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Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047
2010
Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 01-01-2010 and ending 12-31-2010

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

C Name of organization
 HENNEPIN FACULTY ASSOCIATES

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
 914 SOUTH 8TH STREET NO 600

City or town, state or country, and ZIP + 4
 MINNEAPOLIS, MN 554041228

D Employer identification number
 41-1461900

E Telephone number
 (612) 347-5000

G Gross receipts \$ 135,308,536

F Name and address of principal officer
 DR DONALD JACOBS
 914 SOUTH 8TH STREET NO 600
 MINNEAPOLIS, MN 554041228

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)
H(c) Group exemption number ▶

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

J Website: ▶ WWW.HFAHEALTH.COM

K Form of organization Corporation Trust Association Other ▶

L Year of formation 1984

M State of legal domicile
 MN

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities HENNEPIN FACULTY ASSOCIATES (HFA) IS AN ACADEMIC MULTISPECIALTY PHYSICIAN GROUP PRACTICING PRIMARILY AT HENNEPIN HEALTHCARE SYSTEM, INC D/B/A/ HENNEPIN COUNTY MEDICAL CENTER (HCMC) HFA IS A MINNESOTA NOT-FOR-PROFIT CORPORATION THAT OPERATES EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL AND SCIENTIFIC PURPOSES		
	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	24
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	0
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	964
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	664,193
b Net unrelated business taxable income from Form 990-T, line 34	7b	12,211	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	27,460,888	27,346,499
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	110,773,662	107,411,417
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-6,955	31,484
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	138,784,948	135,306,511
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		116,890,980	111,739,466
16a Professional fundraising fees (Part IX, column (A), line 11e)		0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰			
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)		22,792,308	21,218,003
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)		139,683,288	132,957,469
19 Revenue less expenses Subtract line 18 from line 12	-898,340	2,349,042	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	33,061,670	31,673,166
	22 Net assets or fund balances Subtract line 21 from line 20	19,997,687	16,079,607
		13,063,983	15,593,559

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: ***** Date: 2011-11-01

LAWRENCE R FOSBURY PRESIDENT
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: Preparer's signature: Date: Check if self-employed PTIN:

Firm's name ▶ RSM MCGLADREY INC Firm's EIN ▶

Firm's address ▶ 801 NICOLLET AVENUE SUITE 1100 Phone no ▶ (612) 573-8750
 MINNEAPOLIS, MN 55402

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission

HFA IS DEDICATED TO (I) PROVIDING THE HIGHEST QUALITY OF PATIENT CARE POSSIBLE BY MEETING THE EXPECTATIONS OF THE COMMUNITY AND ALL PATIENTS COMING TO HENNEPIN COUNTY MEDICAL CENTER (HCMC) FOR DIGNIFIED, HUMANE AND SUPERIOR MEDICAL SERVICES, (II) CONTINUING THE PHYSICIAN EDUCATION AND RESEARCH PROGRAMS AT HCMC, AND (III) CONTINUING THE CLOSE AFFILIATION OF HCMC AND ITS PHYSICIAN FACULTY WITH A STRONG ACADEMIC BASE

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 \$ 102,985,945 including grants of \$) (Revenue \$ 96,397,399)

PATIENT CARE - HFA PHYSICIANS FORM THE MEDICAL STAFF AND FACULTY OF HENNEPIN COUNTY MEDICAL CENTER (HCMC), A NATIONALLY RECOGNIZED ACADEMIC MEDICAL CENTER AND PUBLIC HOSPITAL SERVING MINNESOTA AND THE REGION HCMC IS MINNESOTA'S PREMIER LEVEL 1 TRAUMA CENTER WITH MANY NATIONALLY RECOGNIZED SPECIALTIES HFA PHYSICIANS ARE DEDICATED TO PROVIDING THE HIGHEST QUALITY OF PATIENT CARE TO ALL PATIENTS INCLUDING LOW-INCOME, THE UNINSURED AND VULNERABLE POPULATIONS IN 2010 TOTAL GROSS CHARGES, NET OF SUBSEQUENT REIMBURSEMENT, FORGONE FOR SERVICES PROVIDED UNDER HFA'S UNCOMPENSATED CARE (CHARITY CARE) POLICY WERE APPROXIMATELY \$8,776,000 OUR PHYSICIANS CARED FOR PATIENTS AT HCMC WITH APPROXIMATELY 117,000 PATIENT DAYS AND 96,070 EMERGENCY VISITS IN 2010 NEARLY 400 PHYSICIANS, DENTISTS AND OTHER HEALTH PROFESSIONALS CARED FOR PATIENTS IN PRIVATE, ACCREDITED CLINICS AND CENTERS IN MINNEAPOLIS, ITS SUBURBS, GREATER MINNESOTA AND WESTERN WISCONSIN WE WELCOMED MORE THAN 20,000 CHILDREN AND ADULTS THIS YEAR TO OUR HFA CLINICS FOR GENERAL AND SPECIALIZED CARE WITH APPROXIMATELY 365,000 CLINIC VISITS IN ADDITION TO PRIMARY CARE, WE HAVE PHYSICIANS IN EVERY MEDICAL SPECIALTY TO PROVIDE THE EXPERT CARE PATIENTS NEED

4b (Code) (Expenses \$ 3,615,456 including grants of \$) (Revenue \$ 3,615,456)

