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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
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A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011		
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization MEDICAL FOUNDATION OF NORTH CAROLINA INC Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 880 MARTIN LUTHER KING BLVD City or town, state or country, and ZIP + 4 CHAPEL HILL, NC 27514	D Employer identification number 56-6057494 E Telephone number (919) 966-1201 G Gross receipts \$ 24,490,141
	F Name and address of principal officer DAVID ANDERSON 880 MARTIN LUTHER KING JR BLVD CHAPEL HILL, NC 27514	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.MEDICALFOUNDATIONOFNC.ORG	
	K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶	
L Year of formation 1949		
M State of legal domicile NC		

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE MEDICAL FOUNDATION OF NC, INC SECURES PRIVATE GIFTS AND STEWARDS FOR UNC SCHOOL OF MEDICINE AND HOSPITALS		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	30
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	27
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	276
	7a	0	
	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	12,246,756	13,998,744
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-1,771,051	9,589,076
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,124,394	662,071
		11,600,099	24,249,891
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	15,758,480	20,197,742
	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	2,164,275
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <u>2,227,947</u>		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)		
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	3,612,220	2,391,050
	19 Revenue less expenses Subtract line 18 from line 12	19,370,700	24,753,067
Net Assets or Fund Balances		-7,770,601	-503,176
		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	201,713,072	215,913,454
	21 Total liabilities (Part X, line 26)	1,134,922	516,408
	22 Net assets or fund balances Subtract line 21 from line 20	200,578,150	215,397,046

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			2012-05-07	
	DAVID ANDERSON PRESIDENT			Date	
Paid Preparer Use Only	Print/Type preparer's name	ROBIN MCDUFFIE	Preparer's signature	ROBIN MCDUFFIE	Date
	Firm's name ▶ BLACKMAN & SLOOP CPAS PA				Firm's EIN ▶
	Firm's address ▶ 1414 RALEIGH RD SUITE 300 CHAPEL HILL, NC 27517				Phone no ▶ (919) 942-8700
May the IRS discuss this return with the preparer shown above? (see instructions)					☒ Yes ☐ No

Part IIIStatement 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

THE MEDICAL FOUNDATION OF NORTH CAROLINA, INC SECURES FINANCIAL AND VOLUNTEER RESOURCES FOR THE UNC SCHOOL OF MEDICINE AND UNC HEALTH CARE TO PROVIDE A HEALTHIER FUTURE THROUGH MEDICAL EDUCATION, RESEARCH AND PATIENT CARE

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 \$ 20,197,742 including grants of \$ 20,197,742) (Revenue \$)

