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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)	OMB No 1545-0047 <div> <div>2010</div> <div>Open to Public Inspection</div> </div>
	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

B Check if applicable <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Memorial Hermann Foundation		D Employer identification number 74-1653640
	Doing Business As		E Telephone number (713) 338-4175
	Number and street (or P O box if mail is not delivered to street address) 909 Frostwood	Room/suite	G Gross receipts \$ 26,775,562
	City or town, state or country, and ZIP + 4 Houston Texas, TX 77024		
	F Name and address of principal officer Dan Wolterman 929 GESSNER SUITE 2700 HOUSTON, TX 77024		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶	
J Website: ▶ www.memorialhermann.org			







K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation 1969	M State of legal domicile TX
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Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities PROVIDE FUND RAISING SUPPORT AND PROMOTIONAL EFFORTS TO MEMORIAL HERMANN HOSPITAL SYSTEM AND ITS TAX EXEMPT AFFILIATES AND THE TAX EXEMPT PROGRAMS AND FUNCTIONS THAT THEY CONDUCT		
	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	31
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	25
	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	0	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
7b Net unrelated business taxable income from Form 990-T, line 34	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	19,809,424	23,799,688
	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)	3,117,559	2,356,724
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-353,028	-144,973
		22,573,955	26,011,439
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	15,589,170	12,142,032
	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)	3,124,303	2,893,769
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	16b Total fundraising expenses (Part IX, column (D), line 25) <input checked="" type="checkbox"/> 1,674,562		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	728,899	1,764,684
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	19,442,372	16,800,485
	19 Revenue less expenses Subtract line 18 from line 12	3,131,583	9,210,954
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	65,904,464	76,117,030
	21 Total liabilities (Part X, line 26)	1,183,848	921,781
	22 Net assets or fund balances Subtract line 21 from line 20	64,720,616	75,195,249

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				2012-05-14	
	 Dennis McVeigh Chief Accounting Officer Type or print name and title			Date	
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature		Date
	Firm's name 		<input type="checkbox"/>		PTIN
	Firm's address 		<input type="checkbox"/>		Firm's EIN 
					Phone no 

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

PROVIDE FUND RAISING SUPPORT AND PROMOTIONAL EFFORTS TO MEMORIAL HERMANN HOSPITAL SYSTEM AND ITS TAX EXEMPT AFFILIATES AND THE TAX EXEMPT PROGRAMS AND FUNCTIONS THAT THEY CONDUCT MEMORIAL HERMANN HEALTHCARE SYSTEM AND ALL OF ITS AFFILITATES HAVE ADOPTED THE FOLLOWING MISSION AND VALUE STATEMENT MEMORIAL HERMANN HEALTHCARE SYSTEM IS A NOT-FOR-PROFIT, COMMUNITY-OWNED, HEALTH CARE SYSTEM WITH SPIRITUAL VALUES, DEDICATED TO PROVIDING HIGH QUALITY HEALTH SERVICES IN ORDER TO IMPROVE THE HEALTH OF THE PEOPLE IN SOUTHEAST TEXAS VALUES IN COLLABORATION WITH OTHERS, WE ARE COMMITTED TO ASSESSING AND CREATING HEALTHCARE SOLUTIONS WHICH MEET THE NEEDS OF INDIVIDUALS IN OUR DIVERSE COMMUNITIES WE ARE STEWARDS OF COMMUNITY RESOURCES AND ARE COMMITTED TO BEING MEDICALLY, SOCIALLY, FINANCIALLY, LEGALLY, AND ENVIRONMENTALLY RESPONSIBLE WE ARE DEVOTED TO PROVIDING SUPERIOR QUALITY AND COST-EFFICIENT, INNOVATIVE, AND COMPASSIONATE CARE WE COLLABORATE WITH OUR PATIENTS, FAMILIES, PHYSICIANS, EMPLOY

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If "Yes," describe these changes on Schedule O

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 \$ 10,782,973 including grants of \$ 9,923,385) (Revenue \$)

Disbursements to and on behalf of Memorial Hermann Healthcare System and its affiliates for the funding of the purchase of patient-care related equipment, furnishings, and supplies and to fund medical programs for the benefit of various operating departments throughout the hospital locations

4b

(Code) (Expenses \$ 1,251,169 including grants of \$ 1,151,328) (Revenue \$)

Disbursements for the benefit of patients, employees, and retired employees of Memorial Hermann Healthcare System and its affiliates who demonstrated a need for financial assistance because of an existing or continuing hardship including that of a Federally declared disaster area

4c

(Code) (Expenses \$ 1,959,201 including grants of \$ 1,798,701) (Revenue \$)

Disbursements to and on behalf of Memorial Hermann Healthcare System and its affiliates to fund public, physicians, and employee training programs, health awareness, continuing education, medical seminars, Physician Graduate Medical Education Programs, and other medical courses of study

4d

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



















(Expenses \$ 41,200 including grants of \$ 41,200) (Revenue \$)

4e

Total program service expenses \$ 14,034,543

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	
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	No
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	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. 	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 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. 	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 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 	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		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		No
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 type="checkbox"/> Yes <input checked="" 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 <input type="checkbox"/>			
		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	14
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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?	2b	
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? If "No," provide an explanation in Schedule O.	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	No
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? If "No," provide an explanation in Schedule O.	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	31	
b	Enter the number of voting members included in line 1a, above, who are independent	1b	25	
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	Yes	
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	Yes	
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	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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 ▶ DENNIS MCVEIGH 909 FROSTWOODSUITE 2100 Houston, TX 77024 (713) 338-4175

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

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: 17

Section B. Independent Contractors

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

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 ▶4	
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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	2,199,891			
	d	Related organizations	1d	161,063			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	21,438,734			
	g	Noncash contributions included in lines 1a-1f \$		307,051			
	h	Total. Add lines 1a-1f		23,799,688			
Program Service Revenue	2a		Business Code				
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		0			
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		2,356,724		
4		Income from investment of tax-exempt bond proceeds . . .		0			
5		Royalties		0			
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)		0			
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a 619,150 b 764,123	-144,973			
9a		Gross income from gaming activities See Part IV, line 19		0			
b		Less direct expenses					
c		Net income or (loss) from gaming activities . . .					
10a		Gross sales of inventory, less returns and allowances	a	0			
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		0				
12	Total revenue. See Instructions		26,011,439			2,356,724	