TEACHING - WE TRAINED NEW DOCTORS IN OUR CLINICS AND THE HOSPITAL PREPARING APPROXIMATELY 302 RESIDENT PHYSICIANS FOR CAREERS IN MANY FIELDS OF MEDICINE HFA PHYSICIANS SERVE AS FACULTY AND MOST HOLD ACADEMIC APPOINTMENTS AT THE UNIVERSITY OF MINNESOTA MEDICAL SCHOOL, WHERE MANY HAVE ACHIEVED DISTINCTION AND HAVE BEEN RECOGNIZED BY STUDENTS AND PEERS ALIKE FOR THEIR OUTSTANDING SKILLS AS TEACHERS HCMC CURRENTLY OFFERS EIGHT FREE-STANDING RESIDENCY PROGRAMS THAT PROVIDE RESIDENT PHYSICIANS WITH CLINICAL EXPERIENCE IN SERVING A BROAD MIX OF PATIENTS FROM DIVERSE CULTURAL AND SOCIO-ECONOMIC BACKGROUNDS THE AMOUNTS REFLECTED REPRESENT THE EXPENSES AND CONTRACTED REVENUE RECEIVED FROM HCMC FOR PROGRAM AND ASSOCIATE PROGRAM DIRECTORS THE REVENUES AND EXPENSES ASSOCIATED WITH THE DAY-TO-DAY TRAINING AND SUPERVISION OF RESIDENTS ARE DIFFICULT TO SEPARATE FROM PATIENT CARE SERVICES AND THUS INCLUDED IN 4A ABOVE

4c (Code) (Expenses \$ 2,948,000 including grants of \$) (Revenue \$ 2,948,000)

MEDICAL RESEARCH - RESEARCH ACTIVITIES ON OUR CAMPUS ARE CONDUCTED THROUGH THE MINNEAPOLIS MEDICAL RESEARCH FOUNDATION (MMRF), A RELATED 501(C)(3) CORPORATION HFA PHYSICIANS CONTRIBUTED APPROXIMATELY 30,400 RESEARCH HOURS TO MMRF IN 2010 THERE ARE ACTIVE RESEARCH PROGRAMS IN TRAUMA, ALTERNATIVE MEDICINE, CANCER, CLINICAL OUTCOMES, CHRONIC FATIGUE SYNDROME, CHILDREN'S ISSUES, DIABETES AND METABOLISM, FOODS FOR WELL-BEING, HEART DISEASE, HIV/AIDS, KIDNEY DISEASE, LIVER AND GASTROINTESTINAL DISEASE, ORGAN TRANSPLANTATION, SLEEP DISORDERS, SMOKING CESSATION AND WOMEN'S HEALTH

4d Other program services (Describe in Schedule O) **See also Additional Data for Description**
(Expenses \$ 4,735,562 including grants of \$) (Revenue \$ 4,735,562)

4e Total program service expenses \$ 114,284,963

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A <input checked="" type="checkbox"/>	Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? <input checked="" type="checkbox"/>	Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I <input checked="" type="checkbox"/>		No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II <input checked="" type="checkbox"/>		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III <input checked="" type="checkbox"/>		No
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV <input checked="" type="checkbox"/>		No
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V <input checked="" type="checkbox"/>	Yes	
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. <input checked="" type="checkbox"/>	Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. <input checked="" type="checkbox"/>		No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. <input checked="" type="checkbox"/>		No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. <input checked="" type="checkbox"/>	Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. <input checked="" type="checkbox"/>	Yes	
f 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 (ASC 740)? If "Yes," complete Schedule D, Part X. <input checked="" type="checkbox"/>	Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII <input checked="" type="checkbox"/>	Yes	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional <input checked="" type="checkbox"/>		No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
14a Did the organization maintain an office, employees, or agents outside of the United States?		No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S? If "Yes," complete Schedule F, Parts II and IV		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S? If "Yes," complete Schedule F, Parts III and IV		No
17 Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		No
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		No
b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules *(continued)*

21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . .</i>	21		No
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		No
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . .</i>	23	Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25 . . .</i>	24a		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . .	24b		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . .	24c		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . .	24d		
25a 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		No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . .</i>	25b		No
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . .</i>	26		No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . .</i>	27		No
28 Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28a		No
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		No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28c		No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . .</i>	29		No
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		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . .</i>	31		No
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		No
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		No
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	Yes	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . .	35	Yes	
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
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		No
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		No
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	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question ID, question text, and Yes/No response boxes. Includes rows for 1a-1b, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

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

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (24), 1b (0), 2 (No), 3 (No), 4 (No), 5 (No), 6 (Yes), 7a (Yes), 7b (Yes), 8a (Yes), 8b (Yes), 9 (No).

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 (No), 10b, 11a (Yes), 11b, 12a (Yes), 12b (Yes), 12c (Yes), 13 (Yes), 14 (Yes), 15a (Yes), 15b (Yes), 16a (Yes), 16b (No).