ANNUALLY, THE FOUNDATION PROCESSES OVER 16,000 GIFTS FROM 15,000+ DONORS DURING THE COURSE OF THE YEAR, OVER 1,700 PHONE CALLS AND OVER 1,400 PERSONAL VISITS WERE MADE BY THE DEVELOPMENT STAFF TO INDIVIDUAL MAJOR GIFT DONORS THIS WAS IN ADDITION TO THE THOUSANDS OF CONTACT AND CULTIVATIONS THAT ARE MADE AT EVENTS HELD ON AND OFF THE UNIVERSITY OF NORTH CAROLINA (UNC) CAMPUS THE FOUNDATION PUBLISHES AN ANNUAL REPORT A WEB VERSION OF THE ANNUAL REPORT IS AVAILABLE FOR OUR DONORS, ALUMNI AND FRIEND OF THE SCHOOL OF MEDICINE AND UNC HOSPITALS ADDITIONALLY, THREE ISSUES OF THE MEDICAL BULLETIN HAVE ARTICLES ON RESEARCH PROJECTS, ADVANCES IN MEDICINE AND HEALTH CARE AND GLOBAL PROJECTS THAT INVOLVE THE SCHOOL OF MEDICINE THESE PUBLICATIONS SERVE TO INFORM OUR DONORS AND ALSO CULTIVATE THEIR CONTINUED INTEREST IN SUPPORTING THE FOUNDATION THE FOUNDATION HAS A LONGSTANDING RECOGNITION SOCIETY THAT RECOGNIZES AND STEWARDS DONORS WHO ANNUALLY SUPPORT MEDICINE AT THE LEVEL OF \$2,000 PER YEAR THESE DONORS RECEIVED RECOGNITION IN THE ANNUAL REPORT AND ARE INCLUDED ON THE FOUNDATION'S DONOR WALL ENDOWMENT DONORS ARE SENT ANNUAL FINANCIAL REPORTS THAT INCLUDE INFORMATION ON THE USE OF THE PRIOR YEAR'S INCOME AND ENDOWMENT EARNINGS IN ADDITION, THE LOYALTY MEDICAL ALUMNI FUND PRODUCES AN EARLY CASE STATEMENT WHICH INCLUDES FUNDRAISING RESULTS THE MEDICAL FOUNDATION HAS THE FIDUCIARY RESPONSIBILITY FOR ADMINISTERING OVER 1,200 SEPARATE FUNDS COMPRISED OF ENDOWMENTS, RESTRICTED AND UNRESTRICTED FUNDS THESE ACCOUNTS PROVIDE KEY SUPPORT FOR PATIENTS AND RESEARCH THE SUPPORT THESE GIFT FUNDS PROVIDE IS ESSENTIAL TO THE CONTINUED MEDICAL EXCELLENCE OF THE UNC SCHOOL OF MEDICINE AND THE UNC HOSPITALS WE ARE IN REGULAR CONTACT WITH OUR ACCOUNT HOLDERS THROUGH VERBAL AND WRITTEN COMMUNICATIONS FUND ACCOUNT ACTIVITIES INCLUDING CURRENT BALANCES AND GIFTS ARE PROVIDED

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses

\$ 20,197,742

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A. 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? 	2 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	3	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	4	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	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	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 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	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 	9	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 	10 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. 	11a 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. 	11b Yes	
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. 	11c	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. 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	No
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. 	11f 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 	12a	No
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 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	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	14b	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	15	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	16	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)	17	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	18 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	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)	20b	

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	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <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	Yes	
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	Yes	
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> ☒ Yes ☐ 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

☐

			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	61		
		1b	0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	0		
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?				
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).					
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?			3a		No
b If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O.</i>			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
	b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7 Organizations that may receive deductible contributions under section 170(c).					
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	Yes	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	Yes	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d If "Yes," indicate the number of Forms 8282 filed during the year.			7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9 Sponsoring organizations maintaining donor advised funds.					
a Did the organization make any taxable distributions under section 4966?			9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10 Section 501(c)(7) organizations. Enter					
a Initiation fees and capital contributions included on Part VIII, line 12.			10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.			10b		
11 Section 501(c)(12) organizations. Enter					
a Gross income from members or shareholders.			11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).			11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.			12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.					
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.			13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.			13b		
c Enter the amount of reserves on hand.			13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O.</i>			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

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	30	
b	Enter the number of voting members included in line 1a, above, who are independent	1b	27	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization’s assets?	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
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	9		No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ PAULA SHACKLEFORD 880 MARTIN LUTHER KING JR BLVD CHAPEL HILL, NC 275142600 (919) 966-1201

Check if Schedule O contains a response to any question in this Part VII ☐ ☒

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Form **990** (2010)

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	1,311,829	0	291,162

2 Total number of individuals (including but not limited to those listed in Item 1) who received or accrued more than \$100,000 in reportable compensation from the organization. 9

		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>	3	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>	4	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>	5	Yes

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
UNC MANAGMENT COMPANY 1400 ENVIRON WAY CHAPEL HILL, NC 27517	INVESTMENT FEES	372,074
ALTSHULER GRAY LLC 61 DEAN ROAD BROOKLINE, MA 02445	CONSULTANT FOR SOM STRATEGIC PLANNING	240,037
DISPLAY PRESENTATIONS 175 KENNEDY DRIVE HAUPPAUGE, NY 11788	DESIGN & EQUIP PLAYROOM FOR CHILDREN'S H	205,000