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	11,985,640	11,985,640		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	156,392	156,392		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	871,448	360,200	219,033	292,215
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	1,594,207	633,689	480,099	480,419
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	127,373	63,394	30,392	33,587
9	Other employee benefits	163,679	72,041	43,531	48,107
10	Payroll taxes	137,062	55,248	38,864	42,950
a	Fees for services (non-employees)				
	Management	0			
b	Legal	0			
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	529,532	215,935	96,705	216,892
12	Advertising and promotion	15,910	11,932	796	3,182
13	Office expenses	390,871	186,071	61,925	142,875
14	Information technology	0			
15	Royalties	0			
16	Occupancy	16,206	6,644	3,379	6,183
17	Travel	18,008	7,393	3,188	7,427
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	5,331	2,022	889	2,420
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	0			
23	Insurance	0			
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	SPECIAL FUNCTION COSTS	712,089	259,858	79,933	372,298
b	DUES AND MEMBERSHIPS	76,737	18,084	32,646	26,007
c					
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	16,800,485	14,034,543	1,091,380	1,674,562
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			9,465,128	2	12,600,526
	3	Pledges and grants receivable, net			16,425,441	3	20,056,168
	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				9	
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a			10c	
	b	Less accumulated depreciation	10b				
	11	Investments—publicly traded securities			38,503,887	11	41,294,394
	12	Investments—other securities See Part IV, line 11			311,104	12	697,968
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			1,198,904	15	1,467,974
16	Total assets. Add lines 1 through 15 (must equal line 34)			65,904,464	16	76,117,030	
Liabilities	17	Accounts payable and accrued expenses			171,822	17	224,679
	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			1,012,026	25	697,102
	26	Total liabilities. Add lines 17 through 25			1,183,848	26	921,781
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			29,068	27	29,068
	28	Temporarily restricted net assets			64,691,548	28	75,166,181
	29	Permanently restricted net assets				29	
	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			64,720,616	33	75,195,249
	34	Total liabilities and net assets/fund balances			65,904,464	34	76,117,030

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	26,011,439
2	Total expenses (must equal Part IX, column (A), line 25)	2	16,800,485
3	Revenue less expenses Subtract line 2 from line 1	3	9,210,954
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	64,720,616
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,263,679
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	75,195,249

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 type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" 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)

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 Memorial Hermann Foundation	Employer identification number 74-1653640
---	--

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	
(A) MEMORIAL HERMANN HOSPITAL SYSTEM	741152597	03	Yes						0
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 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).

Additional Data

Software ID:

Software Version:

EIN: 74-1653640

Name: Memorial Hermann Foundation

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			
Adickes Mark S MD Member	1 0	X						0	604,314	19,880
Alexander Leslie L Member	1 0	X						0	0	0
Baird Philamena Member	1 0	X						0	0	0
Cazalot Margaret A Member	1 0	X						0	0	0
Davis Joe R Chairman 2010	1 0	X						0	0	0
Falgout Jo Lynn P Member	1 0	X						0	0	0
Fraga Stephen M Member	1 0	X						0	0	0
Garner Carol P Member	1 0	X						0	0	0
Gibson Steven J Member	1 0	X						0	0	0
Hunton Richard O Member	1 0	X						0	0	0
Johnson Susie Member	1 0	X						0	0	0
Kirksey John M Member	1 0	X						0	0	0
Krohn Susan D Member	1 0	X						0	0	0
Lawhon T James MD Member	1 0	X						0	0	0
Lubetkin Sanford J MD Member	1 0	X						0	0	0
Marion Jesse R Member	1 0	X						0	0	0
Mischer Walter M Jr Member	1 0	X						0	0	0
Penland William E Jr Member	1 0	X						0	0	0
Petersen Gary R Member	1 0	X						0	0	0
Rosales Oscar R MD Member	1 0	X						0	0	0
Rose Lynden B Member	1 0	X						0	0	0
Shaikh Terry M Member	1 0	X						0	0	0
Simon Caralisa M Member	1 0	X						0	0	0
Slawin Kevin M MD Member	1 0	X						0	0	0
Smith James R Chairman 2010	1 0	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			
Strake Stephen D Member	1 0	X						0	0	0
Thakkar Heena MD Member	1 0	X						0	0	0
Trauber Leticia F Member	1 0	X						0	0	0
Turzillo Mark A Member	1 0	X						0	0	0
Weller Fenner R Jr Member	1 0	X						0	0	0
Williams Randa Duncan Member	1 0	X						0	0	0
Williams Sheridan P Member	1 0	X						0	0	0
Wolterman Daniel J Member, President & CEO	50 0	X		X				0	2,188,310	1,638,525
Aulbaugh Carrol E Chief Financial Officer & Trea	50 0			X				0	1,195,590	693,073
Duco Bernard A Jr Chief Legal Officer & Secretar	50 0			X				0	717,411	448,875
McVeigh Dennis P Chief Accounting Officer	50 0			X				0	558,449	266,724
Reimer P Renee Chief Risk & Insurance Officer	50 0			X				0	315,710	194,583
Trevino Illeana V CEO Foundation	50 0			X				441,576	0	257,870
Bayless Elizabeth G Sys Exec Community Relations	50 0				X			244,111	0	97,296
Beckstett Douglas G Chief Human Resources Officer	50 0				X			0	843,423	484,283
Kammerer Richard Sys Exec Campaign & Major Gif	50 0				X			185,761	0	23,851
Elliott Kristin Director of Community Relation	50 0					X		131,524	0	48,143
Garcia Cecelia Director of Fund Raising	50 0					X		133,509	0	47,886
Sloan Thomas Director of Fund Raising	50 0					X		140,386	0	26,002
Voss Julie Director of Development	50 0					X		142,986	0	94,656
Zalud Karen E Dir Information Systems	50 0					X		126,144	0	25,631

