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Form **990**

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)

OMB No 1545-0047

2009

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 07/01, 2009, and ending 06/30, 2010

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 STELLA MARIS INC Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 2300 DULANEY VALLEY RD City or town, state or country, and ZIP + 4 TIMONIUM, MD 21093	D Employer identification number 52-1419602
	E Telephone number (410) 252-4500		G Gross receipts \$ 48,780,120. 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 checked="" type="checkbox"/> No If "No," attach a list (see instructions)
	F Name and address of principal officer: M KAREN MCNALLY 2300 DULANEY VALLEY RD TIMONIUM, MD 21093		
	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: ▶ STELLAMARISINC.COM L Year of formation 1953 M State of legal domicile MD

Part I Summary				
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: IN THE TRADITION OF THE SISTERS OF MERCY, STELLA MARIS PROVIDES A COMPREHENSIVE RANGE OF HEALTH AND HOUSING SERVICES FOR THE COMPASSIONATE CARE OF THE ELDERLY, THE SICK AND THE DYING.		
	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	5
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	1
	5	Total number of employees (Part V, line 2a)	5	904
	6	Total number of volunteers (estimate if necessary)	6	222
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	1,446,840.	1,402,614.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	42,582,698.	46,666,733.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	457,937.	256,142.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	472,664.	454,631.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	44,960,139.	48,780,120.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	28,131,225.	30,752,334.
	16b	Total fundraising expenses, Part IX, column (D), line 25 ▶ 259,871.	0.	0.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	14,182,528.	15,680,369.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	42,313,753.	46,432,703.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	2,646,386.	2,347,417.
	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
	21	Total liabilities (Part X, line 26)	48,577,899.	50,974,307.
	22	Net assets or fund balances Subtract line 21 from line 20.	23,920,573.	24,057,125.
			24,657,326.	26,917,182.

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 ▶ Date 5/16/11

Signature of officer

▶ **John Topper** Treasurer

Type or print name and title

Paid Preparer's Use Only	Preparer's signature ▶	Date	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	COHEN, RUTHERFORD + KNIGHT, PC	05/16/2011	<input type="checkbox"/>
		EIN	52-1202280	
		Phone no	301-828-1008	

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.*

SCANNED JUN 20 2011

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

IN THE TRADITION OF THE SISTERS OF MERCY, STELLA MARIS PROVIDES A
COMPREHENSIVE RANGE OF HEALTH AND HOUSING SERVICES FOR THE
COMPASSIONATE CARE OF THE ELDERLY, THE SICK AND THE DYING.

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 \$ 37,953,563. including grants of \$) (Revenue \$ 40,125,048.)
NURSING HOME CARE - PROVIDES ROOM AND BOARD, CARE AND TREATMENT TO
THE ELDERLY. TOTAL BED DAYS 136,136

4b (Code:) (Expenses \$ 1,773,179. including grants of \$) (Revenue \$ 2,570,619.)
HOSPICE CARE - PROVIDES ROOM AND BOARD AND PALLIATIVE CARE FOR THE
SICK AND DYING. TOTAL BEDS 5,010

4c (Code:) (Expenses \$ 3,089,198. including grants of \$) (Revenue \$ 4,416,372.)
HOME HEALTH CARE - PROVIDES MEDICAL CARE VISITS INCLUDING SKILLED
NURSING, HOME HEALTH AIDE, PHYSICAL THERAPY, OCCUPATIONAL THERAPY
AND SPEECH THERAPY TO HOME CARE PARTICIPANTS. TOTAL PATIENT DAYS
- 60,546 TOTAL PATIENT VISITS - 26,954

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

4e Total program service expenses ► 42,815,940.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20 contain various organizational requirements and their completion status.

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question numbers (1a-12b), Yes, and No. Contains various tax compliance questions and their corresponding responses.

