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Return of Organization Exempt From Income Tax

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

2009

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning and ending

B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization MCNAY ART MUSEUM		D Employer identification number 74-1195277
		Doing Business As		E Telephone number (210) 824-5368
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 6069	G Gross receipts \$ 18,419,725.	
		City or town, state or country, and ZIP + 4 SAN ANTONIO, TX 78209		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
F Name and address of principal officer. WILLIAM J. CHIEGO SAME AS C ABOVE		I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ WWW.MCNAYART.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1952 M State of legal domicile: TX	

Part I Summary

1 Briefly describe the organization's mission or most significant activities: ART EDUCATION AND ENJOYMENT													
2 Check this box <input type="checkbox"/> 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 18												
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 18												
5 Total number of employees (Part V, line 2a)	5 118												
6 Total number of volunteers (estimate if necessary)	6 400												
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)	<table border="1"> <tr> <th>Prior Year</th> <th>Current Year</th> </tr> <tr> <td align="right">8,138,076.</td> <td align="right">3,713,158.</td> </tr> <tr> <td align="right">248,157.</td> <td align="right">321,786.</td> </tr> <tr> <td align="right">-284,033.</td> <td align="right">998,352.</td> </tr> <tr> <td align="right">361,342.</td> <td align="right">498,484.</td> </tr> <tr> <td align="right">8,463,542.</td> <td align="right">5,531,780.</td> </tr> </table>	Prior Year	Current Year	8,138,076.	3,713,158.	248,157.	321,786.	-284,033.	998,352.	361,342.	498,484.	8,463,542.	5,531,780.
Prior Year	Current Year												
8,138,076.	3,713,158.												
248,157.	321,786.												
-284,033.	998,352.												
361,342.	498,484.												
8,463,542.	5,531,780.												
9 Program service revenue (Part VIII, line 2g)	9 248,157.												
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10 -284,033.												
11 Other revenue (Part VIII, column (A), lines 5d, 8c, 9c, 10c, and 11e)	11 361,342.												
12 Total revenue, add lines 8 through 11 (must equal Part VIII, column (A), line 12)	12 8,463,542.												
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	13 0.												
14 Benefits paid to or for members (Part IX, column (A), line 4)	14 0.												
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	15 3,036,030.												
16a Professional fundraising fees (Part IX, column (A), line 11e)	16a 0.												
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 802,866.	16b 802,866.												
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	17 4,727,663.												
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	18 7,763,693.												
19 Revenue less expenses Subtract line 18 from line 12	19 699,849.												
20 Total assets (Part X, line 16)	<table border="1"> <tr> <th>Beginning of Current Year</th> <th>End of Year</th> </tr> <tr> <td align="right">78,438,511.</td> <td align="right">78,621,031.</td> </tr> <tr> <td align="right">5,441,020.</td> <td align="right">3,028,654.</td> </tr> <tr> <td align="right">72,997,491.</td> <td align="right">75,592,377.</td> </tr> </table>	Beginning of Current Year	End of Year	78,438,511.	78,621,031.	5,441,020.	3,028,654.	72,997,491.	75,592,377.				
Beginning of Current Year	End of Year												
78,438,511.	78,621,031.												
5,441,020.	3,028,654.												
72,997,491.	75,592,377.												
21 Total liabilities (Part X, line 26)	21 5,441,020.												
22 Net assets or fund balances. Subtract line 21 from line 20	22 72,997,491.												

Part II Signature Block

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

Sign Here ▶ Signature of officer: *[Signature]* Date: **6/30/10**
 ▶ **BRYAN J. DOME, COO/CONTROLLER**
 Type or print name and title

Paid Preparer's Use Only
 Preparer's signature: *[Signature]* Date: **6/29/2010**
 Firm's name (or yours if self-employed), address, and ZIP + 4: **CARNEIRO, CHUMNEY & CO., L.C.**
40 NE LOOP 410, SUITE 200
SAN ANTONIO, TX 78216-5876
 Check if self-employed
 Preparer's identifying number (see instructions):
 EIN ▶
 Phone no. ▶ **210-342-8000**

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

SCANNED AUG 04 2010

216 3

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission.

ART EDUCATION AND ENJOYMENT

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? If "Yes," describe these new services on Schedule O.

Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? If "Yes," describe these changes on Schedule O

Yes No

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 \$ 4,362,869. including grants of \$) (Revenue \$ 251,795.) COLLECTION AND EXHIBITION OF MODERN AND CONTEMPORARY ART FOR THE GENERAL PUBLIC'S ENJOYMENT AND EDUCATION

4b (Code:) (Expenses \$ 1,899,770. including grants of \$) (Revenue \$ 69,991.) EDUCATIONAL PROGRAMS AND RESOURCE LIBRARY DESIGNED TO OFFER LEARNING OPPORTUNITIES TO THE PUBLIC; ART WORKSHOPS FOR CHILDREN AND ADULTS; OPERATION OF MUSEUM STORE WHICH HELPS PROMOTE ART ENJOYMENT

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 6,262,639.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	X	
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body		
1a		18
b Enter the number of voting members that are independent		
1b		18
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?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body?	X	
8a	X	
b Each committee with authority to act on behalf of the governing body?	X	
8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X
9		X

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply
 Own website Another's website Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **MCNAY ART MUSEUM - 210-824-5368**
6000 N NEW BRAUNFELS, SAN ANTONIO, TX 78209

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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	Former			
THOMAS C. FROST CHAIRMAN	1.00	X		X			0.	0.	0.	
MRS. J.R. HURD PRESIDENT	15.00	X		X			0.	0.	0.	
MRS. HOWARD HALFF VICE PRESIDENT	1.00	X		X			0.	0.	0.	
SARAH E. HARTE SECRETARY	1.00	X		X			0.	0.	0.	
BILL MCCARTNEY TREASURER	10.00	X		X			0.	0.	0.	
STEVE BLANK MEMBER	1.00	X					0.	0.	0.	
MRS. WILLIAM BLOCK, JR MEMBER	1.00	X					0.	0.	0.	
J. BRUCE BUGG, JR. MEMBER	1.00	X					0.	0.	0.	
TOBY CALVERT MEMBER	1.00	X					0.	0.	0.	
RAYE B. FOSTER MEMBER	1.00	X					0.	0.	0.	
JOHN C. KERR MEMBER	1.00	X					0.	0.	0.	
PEGGY PITMAN MAYS MEMBER	1.00	X					0.	0.	0.	
CONNIE MCCOMBS MCNAB MEMBER	1.00	X					0.	0.	0.	
BARBIE O'CONNOR MEMBER	1.00	X					0.	0.	0.	
GEORGE SCHROEDER MEMBER	1.00	X					0.	0.	0.	
AMY STIEREN SMILEY MEMBER	1.00	X					0.	0.	0.	
BILL SMITH MEMBER	1.00	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(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	Former			
JOE WESTHEIMER MEMBER	1.00	X					0.	0.	0.	
WILLIAM J. CHIEGO DIRECTOR	60.00			X			206,099.	0.	18,732.	
BRYAN DOME COO/CONTROLLER	60.00			X			115,544.	0.	12,871.	
1b Total							321,643.	0.	31,603.	

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 **2**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
WHITING-TURNER CONTRACTING P.O. BOX 17596, BALTIMORE, MD 21297	GENERAL CONTRACTOR	1,167,105.
HUMANA INSURANCE CO. P.O. BOX 533, CAROL STREAM, IL 60132-0859	INSURANCE	295,108.
DONOHUE MEDIA 4047 BROADWAY, SAN ANTONIO, TX 78209	MEDIA CONSULTANT & BUYER	171,743.
DATA PROJECTIONS P.O. BOX 4346, HOUSTON, TX 77120	AUDIO VISUAL EQUIP SUPPLIER	123,601.
BROWN & BROWN INSURANCE P.O. BOX 165017, SAN ANTONIO, TX 78280-2717	INSURANCE	122,710.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

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	
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a					
	b Membership dues	1b	626,520.				
	c Fundraising events	1c	304,178.				
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	2,782,460.				
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f			3,713,158.			
Program Service Revenue	2 a ADMISSION FEES	Business Code	900099	205,015.	205,015.		
	b PHOTOGRAPHY FEES	900099	57,664.	57,664.			
	c MEMBERSHIP DUES	900099	46,780.	46,780.			
	d EDUCATIONAL PROGRAMS	611710	12,327.	12,327.			
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			321,786.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			639,640.		639,640.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties			131,590.		131,590.	
	6 a Gross Rents	(i) Real	(ii) Personal				
		231,113.					
		b Less rental expenses					
		c Rental income or (loss)	231,113.				
	d Net rental income or (loss)			231,113.		231,113.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		13024133					
		b Less cost or other basis and sales expenses	12625449	39,972.			
		c Gain or (loss)	398,684.	-39,972.			
	d Net gain or (loss)			358,712.		358,712.	
	8 a Gross income from fundraising events (not including \$ 304,178. of contributions reported on line 1c) See Part IV, line 18	a					
		93,750.					
b Less direct expenses		b	87,928.				
c Net income or (loss) from fundraising events			5,822.		5,822.		
9 a Gross income from gaming activities See Part IV, line 19	a						
	b Less direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	264,555.						
	b Less cost of goods sold	b	134,596.				
c Net income or (loss) from sales of inventory			129,959.	129,959.			
Miscellaneous Revenue		Business Code					
11 a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See instructions.				5,531,780.	451,745.	0.	

