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Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

**2011**Open to Public  
Inspection**A** For the 2011 calendar year, or tax year beginning **MAR 1, 2011** and ending **FEB 29, 2012**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>CHMC Otolaryngologic Foundation, Inc.</b>		<b>D</b> Employer identification number <b>04-2751258</b>
	Doing Business As		<b>E</b> Telephone number <b>(617) 355-6463</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>G</b> Gross receipts \$ <b>24,129,168.</b>
	<b>300 Longwood Avenue</b>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or country, and ZIP + 4 <b>Boston, MA 02115</b>		<b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>F</b> Name and address of principal officer: <b>Michael J. Cunningham, MD</b> <b>same as C above</b>			
<b>I</b> 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			
<b>J</b> Website: <b>N/A</b>			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			
<b>L</b> Year of formation: <b>1982</b> <b>M</b> State of legal domicile: <b>MA</b>			

**Part I Summary**

<b>Activities &amp; Governance</b>	1 Briefly describe the organization's mission or most significant activities: <b>The Foundation provides otolaryngology services primarily to patients at (see Schedule O)</b>		
	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)	<b>3</b>	<b>7</b>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>1</b>
	5 Total number of individuals employed (Part VII, column (A), line 1)	<b>5</b>	<b>29</b>
	6 Total number of volunteers (estimate if necessary)	<b>6</b>	<b>0</b>
	7a Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
7b Net unrelated business taxable income from Form 990, line 34	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	8 Contributions and grants (Part VIII, line 1h)	<b>375,000.</b>	<b>0.</b>
	9 Program service revenue (Part VIII, line 2g)	<b>24,685,505.</b>	<b>24,025,649.</b>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>259,548.</b>	<b>99,086.</b>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>0.</b>	<b>0.</b>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>25,320,053.</b>	<b>24,124,735.</b>
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>192,660.</b>	<b>2,551,739.</b>
	14 Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>20,035,168.</b>	<b>18,093,326.</b>
	16a Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	b Total fundraising expenses (Part IX, column (D), line 25)	<b>0.</b>	<b>0.</b>
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>2,433,489.</b>	<b>4,007,012.</b>
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>22,661,317.</b>	<b>24,652,077.</b>
19 Revenue less expenses. Subtract line 18 from line 12	<b>2,658,736.</b>	<b>-527,342.</b>	
<b>Net Assets or Fund Balances</b>	20 Total assets (Part X, line 16)	<b>26,898,865.</b>	<b>26,297,820.</b>
	21 Total liabilities (Part X, line 26)	<b>8,016,342.</b>	<b>8,672,062.</b>
	22 Net assets or fund balances. Subtract line 21 from line 20	<b>18,882,523.</b>	<b>17,625,758.</b>

**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.

<b>Sign Here</b>	Signature of officer	<b>1-4-13</b>			
	<b>Michael J. Cunningham, MD, President</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> self-employed	PTIN
	<b>E. DREW CHENEY</b>	<b>E. Drew Cheney</b>	<b>12/18/12</b>		<b>P00182972</b>
	Firm's name ▶ <b>Baker, Newman, and Noyes, LLC</b>	Firm's EIN ▶ <b>01-0494526</b>			
	Firm's address ▶ <b>280 Fore Street</b> <b>Portland, ME 04101</b>	Phone no. <b>1-800-244-7444</b>			

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

132001 01-23-12

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2011)

See Schedule O for Organization Declaration Mission Statement Continuation

SCANNED MAR 04 2013

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**Part III** Statement of Program Service Accomplishments

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

☒**1** Briefly describe the organization's mission:

The Foundation provides otolaryngology services primarily to patients at Boston Children's Hospital and satellite locations. The Foundation carries on and promotes basic and applied medical research and education in the field of otolaryngology by teaching (see Schedule O)

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

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

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 23,611,189. Including grants of \$ 2,551,739. ) (Revenue \$ 23,687,317. )

The Foundation was organized exclusively for charitable, scientific, and educational purposes. The Foundation provides otolaryngology services primarily to patients at Boston Children's Hospital and to other health care providers at satellite locations. The Foundation may charge for patient care, other medical services, and related products provided that any net income is used for the charitable, scientific, and educational purposes for which the Foundation was created. The Foundation also provides care for patients in Massachusetts regardless of their ability to pay, as well as providing and subsidizing hospital and community based services that are either unavailable or limited elsewhere in the community.