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

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (5), 1b Enter the number of voting members that are independent (1), 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), 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (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), b Each committee with authority to act on behalf of the governing body? (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).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (X), 10b 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? (X), 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (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), 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X), 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (X), 13 Does the organization have a written whistleblower policy? (X), 14 Does the organization have a written document retention and destruction policy? (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), b Other officers or key employees of the organization (X), 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), 16b 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?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: MARGE WEBSTER 2300 DULANEY VALLEY RD TIMONIUM, MD 21093 410-252-4500

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 MULLEN PRESIDENT CEO	2.00	X		X			0.	1,095,098	29,127.	
JOHN TOPPER TREASURER	2.00	X		X			0.	808,444	27,512.	
SR M KAREN MCNALLY RSM CHIEF ADMINISTRATIVE OFFICER	40.00	X		X			0.	0	0.	
SCOTT SPIER MD DIRECTOR	2.00	X		X			0.	408,945	34,011.	
JUDITH WEILAND DIRECTOR	2.00	X		X			0.	326,240	17,682.	
ERIC J SHOPE SR VP BUSINESS DEVELOPMENT	40.00					X	192,861.	0	15,275.	
STEPHEN K STINETTE SENIOR VP CFO	40.00					X	191,515.	0	17,277.	
LISA A STONE SENIOR VP	40.00					X	148,492.	0	8,307.	
KAREN WEATHERHOLTZ SENIOR VP	40.00					X	143,800.	0	54.	
JEROME F BOWEN CHIEF OPERATING OFFICER	40.00					X	220,268.	0	22,163.	

Part VIII Statement of Revenue

52-1419602

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c						
	d Related organizations	1d	1,295,438.					
	e Government grants (contributions)	1e						
	f All other contributions, gifts, grants, and similar amounts not included above	1f	107,176.					
	g Noncash contributions included in lines 1a-1f \$							
	h Total. Add lines 1a-1f			1,402,614.				
Program Service Revenue	2a RESIDENT SERVICES	Business Code		44,298,057.	44,298,057.			
	b OTHER PROGRAM SERVICES			2,051,229.	2,051,229.			
	c ANTENNA REVENUE			150,916.	150,916.			
	d TELEVISION AND VENDING			29,531	29,531			
	e ELDERHEALTH			137,000.	137,000			
	f All other program service revenue							
	g Total. Add lines 2a-2f			46,666,733.				
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 4			256,142		0.	256,142
4 Income from investment of tax-exempt bond proceeds				0.				
5 Royalties				0.				
6a Gross Rents		(i) Real	(ii) Personal					
				9,372.				
		b Less rental expenses						
		c Rental income or (loss)		9,372.				
d Net rental income or (loss)				9,372.				
7a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other					
		b Less: cost or other basis and sales expenses						
		c Gain or (loss)						
		d Net gain or (loss)			0			
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a						
		b Less direct expenses		b				
		c Net income or (loss) from fundraising events			0.			
9a Gross income from gaming activities See Part IV, line 19	a							
	b Less: direct expenses		b					
	c Net income or (loss) from gaming activities			0.				
10a Gross sales of inventory, less returns and allowances	a							
	b Less cost of goods sold		b					
	c Net income or (loss) from sales of inventory			0.				
Miscellaneous Revenue			Business Code					
11a MANAGEMENT				445,259.	445,259			
	b _____							
	c _____							
	d All other revenue							
	e Total. Add lines 11a-11d			445,259				
12 Total Revenue. See instructions			48,780,120.	47,111,992.	0.	256,142.		