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

4d. Other program services				
(Code) (Expenses \$	41,200	including grants of \$	41,200) (Revenue \$
Individual donations and contributions to others				

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization
Memorial Hermann Foundation

Employer identification number
74-1653640

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II

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

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

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

☐ Preservation of an historically 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

2a Total number of conservation easements

2b Total acreage restricted by conservation easements

2c Number of conservation easements on a certified historic structure included in (a)

2d Number of conservation easements included in (c) acquired after 8/17/06

Held at the End of the Year

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

2 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

2a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

2b 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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

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	
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	64,691,548	61,038,557	51,669,904		
b Contributions	19,948,146	15,636,018	17,064,811		
c Investment earnings or losses	3,513,440	3,687,962	-76,012		
d Grants or scholarships					
e Other expenditures for facilities and programs	12,102,373	15,030,505	7,134,180		
f Administrative expenses	855,512	640,484	485,966		
g End of year balance	75,195,249	64,691,548	61,038,557		

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶ 100 000 %

3a

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

(i)

unrelated organizations

(ii)

related organizations

b

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

	Yes	No
3a(i)		No
3a(ii)		No
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				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				

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	26,011,439
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	16,800,485
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	9,210,954
4	Net unrealized gains (losses) on investments	4	1,156,716
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	106,965
9	Total adjustments (net) Add lines 4 - 8	9	1,263,681
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	10,474,635

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	27,313,128
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	1,156,716
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	144,973
e	Add lines 2a through 2d	2e	1,301,689
3	Subtract line 2e from line 1	3	26,011,439
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	26,011,439

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	16,838,494
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	38,009
e	Add lines 2a through 2d	2e	38,009
3	Subtract line 2e from line 1	3	16,800,485
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	16,800,485

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
Reconciliation of Revenue to Audit Financial Statements	Part XII, Line 2d	Gala related revenue and change in charitable trusts
Reconciliation of Expenses to Audited Financial Statements	Part XIII, Line 4b	Adjustments to Charitable Remainder Unitrust for beneficiary distributions and net present value adjustment to future liability reclassification for GAAP financial statements
FIN 48 Tax Statement in Audit Financial Report Footnotes	Form 990, Schedule D, Part X	The Memorial Hermann Foundation does have an annual financial audit conducted although the financial accounts of the Foundation are also included in the financial statements that are audited by an independent public accounting firm of the consolidated Memorial Hermann Healthcare System entities and its related affiliates. The paragraph included in the last issued audited financial statements of the Foundation was "Taxes. The Foundation was incorporated to raise funds to support the System and certain other not-for-profit direct affiliates of the System. The Foundation and the System are Texas not-for-profit corporations exempt from federal income tax. The Foundation has determined that there are no material uncertain tax positions that require recognition in the financial statements."
Intended Uses of the Organization's Endowment Funds	Schedule D, Part V, Line 4	The endowment funds of the Foundation consist of both term and permanent endowment funds obtained from planned solicitations and donor initiatives for charitable contributions. The term funds consist of donations and investment income whose use is governed by time or a specific event. The permanent funds consist of donations and investment income for which the donor's stipulations restrict the Foundation to using only the income resulting from the investment of the donation. The assets of the term funds and the permanent funds income may only be used to support the charitable exempt operations, programs and purposes of Memorial Hermann Hospital System through the purchase of supplies, equipment, and other expenditures necessary for the performance of those operations and programs.

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.

Revenue		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		Annual Gala		0	(Add col (a) through col (c))
		(event type)	(event type)	(total number)	
1	Gross receipts	2,199,891			2,199,891
2	Less Charitable contributions	1,580,741			1,580,741
3	Gross income (line 1 minus line 2)	619,150			619,150
Direct Expenses	4	Cash prizes			
	5	Non-cash prizes			
	6	Rent/facility costs			
	7	Food and beverages	221,596		221,596
	8	Entertainment	175,748		175,748
	9	Other direct expenses	366,779		366,779
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			764,123
	11	Net income summary Combine lines 3 and 10 in column (d). ▶			-144,973

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.

Revenue		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
1	Gross revenue				
Direct Expenses	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<div><input type="checkbox"/> Yes _____%</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes _____%</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes _____%</div> <div><input type="checkbox"/> No</div>
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
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Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Memorial Hermann Foundation

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

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

OMB No 1545-0047

2010

Open to Public
Inspection

Employer identification number
74-1653640

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

Part II

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Memorial Hermann Hospital System and Affiliates909 Frostwood Suite 2100 Houston,TX 77024	76-0025117	501(c)(3)	7,843,500				Disbursement to and on behalf of the Hospital in support of its tax exempt purposes for equipment, furnishings, supplies and other financial assistance
(2) Houston Ballet1921 Bell St Houston,TX 77219	74-1394920	501(c)(3)	8,000				General fund raising events

2

Enter total number of section 501(c)(3) and government organizations ▶

19

3

Enter total number of other organizations ▶

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Financial Assistance to Employees	95	156,392			

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
Use of Grant Funds	Schedule I, Part I, Line 2	Grants and Assistance The main purpose of Memorial Hermann Foundation is to solicit funds for the charitable purposes of Memorial Hermann Hospital System and its affiliates. The disbursement of those funds to the Hospital System is made through the application for reimbursement of purchases or expenditures made by an operating program manager and authorized by a senior executive of the Hospital System. Disbursement of funds to employees of the Hospital System is made after a review of the financial need and emergency hardship determination by an independent Employee Assistance Program agency and funding approval has been authorized by a committee of Hospital System managers.

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.