**4b** (Code: ) (Expenses \$ 338,552. Including grants of \$ ) (Revenue \$ 338,332. )

The Foundation receives income from Boston Children's Hospital for providing administrative, supervision, and teaching services. The Foundation carries on and promotes basic and applied medical research and education in the field of otolaryngology by teaching students and other medical and scientific personnel, by providing research grants, giving lectures, and publishing information concerning problems and research results in the field of pediatric otolaryngology in order to educate the general public and the medical profession.

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

**4d** Other program services (Describe in Schedule O.)

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

**4e** Total program service expenses 23,949,741.

**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	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
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		X
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		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi endowments? If "Yes," complete Schedule D, Part V	X	
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	X	
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	X	
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		X
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	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
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	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
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		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
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		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Form 990 (2011)

**Part IV Checklist of Required Schedules** (continued)

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

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

Form 990 (2011)

**Part V** Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 32		
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	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 29		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see Instructions)	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
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		X
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		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
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		X
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		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8882?	7c		X
d If "Yes," indicate the number of Forms 8882 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4968?	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		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Form 990 (2011)

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

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

☒**Section A. Governing Body and Management**

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	7			
b Enter the number of voting members included in line 1a, above, who are independent		1		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?				X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?			X	
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?				X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?				X
6 Did the organization have members or stockholders?			X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			X	
b Each committee with authority to act on behalf of the governing body?			X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				X

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

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

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed **MA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Norman Dean - 617-355-6463**  
**300 Longwood Avenue, Boston, MA 02115**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) Michael J. Cunningham, MD President	60.00	X		X				676,349.	0.	94,247.
(2) Reza Rahbar, MD Vice President	60.00	X		X				968,816.	0.	99,981.
(3) Trevor McGill, MD Treasurer/Clerk	60.00	X		X				737,541.	0.	97,205.
(4) Dwight Jones, MD Director	60.00	X						791,413.	0.	131,297.
(5) Kenneth R. Whittemore, MD Director	60.00	X						725,853.	0.	98,491.
(6) Howard Shane, MD Director	60.00	X						681,988.	0.	82,704.
(7) Physicians' Organization at CH, Institutional Trustee	2.00		X					0.	0.	0.
(8) Greg R. Licameli, MD Physician	60.00					X		869,157.	0.	96,162.
(9) Roger C. Nuss, MD Physician	60.00					X		868,514.	0.	94,468.
(10) Mark S. Volk, MD Physician	60.00					X		714,691.	0.	90,235.
(11) David W. Roberson, MD Physician	60.00					X		688,287.	0.	94,890.
(12) Dennis Poe, MD Physician	60.00					X		594,449.	0.	105,789.



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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
<b>1b Sub-total</b> .....								<b>8,317,058.</b>	<b>0.</b>	<b>1085469.</b>
<b>c Total from continuation sheets to Part VII, Section A</b> .....								<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>d Total (add lines 1b and 1c)</b> .....								<b>8,317,058.</b>	<b>0.</b>	<b>1085469.</b>

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

18

- 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on  
line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization  
and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services  
rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

## Section B, Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Account One, LLC 75 Potter Street, S. Dartmouth, MA 02748	Medical Billing Services	144,263.

2 Total number of Independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 1

**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
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f. \$					
	h	<b>Total.</b> Add lines 1a-1f					
<b>Program Service Revenue</b>	2 a	Patient service revenue	Business Code 621500	21937449.	21937449.		
	b	Consulting and misc.	541900	1,661,274.	1,661,274.		
	c	Education and research	611710	338,332.	338,332.		
	d	Other service revenue	541700	88,594.	88,594.		
	e						
	f	All other program service revenue					
	g	<b>Total.</b> Add lines 2a-2f		24025649.			
	<b>Other Revenue</b>	3	Investment income (including dividends, interest, and other similar amounts)		97,779.		
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6 a		Gross rents	(i) Real (ii) Personal				
b		Less: rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)					
7 a		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)		1,307.			1,307.
8 a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
b		Less: direct expenses	b				
c		Net income or (loss) from fundraising events					
9 a		Gross income from gaming activities. See Part IV, line 19	a				
b		Less: direct expenses	b				
c		Net income or (loss) from gaming activities					
10 a		Gross sales of inventory, less returns and allowances	a				
b	Less: cost of goods sold	b					
c	Net income or (loss) from sales of inventory						
<b>Miscellaneous Revenue</b>				Business Code			
11 a							
b							
c							
d	All other revenue						
e	<b>Total.</b> Add lines 11a-11d						
12	<b>Total revenue.</b> See instructions.		24124735.	24025649.	0.	99,086.	