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 ▶3

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	379,590			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	13,619,154			
	g	Noncash contributions included in lines 1a-1f \$		1,736,448			
	h	Total. Add lines 1a-1f		13,998,744			
Program Service Revenue	2a		Business Code				
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		2,662,512		
4		Income from investment of tax-exempt bond proceeds . . .					
5		Royalties					
6a		Gross Rents	(i) Real	(ii) Personal			
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)					
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)		6,926,564			6,926,564
8a		Gross income from fundraising events (not including \$ 379,590 of contributions reported on line 1c) See Part IV, line 18					
b		Less direct expenses					
c		Net income or (loss) from fundraising events . . .		422,185			422,185
9a		Gross income from gaming activities See Part IV, line 19					
b		Less direct expenses					
c		Net income or (loss) from gaming activities . . .					
10a		Gross sales of inventory, less returns and allowances					
b		Less cost of goods sold					
c		Net income or (loss) from sales of inventory . . .					
Miscellaneous Revenue		Business Code					
11a	OTHER INCOME	900099	239,886	239,886			
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		239,886				
12	Total revenue. See Instructions		24,249,891	239,886	0	10,011,261	

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	18,188,335	18,188,335		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	2,009,407	2,009,407		
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	1,303,013		391,923	911,090
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	706,687		476,630	230,057
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	57,385		39,128	18,257
9	Other employee benefits	54,152		36,932	17,220
10	Payroll taxes	43,038		29,368	13,670
a	Fees for services (non-employees)				
	Management				
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees	376,481		376,481	
g	Other	111,982		111,982	
12	Advertising and promotion				
13	Office expenses	33,634		17,950	15,684
14	Information technology				
15	Royalties				
16	Occupancy	106,444		53,222	53,222
17	Travel	42,838		29,222	13,616
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	46,542		32,296	14,246
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	97,306		97,306	
23	Insurance	135,464		10,321	125,143
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	LOSS ON BAD DEBT	1,203,234		1,203,234	
b	DEVELOPMENT ASSESSMENT	736,407			736,407
c	MISCELLANEOUS	65,470		45,629	19,841
d	DEVELOPMENT SUPPORT SER	50,199		8,708	41,491
e	COMPUTER SERVICES	28,972		14,486	14,486
f	All other expenses	-643,923		-647,440	3,517
25	Total functional expenses. Add lines 1 through 24f	24,753,067	20,197,742	2,327,378	2,227,947
26	Joint costs. Check here ☐ 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	400
	2	Savings and temporary cash investments			56,345,227	2	49,498,913
	3	Pledges and grants receivable, net			10,095,778	3	9,934,236
	4	Accounts receivable, net				4	
	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			39,403	9	264,385
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	1,072,761	576,718	10c	605,870
	b	Less: accumulated depreciation	10b	466,891			
	11	Investments—publicly traded securities			22,265,614	11	31,989,203
	12	Investments—other securities. See Part IV, line 11			111,859,312	12	123,082,014
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			531,020	15	538,433
16	Total assets. Add lines 1 through 15 (must equal line 34)			201,713,072	16	215,913,454	
Liabilities	17	Accounts payable and accrued expenses			1,134,922	17	516,408
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D				25	
	26	Total liabilities. Add lines 17 through 25			1,134,922	26	516,408
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			8,403,274	27	10,662,038
	28	Temporarily restricted net assets			119,249,193	28	130,475,516
	29	Permanently restricted net assets			72,925,683	29	74,259,492
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			200,578,150	33	215,397,046
	34	Total liabilities and net assets/fund balances			201,713,072	34	215,913,454

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	24,249,891
2	Total expenses (must equal Part IX, column (A), line 25)	2	24,753,067
3	Revenue less expenses Subtract line 2 from line 1	3	-503,176
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	200,578,150
5	Other changes in net assets or fund balances (explain in Schedule O)	5	15,322,072
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	215,397,046

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 ☐ 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?		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 ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		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)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization MEDICAL FOUNDATION OF NORTH CAROLINA INC	Employer identification number 56-6057494
--	--