Name of the organization Memorial Hermann Foundation	Employer identification number 74-1653640
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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. <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
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	1b	Yes
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. <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
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?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
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	4c	
	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?	5a	
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	5b	
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	
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	6b	
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	Yes
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	
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) Adickes Mark S MD	(i)	0	0	0	0	0	0	0
	(ii)	554,950	1,404	47,960	7,977	11,903	624,194	0
(2) Wolterman Daniel J	(i)	0	0	0	0	0	0	0
	(ii)	964,272	1,061,898	162,140	1,619,336	19,189	3,826,835	495,195
(3) Aulbaugh Carrol E	(i)	0	0	0	0	0	0	0
	(ii)	537,071	413,468	245,051	678,631	14,442	1,888,663	299,420
(4) Duco Bernard A Jr	(i)	0	0	0	0	0	0	0
	(ii)	401,138	267,022	49,251	435,798	13,077	1,166,286	95,117
(5) McVeigh Dennis P	(i)	0	0	0	0	0	0	0
	(ii)	265,507	169,192	123,750	259,644	7,080	825,173	105,458
(6) Reimer P Renee	(i)	0	0	0	0	0	0	0
	(ii)	227,611	82,694	5,405	188,257	6,326	510,293	0
(7) Trevino Illeana V	(i)	236,328	162,694	42,554	239,584	18,286	699,446	47,293
	(ii)	0	0	0	0	0	0	0
(8) Bayless Elizabeth G	(i)	162,547	58,677	22,887	83,841	13,455	341,407	17,460
	(ii)	0	0	0	0	0	0	0
(9) Beckstett Douglas G	(i)	0	0	0	0	0	0	0
	(ii)	406,353	275,708	161,362	471,138	13,145	1,327,706	198,319
(10) Kammerer Richard	(i)	87,698	53,511	44,552	12,983	10,868	209,612	0
	(ii)	0	0	0	0	0	0	0
(11) Elliott Kristin	(i)	98,091	26,926	6,507	42,009	6,134	179,667	0
	(ii)	0	0	0	0	0	0	0
(12) Garcia Cecelia	(i)	97,578	26,384	9,547	37,875	10,011	181,395	0
	(ii)	0	0	0	0	0	0	0
(13) Sloan Thomas	(i)	104,529	27,616	8,241	12,547	13,455	166,388	0
	(ii)	0	0	0	0	0	0	0
(14) Voss Julie	(i)	116,074	29,854	-2,942	79,281	15,375	237,642	0
	(ii)	0	0	0	0	0	0	0
(15) Zalud Karen E	(i)	84,252	24,713	17,179	12,176	13,455	151,775	0
	(ii)	0	0	0	0	0	0	0
(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
Supplemental Nonqualified Retirement Plan	Form 990, Schedule J, Line 4-b	Memorial Hermann Healthcare System (of which the Foundation is a part) sponsors two nonqualified retirement plans for certain executives who are part of a select group of highly compensated or management employees. The first plan is a make-up plan and provides for an annual payment (upon achieving full vesting in the qualified retirement plan) equivalent to the amount of contribution from the employer that is lost to the employee due to the limits on compensation and benefits in the Internal Revenue Code. The second plan is called the Deferred Compensation Plan, and it provides for a payment (upon full vesting in the plan). In this plan, certain executives who are part of a select group of highly compensated or management employees are provided with a payment such that the total retirement contribution for the participant is based on a percentage of the participant's base salary. For example, someone earning a base salary in the range of \$200,000 to \$350,000 will receive a payment such that the total amount of retirement contributions from the qualified cash balance pension plan, the make-up plan and this plan equal 20%. Base salary range >\$600,000 Total Contributions @ 27.5% of base salary, \$350,000 to \$600,000 @ 24%, \$200,000 to \$350,000 @ 20%, < \$200,000 @ 17.9%. Applicable amounts paid for the persons listed: AULBAUGH, CARROL 164,395; BAYLESS, ELIZABETH 17,460; BECKSTETT, DOUGLAS 114,499; DUCO, BERNARD A. JR. 15,391; McVEIGH, DENNIS 63,086; TREVINO, ILEANA 8,406; WOLTERMAN, DAN 113,192.
Non Fixed Payments of Compensation	Form 990, Schedule J, Line 7	Memorial Hermann Healthcare System (of which the Foundation is a part) sponsors an executive compensation philosophy that is based on competitive market and pay-for-performance principles. The Compensation Committee of the System implements this philosophy by, generally, setting base salaries at the median of the organization's talent market and using an annual incentive plan and long-term incentive plan that make incentive payments based on the achievement of performance goals determined by the Committee at the beginning of the year for the annual plan or at the beginning of the three year cycle for the long-term performance plan. In all cases, the incentive targets are set so that all payments will be reasonable.
Tax Indemnification and Gross Up Payments	Form 990, Schedule J, Line 1a	Memorial Hermann provides certain cash payments to employees for non-wage purposes that are grossed up for tax indemnification. These could include moving related expenses, special recognition rewards, and holiday awards. The payments are included in each employee's W-2 as taxable income on a grossed-up basis. Memorial Hermann provides certain cash payments to employees for non-wage purposes that are grossed up for tax indemnification. These could include moving related expenses, special recognition rewards, and holiday awards. The payments are included in each employee's W-2 as taxable income on a grossed-up basis.
Average Hours Worked per Week	Schedule J-2, Col. B	Corporate officers, key employees, and highly compensated employees work an average of 50 hours per week for the reporting organization, related organizations included in Schedule R, and all other affiliated entities. ALL EMPLOYEES ARE PAID BY CORPORATION OR AFFILIATE HEALTHCARE SYSTEM ENTITY AND NO TIME OR SALARY IS ALLOCATED. CORPORATE OFFICERS PERFORM ADMINISTRATIVE ACTIVITIES FOR MULTIPLE RELATED ENTITIES FOR WHICH NO INTERUNIT ALLOCATION OF TIME OR SALARY IS MADE. DIRECTORS ARE VOLUNTARY CITIZENS OF COMMUNITY WHO PERFORM THEIR DUTIES WITHOUT COMPENSATION FOR HOURS DEVOTED TO BOARD WORK.

