEALTHCARE FOUNDATION FAILS TO MEET THE DEFINITION OF INDEPENDENCE FOR THE PURPOSE OF THE FORM 990. THE BOARD OF THE MEMBER ORGANIZATION HAS A MAJORITY OF INDEPENDENT DIRECTORS, AND THROUGH ITS MEMBERSHIP HAS A CONSIDERABLE OVERLAP OF CONTROL WITH METHODIST HEALTHCARE FOUNDATION AND ITS OTHER SUBSIDIARIES

Identifier	Return Reference	Explanation
SCHEDULE G PART II		The overall net proceeds from special events were \$175,137 for Methodist Foundation. According to IRS computational guidelines for fundraising events, charitable portions of event payments must be reported separately. This causes the negative net income reported on Schedule G part II, line 11

**SCHEDULE R  
(Form 990)****Related Organizations and Unrelated Partnerships****2009**

► 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.

**Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service**Name of the organization**  
METHODIST HEALTHCARE FOUNDATION**Employer identification number**  
23-7320638**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
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**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
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See Additional Data Table

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		
								Yes	No	Yes	No
DESOTO DIAGNOSTIC LLC											
9085 SANDIDGE CTR CV OLIVE BRANCH, MS38654 62-1802576	RADIOLOGY	MS	N/A	NA				No			No
NORTH SURGERY CENTER											
3960 NEW COVINGTON PIKE MEMPHIS, TN38128 62-1685756	SURGERY CENTER	TN	N/A	NA				No			No
GERMANTOWN SURGERY CENTER											
1363 S GERMANTOWN RD GERMANTOWN, TN38138 62-1659904	SURGERY CENTER	TN	N/A	NA				No			No

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
AMBULATORY OPERATIONS INC 1211 UNION AVENUE MEMPHIS, TN38104 62-1157166	MEDICAL SERVICES	TN	N/A	C			
SOLUS MANAGEMENT SERVICES INC 4735 SPOTTSWOOD SUITE 201 MEMPHIS, TN38117 62-1361349	HEALTH SERVICES MGMT	TN	N/A	C			
MEMPHIS PROFESSIONAL BUILDING INC 1211 UNION AVENUE MEMPHIS, TN38104 62-1847544	INVESTMENTS	TN	N/A	C			

**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**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 (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
<b>1a</b>		No
<b>1b</b>	Yes	
<b>1c</b>	Yes	
<b>1d</b>		No
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>	Yes	
<b>1j</b>	Yes	
<b>1k</b>	Yes	
<b>1l</b>	Yes	
<b>1m</b>		No
<b>1n</b>	Yes	
<b>1o</b>	Yes	
<b>1p</b>		No
<b>1q</b>		No
<b>1r</b>		No