**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).

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

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 United States. See Part IV, line 21	2,551,739.	2,551,739.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,769,482.	4,769,482.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	9,451,282.	9,194,373.	256,909.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	795,618.	713,163.	82,455.	
9 Other employee benefits	2,710,300.	2,608,840.	101,460.	
10 Payroll taxes	366,644.	352,072.	14,572.	
11 Fees for services (non-employees):				
a Management				
b Legal	76,574.		76,574.	
c Accounting	57,090.		57,090.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	55,436.		55,436.	
g Other	20,683.	9,304.	11,379.	
12 Advertising and promotion	4,888.		4,888.	
13 Office expenses	482,244.	460,755.	21,489.	
14 Information technology				
15 Royalties				
16 Occupancy	636,623.	636,623.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	238,833.	238,833.		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	30,655.	30,655.		
23 Insurance	318,868.	298,784.	20,084.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Billing and collection	934,970.	934,970.		
b PO Dues	200,155.	200,155.		
c Bad Debt Expense	190,460.	190,460.		
d Professional Relations	93,914.	93,914.		
e All other expenses	665,619.	665,619.		
25 Total functional expenses. Add lines 1 through 24e	24,652,077.	23,949,741.	702,336.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**Part X** Balance Sheet

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash - non-interest-bearing .....	679,016.	1	3,876,434.
	2 Savings and temporary cash investments .....	14,302,374.	2	7,418,256.
	3 Pledges and grants receivable, net .....		3	
	4 Accounts receivable, net .....	2,324,511.	4	2,660,860.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....	37,600.	5	18,800.
	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) .....		6	
	7 Notes and loans receivable, net .....	100,000.	7	330,000.
	8 Inventories for sale or use .....		8	
	9 Prepaid expenses and deferred charges .....	895,111.	9	938,213.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	10a 490,528.		
	b Less: accumulated depreciation .....	10b 424,243.		
	11 Investments - publicly traded securities .....	96,940.	10c	66,285.
	12 Investments - other securities. See Part IV, line 11 .....	2,919,678.	11	4,645,649.
	13 Investments - program-related. See Part IV, line 11 .....	1,272,412.	12	5,027,486.
	14 Intangible assets .....		13	
	15 Other assets. See Part IV, line 11 .....	4,271,223.	14	1,315,837.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	26,898,865.	15	26,297,820.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses .....	439,534.	16	404,052.
	18 Grants payable .....		17	
	19 Deferred revenue .....	12,057.	18	
	20 Tax-exempt bond liabilities .....		19	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D .....		20	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		21	
	23 Secured mortgages and notes payable to unrelated third parties .....		22	
	24 Unsecured notes and loans payable to unrelated third parties .....		23	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	7,564,751.	24	8,268,010.
	26 <b>Total liabilities.</b> Add lines 17 through 25 .....	8,016,342.	25	8,672,062.
<b>Net Assets or Fund Balances</b>	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 .....	15,961,444.	26	16,079,679.
	28 Temporarily restricted net assets .....	2,921,079.	27	1,546,079.
	29 Permanently restricted net assets .....		28	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.		29	
	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 <b>Total net assets or fund balances</b> .....	18,882,523.	33	17,625,758.	
34 <b>Total liabilities and net assets/fund balances</b> .....	26,898,865.	34	26,297,820.	

Form 990 (2011)

**Part XI Reconciliation of Net Assets**

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

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	24,124,735.
2	Total expenses (must equal Part IX, column (A), line 25)	2	24,652,077.
3	Revenue less expenses. Subtract line 2 from line 1	3	-527,342.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	18,882,523.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-729,423.
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	17,625,758.