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.")	19,294,750	24,851,570	19,582,061	13,646,756	13,998,744	91,373,881
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	951,569	807,782	1,302,376	1,254,727	1,639,868	5,956,322
4 Total. Add lines 1 through 3	20,246,319	25,659,352	20,884,437	14,901,483	15,638,612	97,330,203
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)						4,930,851
6 Public Support. Subtract line 5 from line 4						92,399,352

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	20,246,319	25,659,352	20,884,437	14,901,483	15,638,612	97,330,203
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	9,072,890	14,628,762	4,434,813	1,842,716	2,662,512	32,641,693
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)	785,444	917,975	936,034	1,363,938	902,231	4,905,622
11 Total support (Add lines 7 through 10)						134,877,518
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	68 510 %
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	66 910 %
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 IIIPart 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.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12.)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here 						

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
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

Explanation
SCHEDULE A, PART IV, SUPPLEMENTAL INFORMATION THE ORGANIZATION HAS RECEIVED A DETERMINATION LETTER FROM THE IRS STATING IT IS AN ORGANIZATION UNDER SECTION 170(B)(1)(A)(IV) HOWEVER, THE ORGANIZATION IS CURRENTLY OPERATING AS AN ORGANIZATION UNDER SECTION 170(B)(1)(A)(VI), THEREFORE BOX 7 IS CHECKED IN PART I THE ORGANIZATION IS IN THE PROCESS OF OBTAINING A REVISED DETERMINATION LETTER FROM THE IRS

Additional Data

Software ID:

Software Version:

EIN: 56-6057494

Name: MEDICAL FOUNDATION OF NORTH CAROLINA INC

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				
DAVID B ANDERSON PRESIDENT & SECRETARY	40 00	X		X				233,709	0	43,997	
WILLIAM L ROPER DEAN UNC SCHOOL OF MEDICINE/CEO UNC HEALTHCARE	1 00	X						0	0	0	
GARY L PARK PRESIDENT, UNC HOSPITALS	1 00	X						0	0	0	
JOHN W ALEXANDER CHAIR ELECT, EXEC & FINANCE COMMITTEE	1 00	X		X				0	0	0	
LUCIUS BLANCHARD MD DIRECTOR	1 00	X						0	0	0	
THOMAS EDWARD CAPPS DIRECTOR	1 00	X						0	0	0	
GEORGE W COX BOARD CHAIRMAN/EXEC COMMIT	1 00	X		X				0	0	0	
FREDERICK M DULA JR MD DIRECTOR	1 00	X						0	0	0	
JOHN W C ENTWISTLE JR DIRECTOR	1 00	X						0	0	0	
JOHN W FOUST MD EXECUTIVE COMMITTEE	1 00	X						0	0	0	
MARY SUSAN FULGHUM MD EXEC & GOVERNANCE COMMITTEE	1 00	X						0	0	0	
LISA HAZEN EXEC & AUDIT COMMITTEE	1 00	X						0	0	0	
AL HOBGOOD III FINANCE COMMITTEE	1 00	X						0	0	0	
RICHARD T HOLDERNESS EXECUTIVE & FINANCE COMMITTEE	1 00	X						0	0	0	
JOAN C HUNTLEY PHD DIRECTOR	1 00	X						0	0	0	
PETER C JOHNSON MD DIRECTOR	1 00	X						0	0	0	
MYLA LAI-GOLDMAN MD EXECUTIVE COMMITTEE	1 00	X						0	0	0	
GARNETTE LEROY DIRECTOR	1 00	X						0	0	0	
HUGH A MCALLISTER JR MD EXECUTIVE COMMITTEE	1 00	X						0	0	0	
DARLYNE MENSCHER MD DIRECTOR	1 00	X						0	0	0	
WILLIAM BROOKS MILLIS DIRECTOR	1 00	X						0	0	0	
GEORGE D RENFRO AUDIT COMMITTEE	1 00	X						0	0	0	
ROBERT E SEVIER MD DIRECTOR	1 00	X						0	0	0	
EDWINA D WOODBURY AUDIT COMMITTEE	1 00	X						0	0	0	
S AUSTIN YEARGAN III MD DIRECTOR	1 00	X						0	0	0	