**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	Yes	No

**Software ID:**  
**Software Version:**  
**EIN:** 23-7320638  
**Name:** METHODIST HEALTHCARE FOUNDATION

**Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations**

(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 501(c)(3))	(f) Direct Controlling Entity
LeBonheur Children's Medical Center Foundation  850 POPLAR AVENUE BLDG 2 Memphis, TN38105 62-1872938	FOUNDATION	TN	501(c)(3)	11 TYPE I	N/A
Methodist Healthcare-Fayette Hospital  214 Lakeview Drive Somerville, TN38068 62-0862334	HOSPITAL	TN	501(c)(3)	3	N/A
Methodist Extended Care Hospital Inc  225 South Claybrook Memphis, TN38104 62-1518342	HOSPITAL	TN	501(c)(3)	3	N/A
Methodist Healthcare-Jonesboro Hospital  1211 Union Avenue Suite 657 Memphis, TN38104 71-0499625	INACTIVE HOSPITAL	TN	501(c)(3)	3	N/A
Methodist Healthcare Community Care Associates  6400 Shelby View Suite 101 Memphis, TN38134 62-1403517	OUTPATIENT HEALTHCARE	TN	501(c)(3)	9	N/A
Methodist Healthcare Primary Care Associates  6400 Shelby View Suite 101 Memphis, TN38134 58-2078931	OUTPATIENT HEALTHCARE	TN	501(c)(3)	9	N/A
LeBonheur Community Outreach  2400 Poplar Avenue Suite 318 Memphis, TN38112 62-1251288	FOUNDATION	TN	501(c)(3)	11 TYPE II	N/A
Methodist Healthcare-Dyersburg Hospital  1211 Union Avenue Sutie 657 Memphis, TN38104 62-1155084	INACTIVE HOSPITAL	TN	501(c)(3)	3	N/A
Alliance Health Services Inc  6400 Shelby View Drive Suite 101 Memphis, TN38134 62-0841121	OUTPATIENT HEALTHCARE	TN	501(c)(3)	9	N/A
Methodist Healthcare Central MS Medical Associates  1211 Union Avenue Suite 657 Memphis, TN38104 64-0884720	INACTIVE HOSPITAL	TN	501(c)(3)	3	N/A
Methodist Healthcare-Jackson Hospital  1211 Union Avenue Suite 657 Memphis, TN38104 64-0794199	INACTIVE HOSPITAL	TN	501(c)(3)	3	N/A
Methodist Healthcare-Middle Mississippi Hospital  1211 Union Avenue Suite 657 Memphis, TN38104 64-0698911	INACTIVE HOSPITAL	TN	501(c)(3)	3	N/A
methodist Lebonheur healthcare  1211 Union Avenue Suite 700 Memphis, TN38104 58-1454711	SUPPORTING ORGANIZATION	TN	501(c)(3)	11 TYPE II	N/A
methodist healthcare-memphis hospital  1265 Union Avenue Memphis, TN38104 62-0479367	HOSPITAL	TN	501(c)(3)	3	N/A

Form 4562

Depreciation and Amortization  
(Including Information on Listed Property)

OMB No 1545-0172

2009

Department of the Treasury  
Internal Revenue Service

► See separate instructions. ► Attach to your tax return.

Attachment  
Sequence No 67

Name(s) shown on return METHODIST HEALTHCARE FOUNDATION	Business or activity to which this form relates Form 990 Page 10	Identifying number 23-7320638
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**Part I Election To Expense Certain Property Under Section 179***Note: If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount See the instructions for a higher limit for certain businesses . . . . .	1	250,000
2 Total cost of section 179 property placed in service (see instructions) . . . . .	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	3	800,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0- . . . . .	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions . . . . .	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
7 Listed property Enter the amount from line 29 . . . . .	7			
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 . . . . .	8			
9 Tentative deduction Enter the <b>smaller</b> of line 5 or line 8 . . . . .	9			
10 Carryover of disallowed deduction from line 13 of your 2008 Form 4562 . . . . .	10			
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	11			
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 . . . . .	12			
13 Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 11 ► 13				

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

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions.)		
14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election . . . . .	15	
16 Other depreciation (including ACRS) . . . . .	16	

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

17 MACRS deductions for assets placed in service in tax years beginning before 2009 . . . . .	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ►		

**Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property		25 yrs			S/L	
h Residential rental property		27 5 yrs	MM		S/L	
		27 5 yrs	MM		S/L	
i Nonresidential real property		39 yrs	MM		S/L	
			MM		S/L	

**Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year		12 yrs			S/L	
c 40-year		40 yrs	MM		S/L	

**Part IV Summary (see instructions)**

21 Listed property Enter amount from line 28 . . . . .	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions . . . . .	22	3,194
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	23	

**Part V**

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

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

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

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

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25	Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)				25			

**26** Property used more than 50% in a qualified business use

	%							
	%							
	%							

**27** Property used 50% or less in a qualified business use

	%			S/L -				
	%			S/L -				
	%			S/L -				

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

28

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

29

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
31						
32						
33						
34	Yes	No	Yes	No	Yes	No
35						
36						

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

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

37	Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No
38	Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners	
39	Do you treat all use of vehicles by employees as personal use?	
40	Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	
41	Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)	

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

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) A amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) A amortization for this year
42	A amortization of costs that begins during your 2009 tax year (see instructions)				

43	A amortization of costs that began before your 2009 tax year	43
44	Total. Add amounts in column (f) See the instructions for where to report	44