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed MN
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. Own website, Another's website, Upon request.
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. MR RAY SAILER VP CONTROLLER, 914 S 8TH ST S-600, MINNEAPOLIS, MN 554041228, (612) 347-5110

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
See Additional Data Table										
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							11,891,054	0	1,750,784	

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 **284**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
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? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
UNIVERSITY OF MN PHYSICIANS 720 WASHINGTON AVE SE STE 200 MINNEAPOLIS, MN 55414	PHYSICIAN SERVICES	1,171,841
PROSOURCE BILLING INC PO BOX 67 SAUK RAPIDS, MN 56379	COLLECTIONS	978,834
JC CHRISTENSEN AND ASSOC INC PO BOX 519 SAUK RAPIDS, MN 56379	COLLECTIONS	527,148
AMPHION MEDICAL SOLUTIONS 8301 EXCELSIOR DR 101 MADISON, WI 53717	TRANSCRIPTION SERVICES	484,221
NEUROSURGICAL ASSOCIATES LTD 800 E 28TH ST MPLS, MN 55407	PHYSICIAN SERVICES	355,617

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 **11**

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	1a Federated campaigns 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations 1d					
	e Government grants (contributions) 1e	27,346,499				
	f All other contributions, gifts, grants, and similar amounts not included above 1f					
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f ▼	27,346,499				
Program Service Revenue			Business Code			
	2a MEDICAL PROFESSIONAL S	621500	80,384,221	79,891,324	492,897	
	b CONTRACT REVENUE	621500	17,643,523	17,535,109	108,414	
	c FEES FROM GOV'T AGENCI	900099	7,326,379	7,326,379		
	d MMRF OCCUPANCY	900099	1,166,615	1,166,615		
	e PARKING RAMP	812930	890,679	827,797	62,882	
	f All other program service revenue					
g Total. Add lines 2a-2f ▼		107,411,417				
Other Revenue	3 Investment income (including dividends, interest and other similar amounts) ▼		33,509		33,509	
	4 Income from investment of tax-exempt bond proceeds ▼					
	5 Royalties ▼					
	6a Gross Rents	(i) Real	517,111			
		(ii) Personal				
		b Less rental expenses				
		c Rental income or (loss)	517,111			
	d Net rental income or (loss) ▼		517,111		517,111	
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses		2,025		
		c Gain or (loss)		-2,025		
d Net gain or (loss) ▼		-2,025		-2,025		
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 ▼					
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 ▼					
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 ▼					
Miscellaneous Revenue		Business Code				
11a _____						
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d ▼						
12 Total revenue. See Instructions ▼		135,306,511	106,747,224	664,193	548,595	

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	10,574,798	9,422,800	1,151,998	
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	79,088,063	69,824,997	9,263,066	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	8,919,105	8,170,909	748,196	
9	Other employee benefits	7,820,946	6,320,957	1,499,989	
10	Payroll taxes	5,336,554	4,616,131	720,423	
a	Fees for services (non-employees)				
	Management				
b	Legal	131,554	1,145	130,409	
c	Accounting	68,320		68,320	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	7,480,055	4,871,130	2,608,925	
12	Advertising and promotion	94,972	29,232	65,740	
13	Office expenses	2,502,104	2,166,232	335,872	
14	Information technology	611,216	219,129	392,087	
15	Royalties				
16	Occupancy	2,924,423	2,496,144	428,279	
17	Travel	459,688	429,290	30,398	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	229,136	223,413	5,723	
20	Interest	11,530		11,530	
21	Payments to affiliates	353,248	94,698	258,550	
22	Depreciation, depletion, and amortization	1,608,301	1,092,172	516,129	
23	Insurance	1,443,304	1,410,287	33,017	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MNCARE TAX	1,224,632	1,224,632		
b	MAINTENANCE CONTRACTS	686,939	516,023	170,916	
c	DUES & SUBSCRIPTIONS	605,456	549,005	56,451	
d	PARKING	427,248	358,336	68,912	
e	RECRUITMENT	80,516	73,623	6,893	
f	All other expenses	275,361	174,678	100,683	
25	Total functional expenses. Add lines 1 through 24f	132,957,469	114,284,963	18,672,506	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) 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)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing		1	
	2 Savings and temporary cash investments	8,307,359	2	9,682,690
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	11,675,541	4	11,149,990
	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)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	997,064	9	541,697
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	5,397,603		
	10b Less accumulated depreciation	1,596,856	5,397,603	10c 3,800,747
	11 Investments—publicly traded securities	4,297,440	11	2,168,624
	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	2,386,663	15	4,329,418
16 Total assets. Add lines 1 through 15 (must equal line 34)	33,061,670	16	31,673,166	
Liabilities	17 Accounts payable and accrued expenses	15,875,127	17	15,205,866
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	4,122,560	25	873,741
	26 Total liabilities. Add lines 17 through 25	19,997,687	26	16,079,607
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	10,945,779	27	13,424,935
	28 Temporarily restricted net assets	235,527	28	285,947
	29 Permanently restricted net assets	1,882,677	29	1,882,677
	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	13,063,983	33	15,593,559	
34 Total liabilities and net assets/fund balances	33,061,670	34	31,673,166	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	135,306,511
2	Total expenses (must equal Part IX, column (A), line 25)	2	132,957,469
3	Revenue less expenses Subtract line 2 from line 1	3	2,349,042
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	13,063,983
5	Other changes in net assets or fund balances (explain in Schedule O)	5	180,534
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	15,593,559

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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 separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
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		

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2010

Open to Public Inspection

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

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

Department of the Treasury
Internal Revenue Service

Name of the organization
HENNEPIN FACULTY ASSOCIATES

Employer identification number

41-1461900

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
 (ii) a family member of a person described in (i) above?
 (iii) a 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

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

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

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	

13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** **Section C. Computation of Public Support Percentage**

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	

16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **b 33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **17a 10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization **b 10%-facts-and-circumstances test—2009.** 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 **18 Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	21,679,079	21,878,278	24,499,741	27,460,888	27,346,499	122,864,485
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	97,512,374	99,521,524	108,265,476	110,365,031	106,786,616	522,451,021
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	119,191,453	121,399,802	132,765,217	137,825,919	134,133,115	645,315,506
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
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	3,932,431	3,808,953	3,855,785	5,154,344	5,973,864	22,725,377
c Add lines 7a and 7b	3,932,431	3,808,953	3,855,785	5,154,344	5,973,864	22,725,377
8 Public Support (Subtract line 7c from line 6)						622,590,129