**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?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
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		

Form 990 (2011)

Department of the Treasury  
Internal Revenue Service

**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

2011

## Open to Public Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

<b>Part I</b>	<b>Reason for Public Charity Status</b> (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: Boston Children's Hospital, Boston, Massachusetts

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 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)		

[illegible]

**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2011

**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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 <b>Total.</b> 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 <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions) ...					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a <b>33 1/3% support test - 2011.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>33 1/3% support test - 2010.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a <b>10% -facts-and-circumstances test - 2011.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>10% -facts-and-circumstances test - 2010.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2011

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2011. 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 - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

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



**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

OMB No 1545-0047

**2011**

Open to Public  
Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

**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 8.

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).  
☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area  
☐ Protection of natural habitat ☐ Preservation of a certified historic structure  
☐ Preservation of open space

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958) relating to these items:

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

b Assets included in Form 990, Part X ► \$

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

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

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,921,079.	2,517,362.			
b Contributions		375,000.	2,500,000.		
c Net investment earnings, gains, and losses		28,717.	17,362.		
d Grants or scholarships					
e Other expenditures for facilities and programs	1,375,000.				
f Administrative expenses					
g End of year balance	1,546,079.	2,921,079.	2,517,362.		

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ .00 %

b Permanent endowment ☐ .00 %

c Temporarily restricted endowment ☐ 100.00 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

(i) unrelated organizations

(ii) related organizations

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

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

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(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		3,438.	3,438.	0.
d Equipment		388,669.	335,733.	52,936.
e Other		98,421.	85,072.	13,349.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				66,285.

Schedule D (Form 990) 2011

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (Including name of security)	(b) Book value	(c) Method of valuation: Cost or end of year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other		
(A) P.O. Pooled Investment		
(B) Fund, LLC	5,027,486.	End-of-Year Market Value
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	5,027,486.	

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Due from Children's Hospital	287,541.
(2) Due from Physicians' Organization	780,862.
(3) Prepaid pension obligation - defined benefit plan	75,492.
(4) Other receivables	171,942.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	1,315,837.

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Due to Children's Hospital	2,120,889.
(3) Due to Physicians' Organization	216,973.
(4) Accrued bonuses	1,006,147.
(5) Accrued money purchase pension	114,324.
(6) Deferred compensation obligations	2,080,533.
(7) After tax plan obligation	2,333,485.
(8) Accrued professional liability	395,659.
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	8,268,010.

2. FIN 48 (ASC 740) Footnote to Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	24,124,735.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	24,652,077.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-527,342.
4	Net unrealized gains (losses) on investments	4	152,805.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-882,228.
9	Total adjustments (net). Add lines 4 through 8	9	-729,423.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-1,256,765.

**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	25,652,540.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	152,805.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	1,375,000.
e	Add lines 2a through 2d	2e	1,527,805.
3	Subtract line 2e from line 1	3	24,124,735.
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	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	24,124,735.

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

1	Total expenses and losses per audited financial statements	1	25,534,305.
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	882,228.
e	Add lines 2a through 2d	2e	882,228.
3	Subtract line 2e from line 1	3	24,652,077.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	24,652,077.

**Part XIV** Supplemental Information

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

**Part V, line 4:** The endowment funds represent assets that are held in

trust that are temporarily restricted by the donor for use of recruitment,  
to advance clinical research activities, and for quality improvement  
initiatives.

**Part XI, Line 8 - Other Adjustments:**

Pension adjustment -882,228.

**Part XIV** Supplemental Information (continued)

## Part XII, Line 2d - Other Adjustments:

Net assets released from restrictions 1,375,000.

## Part XIII, Line 2d - Other Adjustments:

Pension Adjustment 882,228.

## Part X, FIN 48 Footnote:

The Foundation is a tax-exempt corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A), and has been classified as an organization that is not a private foundation under Section 509(a)(1). Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. The Foundation has evaluated the positions taken on its filed tax returns. The Foundation has concluded that no uncertain income tax positions exist at February 29, 2012. The Foundation's tax years from 2009 through 2012 are potentially subject to examination.

# 2011

**Open to Public Inspection**

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

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?