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).**

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	0.	0.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.	0.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.	0.		
4 Benefits paid to or for members	0.	0.		
5 Compensation of current officers, directors, trustees, and key employees	0.			0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			0.
7 Other salaries and wages	25,775,087.	23,229,625.	2,526,498.	18,964.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	309,615.	299,443.	9,940.	232.
9 Other employee benefits	2,335,745.	2,227,657.	67,768.	40,320.
10 Payroll taxes	2,331,887.	2,107,560.	222,695.	1,632.
11 Fees for services (non-employees).				
a Management	80,220.		80,220.	
b Legal	30,863.		30,863.	
c Accounting	25,852.		25,852.	
d Lobbying	0.			0.
e Professional fundraising services See Part IV, line 17	0.			0.
f Investment management fees	213.		213.	
g Other	4,094,335.	3,844,568.	64,492.	185,275.
12 Advertising and promotion	167,607.	375.	167,232.	
13 Office expenses	1,983,965.	1,929,703.	51,331.	2,931.
14 Information technology	625,506.	625,506.		
15 Royalties	0.			0.
16 Occupancy	1,209,837.	1,209,837.		
17 Travel	156,189.	151,442.	4,029.	718.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			0.
19 Conferences, conventions, and meetings	27,030.	6,086.	20,575.	369.
20 Interest	197,823.	197,823.		
21 Payments to affiliates	0.			0.
22 Depreciation, depletion, and amortization	1,982,910.	1,982,910.		
23 Insurance	774,856.	774,856.		
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>MEDICAL AND PHARMACY SUPPLIE</u>	2,209,011.	2,147,977.	57,735.	3,299.
b <u>FOOD AND NUTRITION SUPPLIES</u>	991,586.	964,189.	25,916.	1,481.
c <u>BAD DEBT</u>	731,102.	727,075.	998.	3,029.
d <u>REPAIRS AND MAINT</u>	391,464.	389,308.	535.	1,621.
e -----				
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	46,432,703.	42,815,940.	3,356,892.	259,871.
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	6,308,624.	1	7,363,272.
	2 Savings and temporary cash investments	708,850.	2	705,250.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	3,549,432.	4	3,834,058.
	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	194,320.	8	181,792.
	9 Prepaid expenses and deferred charges	0.	9	35,004.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 38,509,231.		
	b Less: accumulated depreciation	10b 16,513,525.	23,580,744.	10c 21,995,706.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	8,601,545.	12	11,577,958.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	5,634,384.	15	5,281,267.
16 Total assets. Add lines 1 through 15 (must equal line 34)	48,577,899.	16	50,974,307.	
Liabilities	17 Accounts payable and accrued expenses	5,091,158.	17	6,032,923.
	18 Grants payable		18	
	19 Deferred revenue	708,849.	19	705,249.
	20 Tax-exempt bond liabilities	16,120,000.	20	15,210,000.
	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	2,000,566.	25	2,108,953.
	26 Total liabilities. Add lines 17 through 25	23,920,573.	26	24,057,125.
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	17,575,431.	27	19,548,832.
	28 Temporarily restricted net assets	6,026,902.	28	6,313,357.
	29 Permanently restricted net assets	1,054,993.	29	1,054,993.
	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	24,657,326.	33	26,917,182.	
34 Total liabilities and net assets/fund balances	48,577,899.	34	50,974,307.	

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		
3b		

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

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2009; 15 Public support percentage from 2008 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2009; 16b 33 1/3% support test - 2008; 17a 10%-facts-and-circumstances test - 2009; 17b 10%-facts-and-circumstances test - 2008; 18 Private foundation.

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.")	580,853.	4,469,989	1,917,918	1,446,840.	1,402,559	9,818,159.
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	36,830,958	36,930,092	38,901,199	42,582,698	46,666,788.	201,911,735.
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	37,411,811.	41,400,081	40,819,117	44,029,538.	48,069,347.	211,729,894.
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.)						211,729,894

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.	37,411,811.	41,400,081.	40,819,117.	44,029,538	48,069,347	211,729,894.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	628,535.	905,151	584,536.	473,902.	265,514.	2,857,638.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	628,535.	905,151	584,536	473,902	265,514	2,857,638.
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.) <u>ATCH 1</u>		231,219	171,387	463,544.	445,259	1,311,409.
13 Total support. (Add lines 9, 10c, 11, and 12.)	38,040,346	42,536,451	41,575,040	44,966,984	48,780,120	215,898,941.
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	98.07%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	98.55%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	1.32%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	1.45%

- 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 ▶

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

ATTACHMENT 1

SCHEDULE A, PART III - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
TELEPHONE COMMISSIONS		43,116.				43,116.
VENDING MACHINE COMMISSIONS		16,117	16,554.			32,671.
ANTENNA RENT		171,986.	154,833.			326,819.
MANAGEMENT FEES				463,544.	445,259.	908,803.
TOTAL		<u>231,219.</u>	<u>171,387.</u>	<u>463,544.</u>	<u>445,259.</u>	<u>1,311,409.</u>

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No 1545-0047

2009

Open to Public Inspection

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.**

Name of the organization

STELLA MARIS INC

Employer identification number

52-1419602

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).

<input type="checkbox"/> Preservation of land for public use (e g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> 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 Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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

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

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

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

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

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

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

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

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

(I) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(II) Assets included in Form 990, Part X ▶ \$ _____

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

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

b Assets included in Form 990, Part X ▶ \$ _____

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 the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

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

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

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

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

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

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

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

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

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

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		2,390,286.		2,390,286.
b Buildings		28,672,823.	10,041,290.	18,631,533.
c Leasehold improvements				
d Equipment		6,237,066.	5,965,681.	271,385.
e Other		1,209,056.	506,554.	702,502.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				21,995,706.