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6	119,191,453	121,399,802	132,765,217	137,825,919	134,133,115	645,315,506
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,603,354	1,818,719	571,320	550,398	517,111	5,060,902
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	1,603,354	1,818,719	571,320	550,398	517,111	5,060,902
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	513,994	438,069	454,855	408,631	664,193	2,479,742
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)	121,308,801	123,656,590	133,791,392	138,784,948	135,314,419	652,856,150
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 2010 (line 8 column (f) divided by line 13 column (f))	15	95.360 %
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	95.620 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	0.780 %
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	0.920 %

19a 33 1/3% support tests—2010. 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—2009. 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.** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

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SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2010

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization HENNEPIN FACULTY ASSOCIATES

Employer identification number

41-1461900

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), 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?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

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, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

Table with 2 columns: Description, Held at the End of the Year. Rows 2a-2d: Total number of conservation easements, Total acreage restricted by conservation easements, Number of conservation easements on a certified historic structure included in (a), 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 taxable year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
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)?
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1; (ii) Assets included in Form 990, Part X
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items: a Revenues included in Form 990, Part VIII, line 1; b Assets included in Form 990, Part X

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

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

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange programs
- e** Other

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

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

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

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

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

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

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	2,118,204	1,665,397	2,619,123		
b Contributions					
c Investment earnings or losses	153,339	455,806	-815,972		
d Grants or scholarships					
e Other expenditures for facilities and programs	102,914	2,999	137,754		
f Administrative expenses					
g End of year balance	2,168,629	2,118,204	1,665,397		

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

- a** Board designated or quasi-endowment ▶ 13 190 %
- b** Permanent endowment ▶ 86 810 %
- c** Term endowment ▶ 0 %

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)	No
(ii) related organizations	3a(ii)	No
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		326,552		326,552
b Buildings		2,001,641	414,281	1,587,360
c Leasehold improvements		106,123	38,741	67,382
d Equipment		2,963,287	1,143,834	1,819,453
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c.)				3,800,747

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	135,306,511
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	132,957,469
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	2,349,042
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	180,534
9	Total adjustments (net) Add lines 4 - 8	9	180,534
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	2,529,576

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	135,438,650
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	130,114
e	Add lines 2a through 2d	2e	130,114
3	Subtract line 2e from line 1	3	135,308,536
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	-2,025
c	Add lines 4a and 4b	4c	-2,025
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	135,306,511

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

1	Total expenses and losses per audited financial statements	1	132,959,494
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	2,025
e	Add lines 2a through 2d	2e	2,025
3	Subtract line 2e from line 1	3	132,957,469
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	0
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	132,957,469

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE NON MEDICINE/SURGERY ENDOWMENT PROVIDES FUNDING FOR RESEARCH PROJECTS, THE FINK FUND WAS ESTABLISHED TO PROVIDE FINANCIAL SUPPORT TO MATTHEW FINK, THE SON OF A FORMER RESIDENT WHO BECAME SEVERELY DISABLED DUE TO AN ILLNESS, THE FAMILY ASSISTANCE FUND PROVIDES FINANCIAL SUPPORT TO ELIGIBLE EMPLOYEES, MEMBERS AND CERTAIN FAMILY MEMBERS OF HFA EMPLOYEES WHO ARE EXPERIENCING A FINANCIAL HARDSHIP DUE TO A DEATH OR SERIOUS HEALTH CONDITION
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	"INCOME TAXES HFA IS A TAX-EXEMPT ORGANIZATION AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND IS GENERALLY EXEMPT FROM FEDERAL AND STATE INCOME TAXES HFA FOLLOWS THE GUIDANCE IN FASB ASC 740, INCOME TAXES, ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ORGANIZATION'S FINANCIAL STATEMENTS IN ACCORDANCE WITH THE ASC AND PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN ASC 740 IS APPLICABLE FOR EACH TAX YEAR WHICH IS OPEN TO EXAMINATION AND ASSESSMENT BY TAXING AUTHORITIES, IN ACCORDANCE WITH STATUTES HFA'S TAX YEARS OPEN TO EXAMINATION AND ASSESSMENT INCLUDE YEARS SUBSEQUENT TO DECEMBER 31, 2006 HFA HAS REVIEWED ITS TAX POSITIONS FOR ALL OPEN YEARS AND HAS CONCLUDED THAT NO LIABILITY EXISTS AS OF DECEMBER 31, 2010 "
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN TEMPORARILY RESTRICTED NET ASSETS CONTRIBUTION 27,200 INVESTMENT INCOME 28,050 AND UNREALIZED GAIN ON INVESTMENTS 125,284
PART XII, LINE 2D - OTHER ADJUSTMENTS		ASSETS RELEASED FROM RESTRICTION 130,114
PART XII, LINE 4B - OTHER ADJUSTMENTS		LOSS ON DISPOSAL OF ASSETS -2,025
PART XIII, LINE 2D - OTHER ADJUSTMENTS		LOSS ON DISPOSAL OF ASSETS 2,025

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2010

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization
HENNEPIN FACULTY ASSOCIATES

Employer identification number

41-1461900

Part I Questions Regarding Compensation

Yes No

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- | | |
|---|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax idemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|---|
| <input 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 from the organization or a related organization?