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
Memorial Hermann Foundation

Employer identification number
74-1653640

Part I Types 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				
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 ► ()		See Add'l Data		
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?	Yes	
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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Additional Data

Software ID:

Software Version:

EIN: 74-1653640

Name: Memorial Hermann Foundation

Form 990 Schedule M, Part I - Types of Property

Property Type	(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
Gala				
Other ▶ (<u>underwriting</u>)	X	1	5,839	FMV
Other ▶ (<u>Gala</u>)	X	1	6,016	FMV
Other ▶ (<u>Gala</u>)	X	1	7,500	FMV
Other ▶ (<u>Gala</u>)	X	1	7,600	FMV
Other ▶ (<u>Gala</u>)	X	1	9,507	FMV
Graphic design				
Other ▶ (<u>services</u>)	X	1	23,705	FMV
1 Quickie Iris wheelchair and a DynaVox				
Other ▶ (<u>Eyemax</u>)	X	1	25,926	FMV
Printing for				
Other ▶ (<u>Gala 2011</u>)	X	1	125,000	FMV

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 Memorial Hermann Foundation	Employer identification number 74-1653640
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Identifier	Return Reference	Explanation
Payroll record keeping	Form 990, Part V, Line 2b	The employees of the Memorial Hermann Foundation are record-kept and paid through the payroll system of Memorial Hermann Hospital System and reported under the Hospital System's EIN for Form 941 and Form W-2 purposes. All costs of the compensation and benefits of the Foundation employees are reimbursed to the Hospital System.

Identifier	Return Reference	Explanation
Members of Corporation	Form 990, Part VI, Section A, Line 6, Line 7a and Line 7b	The Memorial Hermann Foundation has as its sole member Memorial Hermann Healthcare System, both of which are a 501(c)(3) non-profit entity. The member has the authority to annually elect the board members of the organization and to terminate and replace them at its discretion. The member has approval authority over the decisions of the board for amendments to the bylaws and articles of incorporation, annual operating and capital budget, the purchase or sale of substantial assets, and the merger or dissolution of the organization.

Identifier	Return Reference	Explanation
Review of Form 990	Form 990, Part VI, Section A, Line 10	The Memorial Hermann Foundation provides a copy of the Form 990 to any member of the governing body that requests one. The Form 990 is reviewed by Memorial Hermann financial accounting staff, by specific departments involved in related sections of the return, by the Memorial Hermann Chief Accounting Officer prior to its filing and by Memorial Hermann's public accounting firm Ernst & Young.

Identifier	Return Reference	Explanation
Conflict of Interest Policy	Form 990, Part VI, Section B, Line 12c	The Memorial Hermann Healthcare System began utilizing conflict of interest surveys in the 1970's and codified its procedure in a policy in 1980. The policy is monitored by our Corporate Compliance Department through annual surveys of board members, corporate officers, management level employees, and other selected employees, physicians and vendors for all of its entities and related affiliates. In addition to responding to the survey, each recipient affirms that they have received a copy of the policy, has read and understood it, has agreed to comply with it, and understands that Memorial Hermann is a charitable organization that must engage in primarily tax-exempt purpose activities. The Corporate Compliance Department, Chief Legal Officer and the Corporate Audit Committee, consisting of independent board members, review and investigate all survey responses and report to the Corporate Board of Directors on the existence of any conflicts.

Identifier	Return Reference	Explanation
Compensation of Directors, Officers, and Key Employees	Form 990, Part VI, Section C, Line 15a and Line 15b	<p>The process for determining compensation for the Organization's CEO and other top management is modeled after the requirements in Internal Revenue Code Section 4958 to establish the presumption of reasonable compensation. Compensation was reviewed and approved by a Compensation Committee (the "Committee") of the Board of Memorial Hermann Healthcare System, which is comprised of independent persons. By engaging an independent compensation consultant, the Committee considered comparable market data from published surveys and Form 990 of comparable organizations in evaluating the compensation for each individual. The Committee conducted a review of this comparability data and documented its deliberation and discussion in minutes that are retained with the other governance materials of the Organization. The Committee followed the process to establish the presumption that compensation paid to the Organization's CEO and other top management for purposes of Section 4958 by relying on professional advice in the written opinion of reasonableness from the independent compensation consultant. ALL EMPLOYEES ARE PAID BY CORPORATION OR AFFILIATE HEALTHCARE SYSTEM ENTITY AND NO TIME OR SALARY IS ALLOCATED. CORPORATE OFFICERS PERFORM ADMINISTRATIVE ACTIVITIES FOR MULTIPLE RELATED ENTITIES FOR WHICH NO INTERUNIT ALLOCATION OF TIME OR SALARY IS MADE. DIRECTORS ARE VOLUNTARY CITIZENS OF COMMUNITY WHO PERFORM THEIR DUTIES WITHOUT COMPENSATION FOR HOURS DEVOTED TO BOARD WORK.</p>

Identifier	Return Reference	Explanation
Disclosure of Corporate Organizational Documents	Form 990, Part VI, Section C, Line 19	The articles of incorporation, corporate bylaws, conflict of interest policy and financial statements of Memorial Hermann Healthcare System and its affiliates are generally not made available to the public. If the inquirer provided a valid reason for desiring a copy of the documents that are related to the business interests of any of the Memorial Hermann Healthcare System corporate entities, we would consider doing so.

Identifier	Return Reference	Explanation
Audited Financial Statement Oversight	Form 990, Part II, Line 2c	Memorial Hermann Healthcare System has independent committees for audits, governance, and compensation which perform their respective functions on a consolidated basis for all corporate entities, including the Foundation. The audit committee hires the independent accountants and oversees all audits that are conducted within all affiliated entities for financial information, grants and awards, and qualified plans.