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				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
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	353,246.	265,081.	41,992.	46,173.
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	2,548,569.	1,912,482.	302,963.	333,124.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	138,069.	103,609.	16,413.	18,047.
9 Other employee benefits	285,807.	214,473.	33,975.	37,359.
10 Payroll taxes	258,808.	194,213.	30,766.	33,829.
11 Fees for services (non-employees)				
a Management				
b Legal	15,141.		15,141.	
c Accounting	17,020.		17,020.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	97,157.	12,999.	19,007.	65,151.
12 Advertising and promotion				
13 Office expenses	312,617.	137,376.	37,658.	137,583.
14 Information technology				
15 Royalties				
16 Occupancy	629,894.	531,977.	71,095.	26,822.
17 Travel	62,537.	49,900.	8,652.	3,985.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	64,871.	20,720.	7,599.	36,552.
20 Interest	60,025.		60,025.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,052,467.	1,785,646.	225,771.	41,050.
23 Insurance	199,913.	195,845.	4,068.	
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 <u>EXHIBITIONS</u>	757,384.	757,384.		
b <u>MISCELLANEOUS</u>	52,016.	7,008.	24,848.	20,160.
c <u>ORG DUES & SUBSCRIPTION</u>	25,426.	7,065.	15,330.	3,031.
d <u>MAINT OF COLLECTION</u>	24,309.	24,309.		
e <u>SCHOOL BUSING</u>	20,367.	20,367.		
f All other expenses	22,185.	22,185.		
25 Total functional expenses. Add lines 1 through 24f	7,997,828.	6,262,639.	932,323.	802,866.
26 Joint costs. Check here <input 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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	3,165.	1	3,165.
	2	Savings and temporary cash investments	1,553,602.	2	876,038.
	3	Pledges and grants receivable, net	8,145,947.	3	4,335,300.
	4	Accounts receivable, net	61,506.	4	106,623.
	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	109,473.	8	85,043.
	9	Prepaid expenses and deferred charges	206,387.	9	304,081.
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 52,074,993.		
	b	Less accumulated depreciation	10b 12,250,104.	10c	39,824,889.
	11	Investments - publicly traded securities	26,934,380.	11	33,048,018.
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	35,174.	15	37,874.
16	Total assets. Add lines 1 through 15 (must equal line 34)	78,438,511.	16	78,621,031.	
Liabilities	17	Accounts payable and accrued expenses	1,466,851.	17	284,422.
	18	Grants payable		18	
	19	Deferred revenue	113,479.	19	209,642.
	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	3,860,690.	23	2,534,590.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	5,441,020.	26	3,028,654.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	45,469,238.	27	47,630,531.
	28	Temporarily restricted net assets	1,410,565.	28	2,089,522.
	29	Permanently restricted net assets	26,117,688.	29	25,872,324.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	72,997,491.	33	75,592,377.	
34	Total liabilities and net assets/fund balances	78,438,511.	34	78,621,031.	

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 line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 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 separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- 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.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	4927049.	21560963.	6932268.	8138076.	3713158.	45271514.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	4927049.	21560963.	6932268.	8138076.	3713158.	45271514.
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)						14653544.
6 Public support. Subtract line 5 from line 4						30617970.

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	4927049.	21560963.	6932268.	8138076.	3713158.	45271514.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1057306.	1376107.	1587158.	998,341.	1002343.	6021255.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						51292769.
12 Gross receipts from related activities, etc (see instructions)					12	2,189,314.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	59.69	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	61.76	%
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>			
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
17a 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
b 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>			

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

Section A. Public Support

Calendar year (or fiscal 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						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (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						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

MCNAY ART MUSEUM

Employer identification number

74-1195277

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?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> 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 important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

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

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 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 acquisition, 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 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:

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	26342951.	20732542.			
b Contributions	292,649.	5,605,836.			
c Net investment earnings, gains, and losses	60,634.	533,372.			
d Grants or scholarships					
e Other expenditures for facilities and programs	541,260.	528,799.			
f Administrative expenses					
g End of year balance	26154974.	26342951.			