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

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

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

Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.

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

a The organization?

b Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

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

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies 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				
See Additional Data Table							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 7	PLEASE SEE THE RESPONSE TO FORM 990, PART VI, SECTION B, LINE 15 FOR EXPLANATION

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
HENNEPIN FACULTY ASSOCIATES

Employer identification number

41-1461900

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		THE MEMBERSHIP OF HFA IS DEFINED IN THE BY-LAWS AS FOLLOWS THE MEMBERS OF THIS CORPORATION WITH VOTING RIGHTS SHALL CONSIST OF THE PERSONS FROM TIME TO TIME DESIGNATED AS SUCH BY THE BOARD OF DIRECTORS THERE SHALL BE NO LIMIT UPON THE NUMBER OF VOTING MEMBERS OF THIS CORPORATION, BUT EACH VOTING MEMBER SHALL BE LICENSED TO RENDER A KIND OF PROFESSIONAL SERVICE WHICH THIS CORPORATION IS AUTHORIZED TO RENDER PURSUANT TO ANY APPLICABLE LAW ONLY THOSE MEMBERS OF THIS CORPORATION WHO DEVOTE FIFTY PERCENT OR MORE OF THEIR TIME ENGAGED IN PROFESSIONAL ACTIVITIES TO ACTING ON BEHALF OF THIS CORPORATION IN THE DISCHARGE OF THIS CORPORATION'S DUTIES, RESPONSIBILITIES AND FUNCTIONS SHALL BE ELIGIBLE TO VOTE IN THE SELECTION OF DIRECTORS THOSE PROVIDING PROFESSIONAL SERVICES AS DESCRIBED ABOVE CONSTITUTE THE SOLE CLASS OF MEMBERS OF HFA MEMBERS HAVE ONLY VOTING RIGHTS AND HAVE NO ECONOMIC INTERESTS AS MEMBERS OF THE CORPORATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		THOSE PROVIDING PROFESSIONAL SERVICES AS DESCRIBED IN LINE 6 CONSTITUTE THE SINGLE CLASS OF MEMBERS. MEMBERS OF THE ORGANIZATION HAVE THE RIGHT TO VOTE FOR EIGHT DIRECTORS OF THE GOVERNING BODY.

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		THOSE PROVIDING PROFESSIONAL SERVICES AS DESCRIBED IN LINE 6 CONSTITUTE THE SINGLE CLASS OF MEMBERS. MEMBERS OF THE ORGANIZATION HAVE THE RIGHT TO APPROVE ANY AMENDMENTS TO THE CORPORATE BY-LAWS. BY LAW, THE MEMBERS' APPROVAL IS ALSO REQUIRED FOR AMENDMENT OF THE ARTICLES OF INCORPORATION, MERGER OR DISSOLUTION OF THE CORPORATION, OR TRANSFER OF SUBSTANTIALLY ALL OF THE CORPORATION'S ASSETS.