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**

recipent 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 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
Boston Children's Hospital 300 Longwood Avenue Boston, MA 02115	04-2774441	501(c)(3)	2,510,000.	0.	N/A	N/A	General Support
Mass. Eye and Ear Infirmary 243 Charles Street Boston, MA 02114	04-2103591	501(c)(3)	25,000.	0.	N/A	N/A	General Support

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2011)

**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. Part III can be duplicated 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

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

Schedule I, Part I, Line 2: Monitoring is provided by CHMC Otolaryngologic Foundation, Inc. (the Foundation) through oversight of the terms and conditions of a written grant agreement. Multiyear agreements require yearly progress and financial reports for continuation of funding. During the year ended February 29, 2012, the Foundation only provided grant donations to other 501(c)(3) organizations.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2011**

Open to Public Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use          |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence          |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)          |

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

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

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Compensation committee   | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

**a** Receive a severance payment or change-of-control payment?

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

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

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

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

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

**a** The organization?

**b** Any related organization?

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

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

**a** The organization?

**b** Any related organization?

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

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

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

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

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

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

Schedule J (Form 990) 2011



**Part III 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(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 as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Michael J. Cunningham, MD	(i) 600,000.	(ii) 37,484.	(iii) 38,865.	0.	94,247.	770,596.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
2 Reza Rahbar, MD	(i) 530,950.	(ii) 10,000.	(iii) 427,866.	0.	99,981.	1,068,797.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
3 Trevor McGill, MD	(i) 579,808.	(ii) 43,545.	(iii) 114,188.	0.	97,205.	834,746.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
4 Dwight Jones, MD	(i) 477,704.	(ii) 4,000.	(iii) 309,709.	0.	131,297.	922,710.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
5 Kenneth R. Whittemore, MD	(i) 359,004.	(ii) 45,000.	(iii) 321,849.	0.	98,491.	824,344.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
6 Howard Shane, MD	(i) 389,088.	(ii) 151,867.	(iii) 141,033.	0.	82,704.	764,692.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
7 Greg R. Licameli, MD	(i) 479,228.	(ii) 20,000.	(iii) 369,929.	0.	96,162.	965,319.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
8 Roger C. Nuss, MD	(i) 460,703.	(ii) 21,000.	(iii) 386,811.	0.	94,468.	962,982.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
9 Mark S. Volk, MD	(i) 436,704.	(ii) 45,000.	(iii) 232,987.	0.	90,235.	804,926.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
10 David W. Roberson, MD	(i) 310,005.	(ii) 230,950.	(iii) 147,332.	0.	94,890.	783,177.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
11 Dennis Poe, MD	(i) 350,005.	(ii) 164,004.	(iii) 80,440.	0.	105,789.	700,238.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
12							
13							
14							
15							
16							

Schedule J (Form 990) 2011

**Part III** Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Part I, Line 1a: CHMC Otolaryngologic Foundation, Inc. (the Foundation) provides Health Club Dues to certain employees of the Foundation. The following employees received Health Club Dues:

Michael J. Cunningham, MD	\$1,615
Reza Rahbar, MD	\$3,792
Trevor McGill, MD	\$948
Greg R. Licameli, MD	\$1,000
Roger C. Nuss, MD	\$5,000
Mark S. Volk, MD	\$1,695
David W. Roberson, MD	\$2,809

The Foundation is not required to substantiate because the benefits were treated as taxable compensation for the above employees.

Part I, Line 7: Bonus compensation amounts are determined by the Chief of the Department of Otolaryngology, all board members, and Finance Committee members. They need to consider data such as performance for physician cost centers, their financial reports, research activities,

**Part III** Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

hospital program for Patient Safety & Quality participation, and teaching activities.

**Part 1, Line 4B**

CHMC Otolaryngologic Foundation, Inc. (the Foundation) established two Supplemental Executive Retirement Plans, effective as of December 1, 2007, to reward licensed physician employees with a benefit based on service. The sources of contributions for these plans are from employer discretionary amounts, if any, severance benefits, and elective deferrals. The amounts are vested on the occurrence of any of the following events: five years of employment; attained or normal retirement date; death; disability; or change in control. The liability owed to the plan participants are:

Greg R. Licameli, MD \$137,043

Department of the Treasury  
Internal Revenue Service

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

2011

## Open To Public Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

**Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.**

[illegible]

**3** Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

**Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.**

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
K. R. Whittemore,		X	100,000.	18,800.		X	X		X	
<b>Total</b>				18,800.						