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

- a Board designated or quasi-endowment ▶ 6.84 %
- b Permanent endowment ▶ 91.36 %
- c Term endowment ▶ 1.80 %

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

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		585,962.		585,962.
b Buildings		49,153,021.	11,393,874.	37,759,147.
c Leasehold improvements				
d Equipment		213,818.	123,094.	90,724.
e Other		2,122,192.	733,136.	1,389,056.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				39,824,889.

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	5,531,780.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	7,997,828.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-2,466,048.
4	Net unrealized gains (losses) on investments	4	5,138,947.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-78,013.
9	Total adjustments (net). Add lines 4 through 8	9	5,060,934.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	2,594,886.

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	10,805,323.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	5,138,947.
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	5,138,947.
3	Subtract line 2e from line 1	3	5,666,376.
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	-134,596.
c	Add lines 4a and 4b	4c	-134,596.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	5,531,780.

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

1	Total expenses and losses per audited financial statements	1	8,132,424.
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	0.
3	Subtract line 2e from line 1	3	8,132,424.
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	-134,596.
c	Add lines 4a and 4b	4c	-134,596.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	7,997,828.

Part XIV Supplemental Information

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

PART III, LINE 1A: CONTRIBUTIONS REFLECTED IN THE FINANCIAL STATEMENTS

INCLUDE ONLY RECORDED CASH RECEIPTS AND PLEDGES AND DO NOT INCLUDE GIFTS OF WORKS OF ART RECEIVED BY THE MUSEUM. IN CONFORMITY WITH THE PRACTICE FOLLOWED BY MANY MUSEUMS, ART OBJECTS PURCHASED BY THE MUSEUM AND ART OBJECTS DONATED TO THE MUSEUM ARE NOT INCLUDED IN THE STATEMENT OF FINANCIAL POSITION.

PART III, LINE 4: OBJECTS FOR DISPLAY CONSIST PRIMARILY OF A STRONG

Part XIV Supplemental Information (continued)

COLLECTION OF 19TH AND 20TH CENTURY EUROPEAN AND AMERICAN PAINTINGS, PRINTS, SCULPTURE, AND ONE OF THE LEADING COLLECTIONS OF THEATRE ARTS IN THE COUNTRY. THE COLLECTION IS ESSENTIAL TO THE MISSION OF PROMOTING THE ADVANCEMENT AND ENJOYMENT OF MODERN ART AND PROVIDING EDUCATION TO THE PUBLIC.

PART V, LINE 4: THE MCNAY ART MUSEUM MAINTAINS VARIOUS ENDOWMENT FUNDS ESTABLISHED FOR THE FOLLOWING PURPOSES: ART ACQUISITIONS/CONSERVATION, EDUCATION, EXHIBITIONS, PRESENTATIONS, CAPITAL CAMPAIGN, AUDITORIUM AND GALLERY MAINTENANCE, CURATORIAL, CONSERVATION, DIRECTORS' CHAIR, ANY ACTIVITIES OF THE MUSEUM, AND OTHER USES.

PART XI, LINE 8 - OTHER ADJUSTMENTS:
COLLECTION ITEMS PURCHASED NOT CAPITALIZED: -78013.

PART XII, LINE 4B - OTHER ADJUSTMENTS:
COST OF GOODS SOLD: -134596.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:
COST OF GOODS SOLD: -134596.

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))	
		GALA (event type)	CHAMPAGNE BRUNCH (event type)	1 (total number)		
Revenue	1	Gross receipts	335,686.	23,142.	39,100.	397,928.
	2	Less: Charitable contributions	273,546.	15,437.	15,195.	304,178.
	3	Gross income (line 1 minus line 2)	62,140.	7,705.	23,905.	93,750.
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages	33,822.	6,782.	8,356.	48,960.
	8	Entertainment	800.	1,500.	800.	3,100.
	9	Other direct expenses	28,287.	3,329.	4,252.	35,868.
	10	Direct expense summary Add lines 4 through 9 in column (d)				(87,928)
	11	Net income summary. Combine line 3, column (d), and line 10				5,822.

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				
	2	Cash prizes				
Direct Expenses	3	Noncash 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 line 1, column (d), and line 7				

9 Enter the state(s) in which the organization operates gaming activities. _____

a Is the organization licensed to operate gaming activities in each of these states?
b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?
b If "Yes," explain. _____

11 Does the organization operate gaming activities with nonmembers?

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?