Identifier	Return Reference	Explanation
Business Relationship between Directors, Officers, and Key Employees	Form 990, Part VI, Section A, Line 2	Director Richard Hunton has a business relationship unrelated to the activities of Memorial Hermann Foundation

Identifier	Return Reference	Explanation
Corporate Compliance and Fraud and Abuse	Form 990, Part VI, Section B, Line 13	<p>Memorial Hermann Healthcare System is committed to providing all services in full compliance with all applicable laws, regulations and guidelines, as well as with its own policies and procedures. Memorial Hermann is particularly sensitive to requirements applicable to federal and state healthcare programs and the submission of accurate bills for all services provided. Compliance by vendors, contractors and consultants conducting business on behalf of Memorial Hermann or in the Memorial Hermann work environment is important to Memorial Hermann's overall compliance efforts. In accordance with the requirements of the Deficit Reduction Act of 2005, Memorial Hermann has developed False Claims Policies. These policies state that Memorial Hermann is committed to complying with all applicable laws and regulations and supports the efforts of federal and state authorities in identifying incidents of fraud and/or abuse and has the necessary procedures in place to prevent, detect, report and correct incidents of fraud and/or abuse in accordance with contractual, regulatory and statutory requirements. All contractors or agents of Memorial Hermann must comply with the Memorial Hermann False Claims Policies which are modeled after the state and federal policies. The MHHCs Compliance Program includes these 7 elements:</p> <ul style="list-style-type: none"> A Compliance Officer and Committee to oversee and advise the Compliance Program Compliance Policies and Procedures to provide written guidance to help employees do their job and demonstrate our commitment to compliance Compliance Training and Education to ensure appropriate education on areas of legal and regulatory compliance Auditing and Monitoring to conduct periodic and ongoing auditing and monitoring of high-risk areas and adherence to policies and procedures Corrective Action to develop plans to resolve identified issues, prevent them from happening again and avoid the risk of the same or similar issues occurring in other areas, departments or facilities Disciplinary Guidelines may be necessary to encourage prompt reporting of Compliance concerns, to ensure non-retaliation for reporting concerns and to encourage cooperation with compliance investigations Open Lines of Communication to establish an open environment for reporting compliance concerns - a hotline is available to all employees to call to report compliance concerns and non-retaliation for reporting a compliance concern in good faith and to encourage cooperation with compliance investigations Open Lines of Communication to establish an open environment for reporting compliance concerns - a hotline is available to all employees to call to report compliance concerns and non-retaliation for reporting a compliance concern in good faith

Identifier	Return Reference	Explanation
Community Benefits and Needs	Needs Assessment 1 of 3	<p>Each decision made by Memorial Hermann Community Benefits Corporation to invest its people, resources, and talents in community benefit efforts is data driven. Given that 31% of the Houston area is uninsured, numerous community needs analyses center around the University of Texas School of Public Health's HOUSTON AREA HOSPITALS EMERGENCY DEPARTMENT USE STUDY, which Memorial Hermann has participated in since 2003. The study monitors hospital emergency department use in Houston hospitals and is a data source for numerous assessments to understand primary care-related ER use including the characteristics of these patients, particularly those who are children, who are uninsured, and who have Medicaid. The study conducted in 2011 shows that 41% of all ER visits and 48% of all treated and released ER visits are primary care related. With the desire to change emergency room use comes the need to identify available capacity of our existing safety-net clinics, and what is needed by each entity to increase its capacity to be able to respond to changes in ER usage our community efforts achieve. This study, the GREATER HOUSTON CLINIC CAPACITY ANALYSIS, performed in early 2012 by Project Safety-Net and University of Texas School of Public Health, indicates that the community clinics are currently meeting about 30 percent of the demand for primary care visits by the low-income population and the rest is either met by private practice physicians or is left unmet. Further, the study anticipates that safety net providers will only be able to meet 25 percent of the demand under the Affordable Care Act (ACA). It is important to be concerned because a shortage of primary care leads to more people experiencing serious illness requiring expensive specialty care, emergency services and hospitalization. It is the MHCBC's mission to implement programs to work with other healthcare providers, government agencies, business leaders and community stakeholders to ensure that all residents of the greater Houston area have access to the care they need to improve their quality of life and the overall health of the community. MHCBC's programs are designed to provide care for uninsured and underinsured children, to reach those Houstonians needing low cost care, to support the existing infrastructure of non-profit clinics and FQHCs, and to educate individuals and their families on how to access the healthcare available to them. THE HEALTH OF HOUSTON STUDY, a recent comprehensive study conducted by the Institute for Health Policy of The University of Texas School of Public Health through stakeholder input and neighborhood surveying will be a continuing source to MHCBC in continued program planning efforts by biennially assessing the health of Houstonians and tracking emerging health issues and health improvements. Committed to making the greater Houston area a healthier and more vital place to live, MHCBC supports the following initiatives. Memorial Hermann Health Centers for Schools, established in 1995, offers access to primary medical and mental health services to more than 38,300 underserved children at 49 schools in the Greater Houston area. In 2011, asthma exacerbations, emergency room visits and hospitalizations were reduced by 83%. The Memorial Hermann Mobile Dental Clinic, established in 2000, has two dental vans and provides access to preventative and restorative dental services at all six Health Centers for Schools' sites and is accessible as a "dental home" for 38,300 uninsured and underinsured students from 49 schools. In 2011, no more than 25% of patients at recall of both age groups experienced caries. These outcomes are significant given 80% of initial patients are diagnosed with caries, 33% are diagnosed with five or more caries. A dietitian is available through the Health Eating and Lifestyles Program (HELP) designed to educate Health Centers for Schools children and their families on the importance of proper nutrition and exercise. In 2011, 77% of enrolled students reduced their BMI, 67% reduced their cholesterol levels. Serving the community since 2008, the Memorial Hermann ER Navigation program places certified Community Health Workers who have the training, cultural understanding and linguistic capacity to help the uninsured, who disproportionately use emergency rooms for healthcare, 'navigate' the complex health system, obtain a medical home, schedule appointments, secure needed social services and cope with future healthcare concerns. Since its inception, the ER Navigation Program has navigated 18,270 patients. The Memorial Hermann Neighborhood Health Centers are strategically located near three of Houston's busiest ERs and provide care to working families without access to insurance and who do not qualify for other programs. The goal is to provide this population with a medical home for routine care, and prevent these cases from escalating to emergencies. At \$48/visit, with low cost labs and prescriptions, seven days a week.</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs	Needs Assessment 1 of 3	seek access, and the provision of preventive, acute, as well as chronic care, they are an affordable medical home for new borns to the elderly. Decreased hypertension, management of diabetes, and a place where women feel comfortable returning for their annual well-woman exams are examples of the continuity of care and improved health resulting. MHCBC has played numerous and critical roles with a grass-roots Houston collaborative, Gateway to Care and its Provider Health Network (PHN) to recruit physicians, hospitals, and ancillary providers to provide specialty care to uninsured patients with incomes below 150% of poverty. With one in every four primary care visits requiring a referral to a specialist, the Provider Health Network serves as a bridge, connecting uninsured people to the specialty care they desperately need to get well. Recruiting is through numerous avenues-societies, insurance companies, etc -to rally the resulting city-wide effort. The PHN has provided significant opportunities for our own medical staffs to participate in caring for the uninsured. The provision of an organized effort with a designated staff for monitoring referrals is welcomed by the medical community as they desperately want to be a part of a solution, but fear being overwhelmed. Community Clinic (private-not-for-profit and FQHC) Initiatives receive MHCBC funding and support to fill target population gaps by providing primary healthcare and chronic illness care to uninsured children and adults. Children at Risk. MHCBC supports a Policy Coordinator for a Food in Schools initiative with the goal of increasing participation in the Universal Free Breakfast program by connecting an additional 3,610 students to 649,728 meals.