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
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 through 8	9
10	Excess or (deficit) for the year per audited 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 must 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 must 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, 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 XIV Supplemental Information *(continued)*

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
STELLA MARIS INC

Employer identification number
52-1419602

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

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 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		
2		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2009

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

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(i) THOMAS MULLEN	0.	0.	0.	0.	0.	0.	0.
(ii) THOMAS MULLEN	676,902.	0.	418,196.	7,350.	21,777.	1,124,225.	261,258.
(i) JOHN TOPPER	336,898.	0.	471,546.	7,350.	20,162.	835,956.	418,969.
(ii) JOHN TOPPER	158,122.	34,739.	0.	2,863.	12,412.	208,136.	0.
(i) ERIC J SHOPE	0.	0.	0.	0.	0.	0.	0.
(ii) ERIC J SHOPE	156,788.	34,727.	0.	4,866.	12,411.	208,792.	0.
(i) STEPHEN K STINETTE	0.	0.	0.	0.	0.	0.	0.
(ii) STEPHEN K STINETTE	121,065.	27,427.	0.	3,717.	4,590.	156,799.	0.
(i) LISA A STONE	0.	0.	0.	0.	0.	0.	0.
(ii) LISA A STONE	353,668.	0.	55,277.	10,822.	23,189.	442,956.	0.
(i) SCOTT SPIER MD	0.	0.	0.	0.	0.	0.	0.
(ii) SCOTT SPIER MD	260,723.	0.	65,517.	13,974.	3,708.	343,922.	31,341.
(i) JUDITH WEILAND	181,528.	38,740.	0.	6,319.	15,844.	242,431.	0.
(ii) JUDITH WEILAND	0.	0.	0.	0.	0.	0.	0.
(i) JEROME F BOWEN	0.	0.	0.	0.	0.	0.	0.
(ii) JEROME F BOWEN	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.
(i) [Blank]	0.	0.	0.	0.	0.	0.	0.
(ii) [Blank]	0.	0.	0.	0.	0.	0.	0.

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.

NONQUALIFIED RETIREMENT PLAN

SCHEDULE J, PART I, LINE 4

THE CORPORATION MAINTAINED A NONQUALIFIED PLAN OF DEFERRED COMPENSATION

FOR CERTAIN EMPLOYEES. THE PLAN ONLY PERMITS DEFERRALS (THAT IS, NO

CONTRIBUTIONS ARE MADE BY THE CORPORATION). DUE TO THE CHANGES IN TAX

LAWS, THE PLAN WAS TERMINATED DURING THE YEAR AND PARTICIPATING EMPLOYEES

WERE PAID AND TAXED ON THE ENTIRETY OF THEIR ACCOUNTS. SCHEDULE J

REPORTS THE AMOUNTS DISTRIBUTED, WHICH AMOUNTS WERE REFLECTED AS

CONTRIBUTIONS IN PRIOR PERIODS.

THE FOLLOWING INDIVIDUALS RECEIVED DISTRIBUTIONS FROM THE NONQUALIFIED

DEFERRED COMPENSATION PLAN IN THE FOLLOWING AMOUNTS:

THOMAS R MULLEN \$261,258

JOHN E TOPPER 418,969

JUDITH WEILAND 31,341

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

STELLA MARIS INC

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**

Employer identification number

52-1419602

ATTACHMENT 2

DESCRIPTION OF REVIEW PROCESS

PART VI, SECTION B, LINE 11

MERCY HEALTH SERVICES, INC. ("MHS"), THE SOLE PARENT OF THE CORPORATION, HAS A POLICY WHICH REQUIRES THE CORPORATION'S 990 TO BE MADE AVAILABLE FOR REVIEW BY THE MHS BOARD AND/OR THE MHS BOARD EXECUTIVE COMMITTEE PRIOR TO ITS FILING. AT ITS MARCH 23, 2011 MEETING, MHS BOARD EXECUTIVE COMMITTEE MEMBERS RECEIVED A COPY OF THE CORPORATION'S DRAFT FORM 990. THE MHS CFO PROVIDED A POWER POINT PRESENTATION REGARDING THE DRAFT AND THERE WAS AN OPPORTUNITY FOR QUESTIONS AND DISCUSSION. FOLLOWING FURTHER REVISION OF THE DRAFT 990 AND PRIOR TO ITS FILING, IT WAS MADE AVAILABLE IN FINAL FORM TO ALL MEMBERS OF THE MHS BOARD AND THE CORPORATION'S BOARD.