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
LEWIS B BARNHARDT DIRECTOR	1 00	X						0	0	0
JAMES D HUNDLEY SR MD DIRECTOR	1 00	X						0	0	0
CHARLOTTE BATTLE ROBBINS DIRECTOR	1 00	X						0	0	0
CECIL W SEWELL JR DIRECTOR	1 00	X						0	0	0
LY SOO DIRECTOR	1 00	X						0	0	0
JANE M MCNEER VP DEVELOPMENT & ASST SECR	40 00			X				97,022	0	24,839
PAULA SHACKLEFORD VP FINANCE & CONTROLLER, T	40 00			X				111,595	0	24,986
CRYSTAL HINSON MILLER VP DEVELOPMENT	40 00					X		130,253	0	29,537
ANNE HAGER-BLUNK VP DEVELOPMENT	34 00					X		121,540	0	28,490
GREGORY DUYCK DIRECTOR, MAJOR GIFTS	40 00					X		125,346	0	29,197
MEREDITH GIBBS VP ADMINISTRATION	40 00					X		125,000	0	26,800
ELLEN DE GRAFFENREID DIR OF COMMUNICATIONS & MARKETING	40 00					X		110,000	0	26,462
DEBORAH DIBBERT DIRECTOR, EXTERNAL AFFAIRS	40 00					X		147,002	0	32,140
GERALDINE OSBORN DIRECTOR, RESEARCH ADMINISTRATION	40 00					X		110,362	0	24,714

SCHEDULE D
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
MEDICAL FOUNDATION OF NORTH CAROLINA INC

Employer identification number
56-6057494

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No	

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

	Held at the End of the Year
2a	
2b	
2c	
2d	

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►_____

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

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

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

1a

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

b

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

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

► \$ _____

(ii) Assets included in Form 990, Part X

► \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2010

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	107,577,235	101,999,141	128,655,976		
b Contributions	5,923,341	3,282,840	4,318,624		
c Investment earnings or losses	15,122,176	6,240,697	-25,645,813		
d Grants or scholarships	6,104,848	3,945,443	4,190,670		
e Other expenditures for facilities and programs	2,871,031		1,138,976		
f Administrative expenses					
g End of year balance	119,646,873	107,577,235	101,999,141		

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 5 570 %

b

Permanent endowment ▶ 94 430 %

c

Term endowment ▶

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

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				
b Buildings		560,020	247,916	312,104
c Leasehold improvements				
d Equipment		385,176	174,409	210,767
e Other		127,565	44,566	82,999
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				605,870

Schedule D (Form 990) 2010

Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	124,249,891
2	Total expenses (Form 990, Part IX, column (A), line 25)	224,753,067
3	Excess or (deficit) for the year Subtract line 2 from line 1	3-503,176
4	Net unrealized gains (losses) on investments	413,624,169
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	71,400,000
8	Other (Describe in Part XIV)	8297,903
9	Total adjustments (net) Add lines 4 - 8	915,322,072
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	1014,818,896

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	140,052,081
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a13,624,169	
b	Donated services and use of facilities2b1,639,868	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d297,903	
e	Add lines 2a through 2d	2e15,561,940
3	Subtract line 2e from line 1	324,490,141
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 7b4a	
b	Other (Describe in Part XIV)4b-240,250	
c	Add lines 4a and 4b	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	524,249,891

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	126,633,185
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a1,639,868	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d240,250	
e	Add lines 2a through 2d	2e1,880,118
3	Subtract line 2e from line 1	324,753,067
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 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	524,753,067