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		FORM 990 IS PREPARED AND INITIALLY EXAMINED BY THE FINANCE DEPARTMENT THE FORM IS THEN REVIEWED BY THE HFA PRESIDENT FOLLOWED BY REVIEWS BY BOTH LEGAL COUNSEL AND OUTSIDE AUDITORS THE FINAL FORM IS SUBMITTED TO THE EXECUTIVE COMMITTEE FOR THEIR REVIEW AND FORWARDED TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	<p>THE BOARD'S CONFLICT OF INTEREST POLICY IS PART OF AN ONLINE DISCLOSURE PROCESS FOR ALL HFA MEMBERS EQUAL TO OR GREATER THAN 0.5 FTE. IN ACCORDANCE WITH TWO BOARD POLICIES APPROVED JULY 2008, EACH MEMBER PHYSICIAN MUST DISCLOSE 1 CERTAIN FINANCIAL RELATIONSHIPS THAT COULD POTENTIALLY BE VIEWED AS CONFLICTS OF INTEREST (GENERALLY THOSE VALUED AT \$10,000 OR MORE) 2 NON-HFA CLINICAL ACTIVITY 3 FOR BOARD MEMBERS ONLY, ADDITIONAL DISCLOSURES AS NECESSARY RELATED TO THE BOARD'S CONFLICT OF INTEREST POLICY. BOARD MEMBERS GO TO AN INTRANET SITE TO ACCESS THE BOARD POLICY TO REVIEW IT, AND THEN THEY COMPLETE THE ACKNOWLEDGEMENT AND DISCLOSURE ONLINE. THE INTRANET DISCLOSURE SITE TRACKS EACH BOARD MEMBER'S RESPONSE AND DATE-STAMPS IT. THE DIRECTOR OF QUALITY REVIEWS SUBMISSIONS TO ENSURE ALL BOARD MEMBERS HAVE COMPLETED THE DISCLOSURE FORM. IF A BOARD MEMBER LISTS A POTENTIAL CONFLICT OF INTEREST, THAT INFORMATION IS FORWARDED TO THE CEO FOR HIS REVIEW AND POSSIBLE ACTION. IF THE EVALUATION OF AN INDIVIDUAL'S DISCLOSURE DETERMINES THAT A CONFLICT OF INTEREST EXISTS, AN ACTION PLAN MUST BE DEVELOPED TO MANAGE THE CONFLICT AND MITIGATE HFA'S AND THE INDIVIDUAL'S RESPECTIVE RISKS. THE ACTION PLAN COULD INVOLVE A NUMBER OF MEASURES, INCLUDING BUT NOT LIMITED TO 1 FULL DISCLOSURE OF SIGNIFICANT FINANCIAL CONFLICTS OF INTEREST TO THE APPROPRIATE DECISION-MAKING BODY (IES) 2 DEPARTMENTAL OR DIVISIONAL OVERSIGHT/MONITORING OF THE ACTIVITY 3 DIVESTITURE OF THE EQUITY SHARE 4 LIMITED (NON-PI) ROLE IN A CONFLICTED RESEARCH STUDY 5 RECUSAL FROM THE AFFECTED ACTIVITY. RESTRICTIONS FOR THE MEMBER WITH A CONFLICT OF INTEREST WOULD BE ADDRESSED IN THE ACTION PLAN.</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	<p>THE ELECTED OFFICERS ARE THE SECRETARY AND TREASURER THE BY LAWS REQUIRE THAT THESE POSITIONS BE SELECTED FROM THE VOTING MEMBERSHIP OF THE BOARD OF DIRECTORS THE INDIVIDUALS ARE PHYSICIANS, EMPLOYEES OF THE CORPORATION AND HOLD FULL TIME POSITIONS IN THEIR MEDICAL/SURGICAL DEPARTMENTS COMPENSATION FOR THE ELECTED OFFICERS ALONG WITH THE REST OF THE PHYSICIAN STAFF IS DETERMINED BY THE RELEVANT DEPARTMENTAL COMPENSATION PLAN AND REVIEWED BY THE COMPENSATION COMPLIANCE COMMITTEE (CCC) THE CHARTER FOR THE CCC IS AS FOLLOWS - THE COMMITTEE IS RESPONSIBLE FOR ENSURING THAT HFA DOES NOT ENGAGE IN ANY EXCESS BENEFIT TRANSACTIONS WITH RESPECT TO PHYSICIAN COMPENSATION "PHYSICIAN COMPENSATION" MEANS BASE AND VARIABLE COMPENSATION "PHYSICIANS" MEANS HFA MEMBERS AS DEFINED BY HFA BY LAWS AND INCLUDES DEPARTMENT CHIEFS AND DOES NOT INCLUDE APPOINTED OFFICERS - IN EXECUTING ITS RESPONSIBILITIES, THE COMMITTEE WILL ESTABLISH POLICIES AND PROCEDURES TO ENSURE THAT PHYSICIAN COMPENSATION DOES NOT EXCEED WHAT IS REASONABLE COMPENSATION IN EACH CASE, IN LIGHT OF APPLICABLE IRS REGULATIONS THE POLICIES AND PROCEDURES WILL BE DESIGNED TO TAKE ADVANTAGE OF THE "REBUTTABLE PRESUMPTION" PROVISION OF THE REGULATIONS WHENEVER REASONABLY POSSIBLE - THE COMMITTEE IS ACCOUNTABLE TO THE HFA BOARD OF DIRECTORS AND WILL REPORT AT LEAST ANNUALLY ON THE ACTIVITIES AND FINDINGS OF THE COMMITTEE - ALL PROCESSES, POLICIES, AND PROCEDURES ESTABLISHED BY THE COMMITTEE WILL REQUIRE APPROVAL OF THE BOARD OF DIRECTORS - THE COMMITTEE WILL HAVE DIRECT ACCESS TO HFA LEGAL COUNSEL AND ANY OTHER RESOURCES IT DEEMS NECESSARY THE CCC MAINTAINS POLICIES AND PROCEDURES WITH RESPECT TO (I) DEFINITION OF MARKET FOR INITIAL SCREENS USING EXTERNAL SURVEY DATA, (II) REVIEW OF INDIVIDUALS EXCEEDING THE INITIAL SCREEN, (III) AND DETERMINATION OF REASONABLE COMPENSATION THE CCC KEEPS MINUTES AND PREPARES AN ANNUAL REPORT TO THE BOARD OF DIRECTORS COMPENSATION FOR THE SENIOR APPOINTED OFFICERS (CHAIR/CEO, PRESIDENT/COO/CFO, AND SENIOR VICE PRESIDENT) IS DETERMINED BY THE EXECUTIVE COMMITTEE (EC) OF THE BOARD OF DIRECTORS THESE POSITIONS ARE FULL TIME ADMINISTRATIVE EMPLOYEES OF THE CORPORATION THEY MAY OR MAY NOT BE PHYSICIANS PHYSICIAN EMPLOYEES USUALLY CONTINUE TO PRACTICE MEDICINE IN ADDITION TO THEIR ADMINISTRATIVE RESPONSIBILITIES THESE POSITIONS REPORT TO THE EC AND THEIR COMPENSATION IS DETERMINED AS PART OF THE PERFORMANCE REVIEW PROCESS THE EC USES MARKET DATA AND CONSULTANTS AS NECESSARY THE DELIBERATIONS AND ACTIONS OF THE EC ARE INCORPORATED INTO THE PERMANENT MINUTES</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION DOES NOT ROUTINELY PROVIDE THIS INFORMATION BUT WOULD ENTERTAIN REQUESTS FROM MEMBERS OF THE PUBLIC

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	CHANGE IN TEMPORARILY RESTRICTED NET ASSETS CONTRIBUTION 27,200 INVESTMENT INCOME 28,050 AND UNREALIZED GAIN ON INVESTMENTS 125,284 TOTAL TO FORM 990, PART XI, LINE 5 180,534

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 16A	HFA IS CO-OWNER, AS TENANT IN COMMON, OF A PARKING RAMP FACILITY ADJACENT TO ITS PRIMARY OFFICES. HFA OWNS A 50% INTEREST AND THE TWO UNRELATED NON-EXEMPT PARTIES COLLECTIVELY OWN THE OTHER 50%. AN OWNERSHIP AGREEMENT AMONG THE CO-OWNERS SETS FORTH THE PARTIES' RIGHTS AND OBLIGATIONS AS TENANTS IN COMMON.