MONITORING CONFLICTS

PART VI, SECTION B, LINE 12

MHS HAS A WRITTEN CONFLICT OF INTEREST POLICY THAT COVERS MHS AND ALL OF ITS DIRECT AND INDIRECT SUBSIDIARIES. THE INDIVIDUALS COVERED UNDER THE POLICY INCLUDE ALL TRUSTEES, DIRECTORS, OFFICERS (INCLUDING ALL SENIOR AND EXECUTIVE VICE PRESIDENTS) AND MEMBERS OF ANY COMMITTEE WITH BOARD-DELEGATED POWERS. UNDER THE POLICY, EACH SUCH PERSON IS REQUIRED TO COMPLETE AN ANNUAL DISCLOSURE FORM REGARDING BUSINESS RELATIONSHIPS THAT HE OR SHE, OR ANY FAMILY MEMBER, HAS WITH ANY ORGANIZATION THAT DOES BUSINESS WITH MHS OR ITS SUBSIDIARIES AND RELATIONSHIPS BETWEEN AND AMONG OFFICERS, TRUSTEES AND DIRECTORS. THE COMPLETED DISCLOSURE FORMS ARE

Name of the organization STELLA MARIS INC	Employer identification number 52-1419602
<u>ATTACHMENT 2 (CONT'D)</u>	

REVIEWED BY THE MHS BOARD CHAIR AND THE MHS CEO OR A DESIGNEE.

IN ADDITION TO THE ANNUAL DISCLOSURE, ANY PERSON WHO IS COVERED BY THE CONFLICT OF INTEREST POLICY HAS AN ONGOING OBLIGATION TO DISCLOSE THE EXISTENCE OF ANY ACTUAL OR POTENTIAL CONFLICT TO THE BOARD OR THE BOARD COMMITTEE IN WHICH THE MATTER ARISES. FOLLOWING THE DISCLOSURE, THE PERSON MAY MAKE A PRESENTATION, BUT MUST THEN LEAVE THE MEETING AND THE OTHER MEMBERS OF THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER A CONFLICT EXISTS. UNDER THE POLICY, A CONFLICT OF INTEREST EXISTS WHEN AN INDIVIDUAL'S OWN PERSONAL INTEREST WOULD, OR MAY, INTERFERE WITH HIS OR HER IMPARTIALITY REGARDING THE MATTER. IF A CONFLICT EXISTS, THE PERSON MAY NOT BE PRESENT DURING DELIBERATIONS ON THE MATTER OR VOTE ON IT. THE BOARD OR COMMITTEE, AFTER CONDUCTING SUCH ADDITIONAL DUE DILIGENCE AS IT DETERMINES IS APPROPRIATE, SHALL MAKE A DECISION ON THE MATTER BASED UPON WHETHER THE PARTICULAR PROPOSAL IS FAIR, REASONABLE AND IN THE BEST INTEREST OF THE ORGANIZATION.

DOCUMENT AVAILABILITY

PART VI, LINE 19

THE GOVERNING DOCUMENTS OF THE ORGANIZATION, ITS CONFLICTS OF INTEREST POLICY, AND ITS FINANCIAL STATEMENTS ARE AVAILABLE FROM THE ORGANIZATION UPON REQUEST.

COMPENSATION DETERMINATION

PART VI, SECTION B, LINE 15

THE ORGANIZATION'S BOARD HAS ADOPTED A COMPENSATION POLICY (THE "POLICY") FOR COVERED INDIVIDUALS. PURSUANT TO THE POLICY, A COMPENATION COMMITTEE

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ATTACHMENT 2 (CONT'D)

OF INDEPENDENT DIRECTORS OF THE BOARD OF THE ORGANIZATION'S PARENT CORPORATION WAS ESTABLISHED TO REVIEW THE COMPENSATION OF ALL EMPLOYEES SPECIFIED AS HAVING A SUBSTANTIAL INFLUENCE OVER THE ORGANIZATION AND WHO RECEIVE REMUNERATION FROM THE ORGANIZATION.