Identifier	Return Reference	Explanation
Community Benefits and Needs 2	Needs Assessment 2 of 3	<p>Patient Education of Eligibility for Assistance Assistance for patients to take advantage of all appropriate health improvement programs available within the community are through MHCBC's navigation services In 2008, MHCBC launched the ER Navigation program at Memoria l Hermann as a natural response to the community need of educating patients on how to navi gate through their existing resources, increasing access and using healthcare resources ap propriately to reduce healthcare costs Today, the ER Navigation program places a Communit y Health Worker (CHW) or "navigator" on-site in Memorial Hermann's three busiest emergency rooms to educate patients on the importance of identifying and using a consistent health home rather than relying on emergency rooms for their primary care Patients eligible for the program are 18 months to age 65 who frequently use the ER for primary care and are uni nsured or Medicaid Certified CHW training is offered by Memorial Hermann partner, Gateway to Care CHWs gain the trust of patients by being familiar with the community's culture, language and values and by sharing their know ledge about local healthcare services and pro grams CHWs identify clinics that are the best fit for an individual's location, income, language, work hours, bus routes and address issues that may push health care down the prio rity list--the need for food stamps, rental support and assistance with utilities They pr ovide patients with clinic referrals, make appointments, arrange transportation, share inf ormation and referrals to community and safety net programs, educate about qualifying for and using public benefits and other payment resources, serve as a liaison between the pati ent and providers and tackle other challenges to appropriate care CHW's stress the import ance of having a health home and provide support and guidance in making and keeping future health appointments While navigators initially meet with patients during the ER visit, much of their work is done in follow - up, ensuring that a clinic appointment was made, was s uccessful and assisting with the paperwork required for qualification for Medicaid, CHIP o r county indigent programs The primary goal of the ER Navigation program is to find an ap propriate health home for patients and provide them with the resources to navigate through future medical concerns A secondary goal is to reduce the time of delivery of services i n cases of chronic and serious illnesses Similar support of all Memorial Hermann Hosptal s is also provided through the COPE (Care Management Community Program Eligibility) Progra m which provides empowering services for uninsured patients to improve their health and we ll being through education about and coordination with community health services COPE tar gets patients who have repetitively been inpatients and ER patients and exhibit the need f or one- on-one support to identify, access, and obtain services in their ow n community En rolling these populations into public benefits through all of these venues automatically i ncreases their likelihood of obtaining regular primary and preventative care, the kind of care that ensures health and the potential for a prosperous future while concurrently elim inating the cost burden presently experienced by safety-net providers Community Informati on Memorial Hermann serves "greater Houston," a multi-county area along the Gulf Coast in southeast Texas-w here several counties are without hospital district services The 6th la rgest metropolitan area in the United States, greater Houston is one of the fastest grow in g with a population of 5.9 million-a 25.2% growth rate since the 1990 census A source of strength in a global economy, Houston prizes its racial and ethnic diversity According to U.S. Census 2010 estimates, Houston is 25.6% White, 43.8% Hispanic, 23.7% Black or Africa n American, 0.7% Native American, and 6.2% Asian/Pacific Islander Per capita income is \$2,592.7 In Houston, 21% of all residents are living below the poverty line-20% higher than the rate for Texas The largest employers in the community include Memorial Hermann Healt hcare System (19,500 employees), The University of Texas MD Anderson Cancer Center (15,000 employees), ExxonMobil (13,000 employees), Shell Oil Company (13,000 employees), and Kr oger Company (12,000 employees) The Houston area has experienced a recent dip in the unem ployment rate to below 8% which is still double what it was before the recession Unfortun ately, communities within the region are still facing 9% or higher unemployment A staple in Houston, the healthcare industry remains one of the more stable industries in the regio n This sector is projected to add 10,300 jobs in 2012 The greater Houston area is one of the hardest hit areas in the healthcare/uninsured crisis--thirty-one percent of Houston's residents are uninsured In comparison, Texas's uninsured rate--although the highest of a ll states--is 24.6% (one out of every four Texans</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs 2	Needs Assessment 2 of 3	is uninsured-more than six million Texans) and the national rate is 16.3%. Houston's fast-growing Hispanic population accounts for a large percentage of uninsured residents. In fact, even after healthcare reform is fully implemented, estimates are that 15% of Houston area residents will remain uninsured. This situation is exacerbated by state budget cutbacks decreasing funding to vital health programs and reducing Medicaid reimbursements. Memorial Hermann is committed to ensuring that the greater Houston community receives the high quality healthcare it deserves. Health education and prevention activities and increased access to healthcare, such as Memorial Hermann provides, are vital to improving the overall health of residents whose leading causes of health issues mirror the nation's (heart disease, cancer, strokes, accidents, chronic respiratory disease and diabetes).