Part XIVSupplemental 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	ENDOWMENT FUNDS ARE USED FOR MEDICAL EDUCATION AND RESEARCH
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	IN ACCORDANCE WITH FINANCIAL ACCOUNTING STANDARDS BOARD ("FASB") ACCOUNTING STANDARDS CODIFICATION 740-10 ("ASC 740-10") ACCOUNTING FOR INCOME TAXES, THE FOUNDATION REFLECTS IN THE FINANCIAL STATEMENTS THE BENEFIT OF POSITIONS TAKEN IN A PREVIOUSLY FILED TAX RETURN OR EXPECTED TO BE TAKEN IN A FUTURE TAX RETURN ONLY WHEN IT IS CONSIDERED 'MORE-LIKELY-THAN-NOT' THAT THE POSITION TAKEN WILL BE SUSTAINED BY A TAXING AUTHORITY. THE FOUNDATION EVALUATES ITS UNCERTAIN TAX POSITIONS USING PROVISIONS OF ASC 450, CONTINGENCIES. ACCORDINGLY, A LOSS CONTINGENCY IS RECOGNIZED WHEN IT IS PROBABLE THAT A LIABILITY HAS BEEN INCURRED AS OF THE DATE OF THE FINANCIAL STATEMENTS AND THE AMOUNT OF THE LOSS CAN BE REASONABLY ESTIMATED. THE AMOUNT RECOGNIZED IS SUBJECT TO ESTIMATE AND MANAGEMENT JUDGMENT WITH RESPECT TO THE LIKELY OUTCOME OF EACH UNCERTAIN TAX POSITION. THE AMOUNT THAT IS ULTIMATELY SUSTAINED FOR AN INDIVIDUAL UNCERTAIN TAX POSITION OR FOR ALL UNCERTAIN TAX POSITIONS IN THE AGGREGATE COULD DIFFER FROM THE AMOUNT RECOGNIZED. IF APPLICABLE, PENALTIES AND INTEREST ASSESSED BY INCOME TAXING AUTHORITIES ARE INCLUDED IN GENERAL AND ADMINISTRATIVE EXPENSES UNDER THE STATUTE OF LIMITATIONS, THE FEDERAL INFORMATIONAL RETURNS OF THE FOUNDATION FOR 2008 THROUGH 2010 ARE SUBJECT TO EXAMINATION BY TAXING AUTHORITIES. MANAGEMENT EVALUATED TAX POSITIONS FOR THE 2008 THROUGH 2010 RETURNS, AND CONCLUDED THAT THERE ARE NO UNCERTAIN TAX POSITIONS AND BELIEVES THERE IS NO INCOME TAX EFFECT ON THE FINANCIAL STATEMENTS.
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN VALUE OF SPLIT INTEREST AGREEMENT 297,903
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS 297,903
PART XII, LINE 4B - OTHER ADJUSTMENTS		DIRECT FUNDRAISING EXPENSES -240,250
PART XIII, LINE 2D - OTHER ADJUSTMENTS		DIRECT FUNDRAISING EXPENSES 240,250

SCHEDULE G
(Form 990 or 990-EZ)

Supplemental Information Regarding
Fundraising or Gaming Activities

OMB No 1545-0047

2010

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization
MEDICAL FOUNDATION OF NORTH CAROLINA INC

Employer identification number
56-6057494

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

- 1

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

a

☐

Mail solicitations

e

☐

Solicitation of non-government grants

b

☐

Internet and e-mail solicitations

f

☐

Solicitation of government grants

c

☐

Phone solicitations

g

☐

Special fundraising events

d

☐

In-person solicitations
- 2a

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

☐ Yes

☐ No
- b

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

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ▶						

- 3

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

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

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		LCCC BEACH BALL (event type)	LCCC FAST BREAK (event type)	11 (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts	178,914	169,800	693,311
	2	Less Charitable contributions			379,590
	3	Gross income (line 1 minus line 2)	178,914	169,800	313,721
Direct Expenses	4	Cash prizes			
	5	Non-cash prizes		14,331	14,331
	6	Rent/facility costs			
	7	Food and beverages		65,527	65,527
	8	Entertainment		360	360
	9	Other direct expenses	32,715	7,809	119,508
	10	Direct expense summary Add lines 4 through 9 in column (d)			240,250
	11	Net income summary Combine lines 3 and 10 in column (d).			422,185

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

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

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

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

11

Does the organization operate gaming activities with nonmembers?