**Complete if the organization answered "Yes" on Form 990, Part IV, line 27.**

[illegible]

Schedule L (Form 990 or 990-EZ) 2011

See Part V for Continuations



**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 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2011**

Open to Public  
Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

Form 990, Part I, Line 1, Description of Organization Mission:

Boston Children's Hospital and satellite locations. The Foundation also provides care for patients in Massachusetts regardless of their ability to pay, as well as providing and subsidizing hospital and community based services that are either unavailable or limited elsewhere in the community.

Form 990, Part III, Line 1, Description of Organization Mission:

students and other medical and scientific personnel. The Foundation also provides care to patients in Massachusetts regardless of their ability to pay.

Form 990, Part VI, Section A, line 1: The majority of the CHMC

Otolaryngologic Foundation, Inc. (the Foundation) board members are physicians who are not independent from the Foundation. However, the Foundation is part of an integrated system with Boston Children's Hospital (the Hospital) which does have a community board. The Foundation was organized in 1982. At the time, the board was composed entirely of physicians, a board structure that was approved by the Internal Revenue Service. The Foundation has since adjusted the board structure to make it more responsive to the Hospital by adding the Physicians' Organization at Children's Hospital, Inc. as a member. See Schedule O, Part VI, Questions 3, 6, 7b, and 12 for more details regarding the PO's rights.

Form 990, Part VI, Section A, line 3: The Physicians' Organization at

Children's Hospital, Inc. (the PO) is a Class "C" member of CHMC

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

Otolaryngologic Foundation, Inc. (the Foundation). The PO is responsible for all third party payor contracts for the Foundation. The PO has the power to select the independent auditor and legal counsel for the Foundation from an approved list of firms mutually agreed to by the PO and the Foundation. The PO also has the right to review, but not approve, the annual operating budget and all capital budgets of the Foundation. Lastly, the PO has the right to review for compliance with applicable law, the general terms of and any modifications to physician compensation and benefit plans for all physician employees of the Foundation.

Form 990, Part VI, Section A, line 6: The CHMC Otolaryngologic Foundation, Inc. (the Foundation) has three classes of members. The Chief of the Department of Otolaryngology of Boston Children's Hospital (the Hospital) is the sole Class "A" member. Any member of the Department (other than the Chief) who holds a professional staff appointment in otolaryngology at the Hospital, has full-time faculty appointment from Harvard Medical School, and who is geographic full-time at the Hospital shall be a Class "B" member. The Physicians' Organization at Children's Hospital, Inc. is a Class "C" member of the Foundation.

Form 990, Part VI, Section A, line 7a: According to the Articles of Organization, the Class "A" member is the Chief of the Department of Otolaryngology (the Department) of Boston Children's Hospital (the Hospital). Any other member of the Department who holds a professional staff appointment in otolaryngology at the Hospital, has a full-time faculty appointment from Harvard Medical School, and who is geographic full-time at the Hospital shall be a Class "B" member. Class "A" and "B" members shall hold their membership as long as he/she remains qualified for

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

membership. Only Class "A" and "B" members may vote in annual meetings or other elections or serve on the Foundation's Board of Directors and may nominate candidates for election to the Board of Directors.

Form 990, Part VI, Section A, line 7b: The Physicians' Organization at Children's Hospital, Inc. (the PO) is a Class "C" member of CHMC Otolaryngologic Foundation, Inc. (the Foundation). The PO is responsible for all third party payor contracting for the Foundation. The PO has the power to select the independent auditor and legal counsel of the Foundation from an approved list of firms mutually agreed to by the PO and the Foundation. The PO has the right to review, but not approve, the annual operating budget and all capital budgets of the Foundation. Lastly, the PO has the right to review for compliance with applicable laws, the general terms of and any modifications to physician compensation and benefit plans for all physician employees of the Foundation. As a Class "C" member of the Foundation, the PO attends the Foundation's annual meeting and has certain voting rights. The PO as a Class "C" member has one of the 7 votes.