Identifier	Return Reference	Explanation
Community Benefits and Needs 3	Needs Assessment 3 of 3	<p>Respective roles of the organization and its affiliates Leadership Dan Wolterman joined Memorial Hermann Healthcare System as Senior Vice President of Hospital Operations in 1999 and was named President and CEO in 2002 With more than 30 years experience in the healthcare industry, Wolterman's leadership, compassion and commitment to addressing Houston's health and social issues serves as the catalyst for Memorial Hermann employees, physicians and volunteers to provide excellence in healthcare and community outreach As leader of the largest non-public provider of in-patient charity care and Medicaid in the greater Houston area, Wolterman advocates on behalf of all Texas hospitals to develop initiatives to reduce the number of uninsured Texans and repair the over-burdened, fragmented safety net provider system that provides healthcare to Medicaid, the uninsured and other vulnerable patients MHCBC has worked closely with Gateway to Care and provided significant support for the grassroots collaborative made up of 170 members including affiliated public and private safety net health systems, coalitions, advocacy groups and social service providers who share the vision of 100% access Since Gateway to Care's inception in 2000, it has brought nearly \$80 million in new healthcare resources to the region Carol Paret, CEO of MHCBC and former Board Chair of Gateway to Care, was instrumental in starting the Gateway to Care Provider Health Network (PHN) to guide the city's medically indigent residents away from emergency rooms and into a new network of specialty-care providers Paret provides leadership as the PHN's first and only Board Chair and actively recruits physicians in all specialties and supporting service providers who agree to take a self-determined number of uninsured patients each month MHCBC also collaborates with the following organizations to advance its work in addressing Houston's health and social issues and improve its well-being Texas Health Institute, the Harris County Hospital District, MD Anderson Cancer Center and The University of Texas Health Science Center at Houston School of Public Health MHCBC operations and programs are funded through an annual \$5 million pledge to the Community Benefit Corporation from Memorial Hermann Healthcare System's net revenues Private and corporate foundations, government grants and community contributions supplement this pledge Each initiative is evaluated annually on efficiency, effectiveness and achievement of stated outcomes before the program is included in the operating budget and the three-year strategic planning process The MHCBC is charged with the creation, implementation, and sustenance of solutions The MHCBC is focused on eliminating the roadblocks that prevent access to healthcare--lack of education, accessibility, insurance status, and capacity--and partners with numerous sectors of the community to sustain this focus Successful program outcomes must demonstrate the short and long term impact on individual lives and/or a population An integral part of MHCBC's mission to improve healthcare is the sharing of successful programs with other organizations for replication Thus MHCBC's roadmap for sustainability is measurable goals and outcomes, dedicated resources, organizational commitment, and securing additional funding and partnerships</p>

Identifier	Return Reference	Explanation
Form 5471 cat 5 filing	Form 5471	US Corporation with Form 5471 Category 5 Filing Requirement <div>Memorial Hermann Foundation EIN 74-1653640 Tax Year Ended 06/30/2011 Disclosure Statement Related to Forms 5471, Information Return of U S Persons With Respect to Certain Foreign Corporations, Filed on Behalf of the Taxpayer Under the constructive ownership rules of IRC Sections 958(a) and (b), if the taxpayer is required to file Forms 5471, Information Return of U S Persons With Respect to Certain Foreign Corporations, as a Category 5 filer with respect to certain controlled foreign corporations (CFCs) These filing requirements are or will be satisfied through the filing of Forms 5471 for Memorial Hermann Hospital System who has the same filing requirement</div>

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
Memorial Hermann Foundation

Employer identification number
74-1653640

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) Memorial Hermann Healthcare System 909 Frostwood Suite 2100 Houston, TX 77024 76-0025117	Healthcare	TX	501(c)3	11	NA		
(2) Memorial Hermann Hospital System 909 Frostwood Suite 2100 Houston, TX 77024 74-1152597	Healthcare	TX	501(c)3	3	NA		
(3) Memorial Hermann Community Benefits 909 Frostwood Suite 2100 Houston, TX 77024 68-0511504	Healthcare	TX	501(c)3	11	NA		
(4) Memorial Hermann TIRR Hospital 909 Frostwood Suite 2100 Houston, TX 77024 74-1334678	Healthcare	TX	501(c)3	3	NA		
(5) Memorial Hermann Medical Group 909 Frostwood Suite 2100 Houston, TX 77024 20-4923281	Healthcare	TX	501(c)3	3	NA		
(6) MHS Physicians of Texas 909 Frostwood Suite 2100 Houston, TX 77024 76-0385980	Healthcare	TX	501(c)3	3	NA		

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) Dispropportionate 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
(1) Memorial Hermann Health Network Provider 909 Frostwood Suite 2100 Houston, TX77024 76-0074819	Claims Admin	TX	NA	C Corp			
(2) Memorial Health Ventures 909 Frostwood Suite 2100 Houston, TX77024 74-2211474	Investments	TX	NA	C Corp			
(3) The Health Professionals Ins Company LTD Barclays House 3rd Floor Grand Caymen CJ	Insurance	CJ	na	Foreign			

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

No

No

Yes

Yes

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) NA			
(2)			
(3)			
(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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Software ID:

Software Version:

EIN: 74-1653640

Name: Memorial Hermann Foundation

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled organization	
						Yes	No
Memorial Hermann Healthcare System 909 Frostwood Suite 2100 Houston, TX77024 76-0025117	Healthcare	TX	501(c)3	11	NA		
Memorial Hermann Hospital System 909 Frostwood Suite 2100 Houston, TX77024 74-1152597	Healthcare	TX	501(c)3	3	NA		
Memorial Hermann Community Benefits 909 Frostwood Suite 2100 Houston, TX77024 68-0511504	Healthcare	TX	501(c)3	11	NA		
Memorial Hermann TIRR Hospital 909 Frostwood Suite 2100 Houston, TX77024 74-1334678	Healthcare	TX	501(c)3	3	NA		
Memorial Hermann Medical Group 909 Frostwood Suite 2100 Houston, TX77024 20-4923281	Healthcare	TX	501(c)3	3	NA		
MHS Physicians of Texas 909 Frostwood Suite 2100 Houston, TX77024 76-0385980	Healthcare	TX	501(c)3	3	NA		