Identifier	Return Reference	Explanation
COMPENSATION NOTE	FORM 990, PART VII	ALL OF THE COMPENSATED DIRECTORS ARE PHYSICIANS AND THEIR COMPENSATION IS RECEIVED IN THAT CAPACITY, NOT AS DIRECTORS

Identifier	Return Reference	Explanation
INDEPENDENT VOTING MEMBERS	FORM 990, PART I, LINE 4 & FORM 990, PART VI, SECTION A, LINE 1B	HFA DOES NOT HAVE INDEPENDENT VOTING MEMBERS OF ITS GOVERNING BODY BECAUSE IT IS A PROFESSIONAL PHYSICIAN ORGANIZATION WHICH DERIVES ITS REVENUES FROM PROGRAM SERVICES AND DOES NOT SOLICIT OR RECEIVE CONTRIBUTIONS FROM INDIVIDUAL DONORS THE BOARD IS MADE UP OF APPOINTED AND ELECTED MEMBERS OF THE ORGANIZATION

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2010

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization
HENNEPIN FACULTY ASSOCIATES

Employer identification number

41-1461900

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) MINNEAPOLIS MEDICAL RESEARCH FOUNDATION 914 S 8TH ST STE 600 MINNEAPOLIS, MN 55404 41-1677920	MEDICAL RESEARCH	MN	501(C)(3)	509(A)(1)	HENNEPIN FACULTY ASSOCIATES	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

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

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)

- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)

- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees

- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses

- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

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

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) MINNEAPOLIS MEDICAL RESEARCH FOUNDATION	A	1,167,000	ACTUAL COST
(2) MINNEAPOLIS MEDICAL RESEARCH FOUNDATION	B	580,000	ACTUAL COST
(3) MINNEAPOLIS MEDICAL RESEARCH FOUNDATION	K	3,522,000	ACTUAL COST
(4)			
(5)			
(6)			

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 41-1461900
Name: HENNEPIN FACULTY ASSOCIATES

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JOSEPH E CLINTON MD SECRETARY	8 00	X		X				354,109	0	57,473
MICHAEL K POPKIN MD TREASURER	10 00	X		X				300,791	0	58,068
JOHN BOWAR MD DIRECTOR	1 00	X						217,738	0	52,344
ALLAN J COLLINS MD DIRECTOR	1 00	X						311,387	0	55,684
EDUARDO COLON MD DIRECTOR	1 00	X						245,994	0	56,307
GRETCHEN S CRARY MD DIRECTOR	1 00	X						297,643	0	58,569
SCOTT F DAVIES MD DIRECTOR	1 00	X						235,795	0	57,681
KEVIN C ENGEL MD DIRECTOR	1 00	X						270,765	0	45,372
WILLIAM G HEEGAARD MD DIRECTOR	1 00	X						398,344	0	60,283
CONRAD IBER MD DIRECTOR	1 00	X						203,473	0	37,870
JULIA JOSEPH-DICAPRIO MD DIRECTOR	1 00	X						219,176	0	39,348
RICHARD F KYLE MD DIRECTOR	1 00	X						403,579	0	56,621
FRED LANGENDORF MD DIRECTOR	1 00	X						192,063	0	43,984
VIRGINIA LUPO MD DIRECTOR	1 00	X						333,343	0	56,403
ARTHUR L NEY MD DIRECTOR	1 00	X						424,209	0	58,703
MARK D ODLAND MD DIRECTOR	1 00	X						428,220	0	57,703
JEROME F POTTS MD DIRECTOR	1 00	X						216,769	0	53,743
ROBERT R QUICKEL MD DIRECTOR	1 00	X						416,815	0	56,374
CHAD J RICHARDSON MD DIRECTOR	1 00	X						434,974	0	56,341
CHRISTOPHER ROBERT MD DIRECTOR	1 00	X						462,699	0	56,621
RONALD L SCHUT MD DIRECTOR	1 00	X						154,135	0	42,523
GILBERT J SHIN MD DIRECTOR	1 00	X						501,914	0	58,404
MARTIN J STILLMAN MD DIRECTOR	1 00	X						114,007	0	32,049
CHARLES L TRUWIT MD DIRECTOR	1 00	X						611,280	0	61,621
DAVID N WILLIAMS MD DIRECTOR	1 00	X						227,277	0	53,542

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DONALD M JACOBS MD CEO	40 00			X				483,342	0	61,175
LAWRENCE R FOSBURY PRESIDENT	40 00			X				335,797	0	46,441
STEVEN P STERNER MD SENIOR VICE PRESIDENT	40 00			X				291,867	0	56,046
MICHAEL CUMMING MD MEMBER PHYSICIAN	40 00					X		545,273	0	56,621
HERBERT JONES MD MEMBER PHYSICIAN	40 00					X		549,437	0	47,840
BARBARA KNOLL MD MEMBER PHYSICIAN	40 00					X		547,722	0	46,643
PRATEEK SAHGAL MD MEMBER PHYSICIAN	40 00					X		545,273	0	56,621
CONSTANTIN N STARHOOK MD MEMBER PHYSICIAN	40 00					X		615,844	0	55,766