THE COMPENSATION COMMITTEE IS ADVISED BY AN INDEPENDENT COMPENSATION CONSULTANT, WHICH OPINES TO THE COMPENSATION COMMITTEE THAT THE LEVEL OF COMPENSATION PAID AND THE PROCESS BY WHICH COMPENSATION IS ESTABLISHED MEET APPLICABLE IRS REASONABLENESS AND "SAFE HARBOR" STANDARDS. THE OUTSIDE COMPENSATION CONSULTANT PROVIDES DATA OF COMPENSATION PROVIDED AT SIMILAR ORGANIZATIONS TO ENSURE THAT THE ORGANIZATION DOES NOT COMPENSATE IN EXCESS OF MARKET NORMS.

PART VI, LINE 1B

MERCY HEALTH SERVICES, INC. ("MHS"), A 501(C)(3) CORPORATION, IS THE SOLE MEMBER OF STELLA MARIS, INC. ("SMI"). MHS IS GOVERNED BY A 26-PERSON BOARD OF TRUSTEES, OF WHOM 21 ARE INDEPENDENT BOARD MEMBERS. THE BOARD OF DIRECTORS OF SMI IS CURRENTLY MADE OF 5 DIRECTORS. THE PRESIDENT AND CHIEF MEDICAL OFFICER OF MHS AND THE PRESIDENT OF SMI SERVE AS EX OFFICIO MEMBERS OF SMI'S BOARD AND THE BALANCE OF THE SMI BOARD MEMBERS ARE ELECTED BY, AND SUBJECT TO REMOVAL BY, THE BOARD OF TRUSTEES OF MHS. ONE OF THE BOARD MEMBERS IS INDEPENDENT. EACH OF THE OTHER BOARD MEMBERS IS COMPENSATED AS AN EMPLOYEE EITHER OF SMI OR A RELATED ORGANIZATION LISTED IN SCHEDULE R, PART II.

PART VI, LINE 6

MHS IS THE SOLE MEMBER OF SMI.

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<u>ATTACHMENT 2 (CONT'D)</u>	

PART VI, LINE 7A

THE PRESIDENT AND THE CHIEF MEDICAL OFFICER OF MHS AND THE PRESIDENT OF SMI SERVE AS EX OFFICIO VOTING MEMBERS OF THE BOARD OF DIRECTORS OF SMI. AS THE MEMBER OF SMI, THE BOARD OF TRUSTEES OF MHS ELECTS ALL OF THE OTHER MEMBERS OF THE BOARD OF SMI. WITH THE EXCEPTION OF THE EX OFFICIO BOARD MEMBERS, ALL OF THE SMI BOARD MEMBERS SERVE AT THE PLEASURE OF THE BOARD OF TRUSTEES OF MHS AND ARE SUBJECT TO REMOVAL BY THE MHS BOARD.

PART VI, LINE 7B

THE BOARD OF TRUSTEES OF MHS EXERCISES AUTHORITY OVER SMI THROUGH ITS RIGHT TO APPOINT AND REMOVE SMI BOARD MEMBERS.

IN ADDITION, MHS, AS THE MEMBER, IS RESPONSIBLE FOR THE FOLLOWING ACTIONS:

- A) TO APPOINT MEMBERS TO SMI'S BOARD OF DIRECTORS;
- B) TO REVIEW AND APPROVE OR DISAPPROVE THE STRATEGIC PLAN, ANNUAL BUDGET AND THE ANNUAL OPERATING GOALS AND OBJECTIVES OF SMI AS RECOMMENDED TO MHS BY SMI'S BOARD OF DIRECTORS;
- C) TO EVALUATE THE PERFORMANCE OF SMI'S BOARD OF DIRECTORS, OFFICERS, AND OPERATING MANAGEMENT;
- D) TO REMOVE BOARD MEMBERS OF SMI IN ITS DISCRETION AT ANY TIME;

Name of the organization STELLA MARIS INC	Employer identification number 52-1419602
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ATTACHMENT 2 (CONT'D)

E) TO APPROVE THE MISSION AND VISION THAT GOVERN SMI'S OPERATIONS;

AND

F) TO HAVE ULTIMATE RESPONSIBILITY FOR SMI'S QUALITY ASSURANCE,
PERFORMANCE IMPROVEMENT, UTILIZATION REVIEW AND RISK MANAGEMENT.