Form 990, Part VI, Section B, line 11: The detailed review will be conducted by the President of the Foundation, Michael J. Cunningham, MD, and the administrator, Norman Dean. An electronic copy will be provided to the board along with a hard copy of the Form 990 prior to filing. The detailed review will be conducted before filing the return with the Internal Revenue Service.

Form 990, Part VI, Section B, Line 12c: The Physicians' Organization at Children's Hospital, Inc. (the PO) administers an annual conflict of



Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

interest disclosure process to all of its member Foundations, which asks physicians (officers, top management, and highly compensated employees) and selected Foundation staff to disclose potential conflicts. A disclosure statement will be circulated annually to members of the PO. The PO audit committee shall determine those individuals (including medical staff members) who shall be required to complete the disclosure statement. The PO audit committee, at its discretion, may either: 1) refer any or all disclosure statements to the Board of Directors; 2) appoint an ad hoc committee to review and resolve any conflicts of interest issues; or 3) review and resolve any conflict of interest issues personally or through a designee(s). Any person not receiving a disclosure statement nevertheless has an affirmative obligation to disclose to the PO President, PO General Counsel, or his/her supervisor whenever he/she believes he/she has or may have a conflict of interest. Similarly, each person completing a disclosure statement has an affirmative obligation to update the statement any time circumstances change and/or he/she believes that a conflict of interest may exist. In the event a conflict is found to exist, the Foundation prohibits the member from voting on any matter to which the conflict relates or otherwise influence the voting on such matter.

Form 990, Part VI, Section B, Line 15: All the physicians (top management, officers, and highly compensated individuals) fall under compensation guidelines determined by Harvard University (Harvard), with limitations established for certain positions/ranks within the medical school. Annually, compensation is reviewed and reported to the Boston Children's Hospital's (the Hospital) Board of Trustees to ensure that total direct and indirect compensation does not exceed the pre-determined guidelines of Harvard. Any new indirect benefit plan requires approval by the CHMC

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

Otolaryngologic Foundation, Inc.'s (the Foundation) Board of Directors, which then must be reviewed and permitted by the Hospital. Major procedures of the approval process involve: comparing compensation data of physicians within the comparable field of medicine; indirect compensation currently being offered; and the financial stability of the Foundation. This process was followed for year ended February 29, 2012.

Form 990, Part VI, Section C, Line 19: The Foundation maintains all financial records, conflict of interest policies, and governing documents at its main office at 300 Longwood Avenue, Boston, MA 02115. The documents are available upon request.

Form 990, Part XI, line 5, Changes in Net Assets:

Net unrealized gains on investments:	152,805.
Pension adjustment	-882,228.
Total to Form 990, Part XI, Line 5	-729,423.

Form 990, Part I, Summary:

The prior year column of the summary of expenses and net assets or fund balances on Form 990 was updated to agree to the audited financial statements, in which the prior year classifications were revised. The lines that were updated are: Line 15 was updated from \$19,950,482 to \$20,035,168; Line 17 was updated from \$2,493,987 to \$2,433,489; Line 18 was updated from \$22,637,129 to \$22,661,317; Line 19 was updated from \$2,682,924 to \$2,658,736; Line 21 was updated from \$7,651,263 to \$8,016,342; and Line 22 was updated from \$19,247,602 to \$18,882,523.

Form 990, Part X, Column A:

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number

04-2751258

The prior year column of the balance sheet on Form 990 was updated to agree to the audited financial statements, in which the prior year classifications were revised. The lines that were updated are: Line 17 was updated from \$501,121 to \$439,534; Line 25 was updated from \$7,138,085 to \$7,564,751; Line 26 was updated from \$7,651,263 to \$8,016,342; Line 27 was updated from \$16,326,523 to \$15,961,444; and Line 33 was updated from \$19,247,602 to \$18,882,523.

Form 990, Part XI, Line 2c:

The audit process has not changed from the prior year.

## 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.

2011

## Open to Public Inspection

Name of the organization

CHMC Otolaryngologic Foundation, Inc.