	Yes	No
9a		
10a		
11		
12		

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No 1545-0047

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

2009

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

Open to Public Inspection

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

MCNAY ART MUSEUM

Employer identification number

74-1195277

Part I Questions Regarding Compensation

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

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 checked="" type="checkbox"/> Written employment contract |
| <input 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 section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a** The organization?
- 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)?

	Yes	No
1b	X	
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2009

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.

PART I, LINE 1A: THE COMPANION TRAVEL WAS MINIMAL. NO TAXABLE INCOME WAS ATTRIBUTED TO THE DIRECTOR BECAUSE THE TRAVEL WAS FOR ORDINARY AND NECESSARY BUSINESS OF THE MUSEUM, INCLUDING ATTENDING EVENTS AT DIRECTOR MEETINGS AND ASSISTING THE DIRECTOR IN PERSONAL MEETINGS TO PROCURE EXHIBITIONS AND WORKS OF ART. THE MUSEUM HAS A CORPORATE MEMBERSHIP AT A HEALTH CLUB AVAILABLE FOR USE BY ALL EMPLOYEES. INDIVIDUAL DUES ARE NOT PAID.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

Name of the organization **MCNAY ART MUSEUM** Employer identification number **74-1195277**

Part I	Types of Property	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1	Art - Works of art	X	222	0.	
2	Art - Historical treasures				
3	Art - Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities - Publicly traded				
10	Securities - Closely held stock				
11	Securities - Partnership, LLC, or trust interests				
12	Securities - Miscellaneous				
13	Qualified conservation contribution - Historic structures				
14	Qualified conservation contribution - Other				
15	Real estate - Residential				
16	Real estate - Commercial				
17	Real estate - Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (<u>BUILDING RENO</u>)	X	1	53,161.	COST
26	Other ▶ (_____)				
27	Other ▶ (_____)				
28	Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgment **29** **7**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		X
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II		

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

Schedule M (Form 990) 2009

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33
Also complete this part for any additional information

SCHEDULE M, LINE 33: IN CONFORMITY WITH THE PRACTICE FOLLOWED BY MANY
MUSEUMS, ART OBJECTS PURCHASED BY THE MUSEUM AND ART OBJECTS DONATED TO
THE MUSEUM ARE NOT INCLUDED IN THE STATEMENT OF FINANCIAL POSITION.

Multiple horizontal lines for supplemental information.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009
Open to Public
Inspection

Name of the organization

MCNAY ART MUSEUM

Employer identification number

74-1195277

FORM 990, PART VI, SECTION B, LINE 11: 990 REVIEW PROCESS: A DETAILED PRESENTATION IS MADE TO THE BUSINESS AFFAIRS COMMITTEE. ONCE ACCEPTED, A RECOMMENDATION IS MADE TO THE FULL BOARD FOR ACCEPTANCE. A COPY OF THE 990 IS GIVEN TO ALL MEMBERS OF THE BUSINESS AFFAIRS COMMITTEE AND MADE AVAILABLE TO OTHER BOARD MEMBERS AT THE NEXT REGULAR MEETING.

FORM 990, PART VI, SECTION B, LINE 12C: NOMINATING/GOVERNANCE COMMITTEE OF THE BOARD IS RESPONSIBLE FOR OBTAINING ALL CONFLICT OF INTEREST STATEMENTS ANNUALLY AND FOR INVESTIGATING ANY VIOLATION OR PERCEIVED VIOLATION OF THE POLICY.

FORM 990, PART VI, SECTION B, LINE 15: THE STAFF CALCULATES SALARY RANGES FOR ALL EMPLOYEES BASED ON INDUSTRY-WIDE SALARY SURVEYS: AAMD SALARY SURVEY FOR PROFESSIONALS AND WERLING LOCAL SURVEY FOR NON-PROFESSIONALS. THESE RANGES ARE APPROVED BY THE BUSINESS AFFAIRS COMMITTEE AS PART OF THE ANNUAL BUDGET PROCESS. THE INFORMATION USED AND THE DECISIONS MADE ARE DOCUMENTED IN THE MINUTES OF THE BUSINESS AFFAIRS COMMITTEE. THE MUSEUM'S COMPENSATION STUDY IS DONE EVERY SPRING WITH THE LAST TWO PERFORMED IN APRIL OF 2010 AND 2009.

FORM 990, PART VI, SECTION C, LINE 19: THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, FINANCIAL STATEMENTS, AND FORM 990 ARE MADE AVAILABLE UPON REQUEST.