Yes

No

12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

Yes

No

13

Indicate the percentage of gaming activity operated in

a

The organization's facility

13a

b

An outside facility

13b

14

Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name

Address

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

Yes

No

b

If "Yes," enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$

c

If "Yes," enter name and address

Name

Address

16 Gaming manager information

Name

Gaming manager compensation \$

Description of services provided

Director/officer

Employee

Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

Yes

No

b

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year \$

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

Department of the Treasury
Internal Revenue Service

Employer identification number

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

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

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

[illegible]

2	Enter total number of section 501(c)(3) and government organizations	1
3	Enter total number of other organizations	0

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) SCHOLARSHIPS AND AWARDS	438	2,009,407			

Part IV

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 MANAGEMENT AT THE MEDICAL FOUNDATION AND THE UNIVERSITY OF NORTH CAROLINA MEDICAL SCHOOL ARE IN CHARGE OF APPROVING AND MAINTAINING SUPPORTING DOCUMENTATION OF GRANT REQUESTS AND DISBURSEMENTS

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, question 23. ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2010
		Open to Public Inspection

Name of the organization MEDICAL FOUNDATION OF NORTH CAROLINA INC	Employer identification number 56-6057494
--	--

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

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use 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				
(1) DAVID B ANDERSON	(i) (ii)	233,709 0	0 0	0 0	16,279 0	27,718 0	277,706 0	0 0
(2) CRYSTAL HINSON MILLER	(i) (ii)	130,253 0	0 0	0 0	10,929 0	18,608 0	159,790 0	0 0
(3) ANNE HAGER-BLUNK	(i) (ii)	121,540 0	0 0	0 0	10,541 0	17,949 0	150,030 0	0 0
(4) GREGORY DUYCK	(i) (ii)	125,346 0	0 0	0 0	10,803 0	18,394 0	154,543 0	0 0
(5) MEREDITH GIBBS	(i) (ii)	125,000 0	0 0	0 0	9,916 0	16,884 0	151,800 0	0 0
(6) DEBORAH DIBBERT	(i) (ii)	147,002 0	0 0	0 0	11,892 0	20,248 0	179,142 0	0 0
(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
		THE EMPLOYEES REPORTED ON FORM 990, PART VII, ARE PAID BY BOTH THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND UNC HEALTHCARE, UNRELATED ORGANIZATIONS (OF THE TOTAL SALARIES AND BENEFITS (\$1,602,991) REPORTED IN PART VII, \$321,264 WAS REIMBURSED BY THE FOUNDATION, AND \$299,980 REPRESENTS SALARIES AND BENEFITS PAID TO THESE INDIVIDUALS FOR SERVICES RENDERED TO UNRELATED ORGANIZATIONS)

SCHEDULE M
(Form 990)

NonCash Contributions

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MEDICAL FOUNDATION OF NORTH CAROLINA INC

Employer identification number
56-6057494

Part ITypes of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining oncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles .				
7 Boats and planes				
8 Intellectual property . .				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests .				
12 Securities—Miscellaneous	X	20	1,736,448	SELLING PRICE
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other . .				
15 Real estate—Residential .				
16 Real estate—Commercial				
17 Real estate—Other . .				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts . .				
23 Scientific specimens . .				
24 Archeological artifacts .				
25 Other ▶ ()				
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement			29	
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?				Yes No
b If "Yes," describe the arrangement in Part II				
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?				No
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?				No
b If "Yes," describe in Part II				
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II				

Part II

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

Identifier	Return Reference	Explanation
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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 MEDICAL FOUNDATION OF NORTH CAROLINA INC	Employer identification number 56-6057494
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Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2		DAVID B ANDERSON IS AN ASSOCIATE DEAN OF THE UNC-CH SCHOOL OF MEDICINE AND WILLIAM L ROPER IS DEAN OF THE UNC-CH SCHOOL OF MEDICINE