Employer identification number  
04-2751258

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

[illegible]

**Part III** Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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 entity?	
						Yes	No
Boston Children's Hospital - 04-2774441							
300 Longwood Avenue							
Boston, MA 02115	Hospital	Massachusetts	501(c)(3)	Line 3	N/A		X
Physician's Organization at Children's							
Hospital, Inc. - 04-3266103, 300 Longwood							
Avenue, Boston, MA 02115	Physician Organization	Massachusetts	501(c)(3)	Line 11a, I	N/A		X

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

Schedule R (Form 990) 2011



**Part V**  
Transactions With Related Organizations

(Complete if the organization answered "Yes" to 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 of this schedule.**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		<input checked="" type="checkbox"/>
<b>b</b> Gift, grant, or capital contribution to related organization(s)	<input checked="" type="checkbox"/>	
<b>c</b> Gift, grant, or capital contribution from related organization(s)	<input checked="" type="checkbox"/>	
<b>d</b> Loans or loan guarantees to or for related organization(s)		<input checked="" type="checkbox"/>
<b>e</b> Loans or loan guarantees by related organization(s)		<input checked="" type="checkbox"/>
<b>f</b> Sale of assets to related organization(s)		<input checked="" type="checkbox"/>
<b>g</b> Purchase of assets from related organization(s)		<input checked="" type="checkbox"/>
<b>h</b> Exchange of assets with related organization(s)		<input checked="" type="checkbox"/>
<b>i</b> Lease of facilities, equipment, or other assets to related organization(s)		<input checked="" type="checkbox"/>
<b>j</b> Lease of facilities, equipment, or other assets from related organization(s)	<input checked="" type="checkbox"/>	
<b>k</b> Performance of services or membership or fundraising solicitations for related organization(s)	<input checked="" type="checkbox"/>	
<b>l</b> Performance of services or membership or fundraising solicitations by related organization(s)	<input checked="" type="checkbox"/>	
<b>m</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	<input checked="" type="checkbox"/>	
<b>n</b> Sharing of paid employees with related organization(s)	<input checked="" type="checkbox"/>	
<b>o</b> Reimbursement paid to related organization(s) for expenses	<input checked="" type="checkbox"/>	
<b>p</b> Reimbursement paid by related organization(s) for expenses		<input checked="" type="checkbox"/>
<b>q</b> Other transfer of cash or property to related organization(s)		<input checked="" type="checkbox"/>
<b>r</b> Other transfer of cash or property from related organization(s)		<input checked="" type="checkbox"/>

**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)				
(2)				
(3)				
(4)				
(5)				
(6)				



<b>Part VII</b>	<b>Supplemental Information</b>
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Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Form **8868**

(Rev. January 12)

Department of the Treasury  
Internal Revenue Service**Application for Extension of Time To File an  
Exempt Organization Return**

OMB No. 1545-1703

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☐
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofit*.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.		Enter filer's identifying number, see instructions	
	Number, street, and room or suite no. If a P.O. box, see instructions.		<input type="checkbox"/>	Employer identification number (EIN) or
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.		<input type="checkbox"/>	Social security number (SSN)

Enter the Return code for the return that this application is for (file a separate application for each return) ☐

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶

Telephone No. ▶

FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . . . . . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until \_\_\_\_\_, 20\_\_\_\_, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ▶ ☐ calendar year 20\_\_\_\_ or

▶ ☐ tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
- ☐ Change in accounting period

- 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.

3a \$

- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.

3b \$

- c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.

3c \$

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Cat. No. 27916D

Form 8868 (Rev. 1-2-12)

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ☒ **Note** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print  File by the due date for filing your return. See instructions.	Enter filer's identifying number, see instructions	
	Name of exempt organization or other filer, see instructions. CHMC Otolaryngology Foundation, Inc.	Employer identification number (EIN) or <input checked="" type="checkbox"/> 04-2751258
	Number, street, and room or suite no. If a P.O. box, see instructions. 300 Longwood Avenue	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Boston, MA 02115	

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☒ 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**STOP** Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ☒ Norman Dean, 300 Longwood Avenue, Boston, MA 02115  
Telephone No. ☒ (617) 355-6463 FAX No. ☐
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) N/A. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until January 15, 20 13.
- 5 For calendar year March 1, or other tax year beginning March 1, 20 11, and ending February 29, 20 12.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period
- 7 State in detail why you need the extension We are in the process of compiling all of the necessary documentation to ensure that we file an accurate and complete return.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$

**Signature and Verification must be completed for Part II only.**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ☒Title ☒Date ☒

Form 8868 (Rev. 1-2-112)