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

4d. Other program services

(Code) (Expenses \$ 4,735,562 including grants of \$) (Revenue \$ 4,735,562)
ADMINISTRATIVE SERVICES - IN CONNECTION WITH ITS PROVISION OF PROFESSIONAL MEDICAL SERVICES, TRAINING, AND
RESEARCH TO HENNEPIN HEALTHCARE SYSTEM, INC FOR HENNEPIN COUNTY MEDICAL CENTER, HFA ALSO PROVIDES
HEALTH CARE ADMINISTRATIVE SERVICES

Software ID:
Software Version:
EIN: 41-1461900
Name: HENNEPIN FACULTY ASSOCIATES

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) 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 compensation				
JOSEPH E CLINTON MD	(i) 354,109 (ii) 0	0 0	0 0	31,152 0	26,321 0	411,582 0	0 0
MICHAEL K POPKIN MD	(i) 300,791 (ii) 0	0 0	0 0	31,152 0	26,916 0	358,859 0	0 0
JOHN BOWAR MD	(i) 217,738 (ii) 0	0 0	0 0	27,935 0	24,409 0	270,082 0	0 0
ALLAN J COLLINS MD	(i) 311,387 (ii) 0	0 0	0 0	31,152 0	24,532 0	367,071 0	0 0
EDUARDO COLON MD	(i) 245,994 (ii) 0	0 0	0 0	31,152 0	25,155 0	302,301 0	0 0
GRETCHEN S CRARY MD	(i) 297,643 (ii) 0	0 0	0 0	31,152 0	27,417 0	356,212 0	0 0
SCOTT F DAVIES MD	(i) 235,795 (ii) 0	0 0	0 0	30,962 0	26,719 0	293,476 0	0 0
KEVIN C ENGEL MD	(i) 270,765 (ii) 0	0 0	0 0	31,152 0	14,220 0	316,137 0	0 0
WILLIAM G HEEGAARD MD	(i) 398,344 (ii) 0	0 0	0 0	31,152 0	29,131 0	458,627 0	0 0
CONRAD IBER MD	(i) 203,473 (ii) 0	0 0	0 0	24,882 0	12,988 0	241,343 0	0 0
JULIA JOSEPH-DICAPRIO MD	(i) 219,176 (ii) 0	0 0	0 0	27,209 0	12,139 0	258,524 0	0 0
RICHARD F KYLE MD	(i) 403,579 (ii) 0	0 0	0 0	31,152 0	25,469 0	460,200 0	0 0
FRED LANGENDORF MD	(i) 192,063 (ii) 0	0 0	0 0	24,088 0	19,896 0	236,047 0	0 0
VIRGINIA LUPO MD	(i) 333,343 (ii) 0	0 0	0 0	31,152 0	25,251 0	389,746 0	0 0
ARTHUR L NEY MD	(i) 424,209 (ii) 0	0 0	0 0	31,152 0	27,551 0	482,912 0	0 0
MARK D ODLAND MD	(i) 428,220 (ii) 0	0 0	0 0	31,152 0	26,551 0	485,923 0	0 0
JEROME F POTTS MD	(i) 216,769 (ii) 0	0 0	0 0	28,036 0	25,707 0	270,512 0	0 0
ROBERT R QUICKEL MD	(i) 416,815 (ii) 0	0 0	0 0	31,152 0	25,222 0	473,189 0	0 0
CHAD J RICHARDSON MD	(i) 434,974 (ii) 0	0 0	0 0	31,152 0	25,189 0	491,315 0	0 0
CHRISTOPHER ROBERT MD	(i) 462,699 (ii) 0	0 0	0 0	31,152 0	25,469 0	519,320 0	0 0
RONALD L SCHUT MD	(i) 154,135 (ii) 0	0 0	0 0	18,131 0	24,392 0	196,658 0	0 0
GILBERT J SHIN MD	(i) 501,914 (ii) 0	0 0	0 0	31,152 0	27,252 0	560,318 0	0 0
CHARLES L TRUWIT MD	(i) 611,280 (ii) 0	0 0	0 0	31,152 0	30,469 0	672,901 0	0 0
DAVID N WILLIAMS MD	(i) 227,277 (ii) 0	0 0	0 0	29,252 0	24,290 0	280,819 0	0 0
DONALD M JACOBS MD	(i) 483,342 (ii) 0	0 0	0 0	31,152 0	30,023 0	544,517 0	0 0
LAWRENCE R FOSBURY	(i) 335,797 (ii) 0	0 0	0 0	31,152 0	15,289 0	382,238 0	0 0
STEVEN P STERNER MD	(i) 291,867 (ii) 0	0 0	0 0	31,152 0	24,894 0	347,913 0	0 0
MICHAEL CUMMING MD	(i) 545,273 (ii) 0	0 0	0 0	31,152 0	25,469 0	601,894 0	0 0
HERBERT JONES MD	(i) 549,437 (ii) 0	0 0	0 0	31,152 0	16,688 0	597,277 0	0 0
BARBARA KNOLL MD	(i) 547,722 (ii) 0	0 0	0 0	31,152 0	15,491 0	594,365 0	0 0
PRATEEK SAHGAL MD	(i) 545,273 (ii) 0	0 0	0 0	31,152 0	25,469 0	601,894 0	0 0
CONSTANTIN N STARHOOK MD	(i) 615,844 (ii) 0	0 0	0 0	31,152 0	24,614 0	671,610 0	0 0