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE FOUNDATION'S AUDIT COMMITTEE REVIEWS THE FORM 990 WITH THE FOUNDATION'S OUTSIDE AUDITORS AND, UPON APPROVAL BY THE AUDIT COMMITTEE, THE CHAIR OF THE AUDIT COMMITTEE PRESENTS THE DRAFT FORM 990 TO THE BOARD OF DIRECTORS FOR REVIEW AND DISCUSSION A FINAL FORM 990 IS APPROVED BY THE BOARD FOR SUBMISSION TO THE IRS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12	THE FOUNDATION IS DEVELOPING POLICIES AND PROCEDURES TO HAVE 100% BOARD COMPLIANCE WITH CONFLICT OF INTEREST RESPONSES

Identifier	Return Reference	Explanation
		FORM 990, PART VI, SECTION B, LINE 15 EMPLOYEES OF THE MEDICAL FOUNDATION ARE LEASED FROM THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL THEIR COMPENSATION IS DETERMINED IN ACCORDANCE WITH THE PAY AND EMPLOYEE BENEFIT PRACTICES OF THE NORTH CAROLINA STATE GOVERNMENT THE FOUNDATION PRESIDENT HAS REVIEWED THE COMPENSATION PAID TO EACH FOUNDATION EMPLOYEE AND DETERMINED THAT IT IS AT OR BELOW THE LOCAL MARKET RATE OF OTHER COMPARABLE NON-PROFIT ORGANIZATIONS THE FOUNDATION PLANS TO ENGAGE IN A MORE FORMAL REVIEW OF THE COMPENSATION LEVELS FOR FOUNDATION EMPLOYEES AND THE PROCESS WHEREBY STATE PAY LEVELS ARE SET

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	IT IS NOT A PART OF THE MEDICAL FOUNDATION'S WRITTEN POLICY TO MAKE THESE DOCUMENTS AVAILABLE TO THE PUBLIC

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 13,624,169 PRIOR PERIOD ADJUSTMENTS 1,400,000 CHANGE IN VALUE OF SPLIT INTEREST AGREEMENT 297,903 TOTAL TO FORM 990, PART XI, LINE 5 15,322,072

Identifier	Return Reference	Explanation
	FORM 990, PART XI, LINE 2C	THE AUDIT COMMITTEE HAS OVERSIGHT FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Identifier	Return Reference	Explanation
	FORM 990, PART VII, SECTION A	SALARIES, PAYROLL TAXES, AND BENEFITS FOR THE MEDICAL FOUNDATION OF NORTH CAROLINA INC'S EMPLOYEES ARE PAID BY THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL THE FOUNDATION REIMBURSES THE UNIVERSITY FOR THESE PERSONNEL COSTS

Identifier	Return Reference	Explanation
PRIOR PERIOD ADJUSTMENTS	SCHEDULE D, PART XI, LINE 7	MANAGEMENT DETERMINED TWO PROMISES TO GIVE WERE INADVERTENTLY OMITTED FROM THE PRIOR YEAR FINANCIAL STATEMENTS THE EFFECT OF THE RESTATEMENT AS OF JUNE 30, 2010 WAS AN INCREASE IN NET ASSETS OF \$1,400,000

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
MEDICAL FOUNDATION OF NORTH CAROLINA INC

Employer identification number
56-6057494

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
(1) MEDICAL GROUND TRANSPORT LLC 880 MARTIN LUTHER KING JR BLVD CHAPEL HILL, NC 27514	EDUCATIONAL AND RESEARCH SUPPORT	NC			

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) MEDICAL AIR CB 7165 HEALTH AFFAIRS BOOKSTORE - CHAPEL HILL, NC 27599 31-1603672	EDUCATIONAL AND RESEARCH SUPPORT	NC	501(C)(3)				No

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) Disproporionate 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

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

Yes

No

No

No

No

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) MEDICAL GROUND TRANSPORT LLC	M	127,565	BOOK VALUE OF ASSETS
(2) MEDICAL GROUND TRANSPORT LLC	B	5,000	ACTUAL AMOUNT TRANSFERRED
(3) MEDICAL GROUND TRANSPORT LLC	P	2,300	ACTUAL EXPENSES PAID
(4)			
(5)			
(6)			

Schedule R (Form 990) 2010

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

[illegible]

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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