THE FOLLOWING ACTIONS REQUIRE THE APPROVAL OF AND AFFIRMATIVE CORPORATE
ACTION BY MHS:

A) ANY DISPOSITION OF ALL OR SUBSTANTIALLY ALL OF SMI'S ASSETS,
DISSOLUTION, LIQUIDATION, WINDING UP OR ABANDONMENT OF SMI;

B) ANY AMENDMENT OF THE ARTICLES OF INCORPORATION OR BYLAWS OF SMI;

C) ANY BORROWING OR LENDING BY SMI OR THE ISSUANCE OF ANY GUARANTEE BY
SMI IN AN AMOUNT IN EXCESS OF AN AMOUNT SPECIFIED BY MHS FROM TIME
TO TIME;

D) ANY MERGER, CONSOLIDATION OR INSTITUTIONAL AFFILIATION WITH ANY
OTHER CORPORATION OR OTHER ENTITY; AND

E) THE PURCHASE OR SALE OF ASSETS FOR AN AMOUNT IN EXCESS OF AN AMOUNT
SPECIFIED FROM TIME TO TIME BY MHS.

ULTIMATELY, THE CORPORATION IS CONTROLLED BY MHS'S 26-PERSON COMMUNITY

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ATTACHMENT 2 (CONT'D)

BOARD, WHICH INCLUDES 21 INDEPENDENT DIRECTORS AS NOTED ABOVE.

ATTACHMENT 3990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
PEOPLESFIRST REHABILITATION PO BOX 277365 ATLANTA, GA 30384	THERAPY SERVICES	1,875,790.
OLYMPIC CREDIT FUND, INC PO BOX 12059 OLYMPIA, WA 98508	STAFFING AGENCY	195,171.
LIFE LINE STAFFING SERVICES 6423 FREDERICK ROAD CATONSVILLE, MD 21228	STAFFING AGENCY	105,458.
LOVING CARE SERVICES 222 MILFORD MILL RD PIKESVILLE, MD 21208	STAFFING AGENCY	699,829.
TOTAL COMPENSATION		<u>2,876,248.</u>

ATTACHMENT 4FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A) TOTAL REVENUE</u>	<u>(B) RELATED OR EXEMPT REVENUE</u>	<u>(C) UNRELATED BUSINESS REV.</u>	<u>(D) EXCLUDED REVENUE</u>
INTEREST INCOME	254,712			254,712.
OTHER INVESTMENT INCOME	1,430			1,430.
TOTALS	<u>256,142.</u>			<u>256,142.</u>

ATTACHMENT 5

Name of the organization
STELLA MARIS INC

Employer identification number
52-1419602

ATTACHMENT 5 (CONT'D)

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID EXPENSES	35,004.
TOTALS	<u>35,004.</u>

ATTACHMENT 6

FORM 990, PART X - DEFERRED REVENUE

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
DEFERRED REVENUE	705,249.
TOTALS	<u>705,249.</u>

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

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
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)

Table with columns 'Yes' and 'No' and rows 1a through 1r. Row 1a: Yes [], No [X]. Row 1b: Yes [], No [X]. Row 1c: Yes [X], No []. Row 1d: Yes [], No [X]. Row 1e: Yes [], No [X]. Row 1f: Yes [], No []. Row 1g: Yes [], No [X]. Row 1h: Yes [], No [X]. Row 1i: Yes [], No [X]. Row 1j: Yes [], No [X]. Row 1k: Yes [], No [X]. Row 1l: Yes [X], No []. Row 1m: Yes [X], No []. Row 1n: Yes [X], No []. Row 1o: Yes [X], No []. Row 1p: Yes [X], No []. Row 1q: Yes [], No [X]. Row 1r: Yes [], No [X].

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

Table with columns (a) Name of other organization, (b) Transaction type (a-f), and (c) Amount involved. Rows (1) through (6) are currently blank.

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER INCOME

GROUND RENT

252.
252.

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
TENANT HOUSES	9,372.			9,372.
TOTALS	<u>9,372.</u>			<u>9,372.</u>