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Part IIISTatement of Program Service Accomplishments

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

1

Briefly describe the organization’s mission

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

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 \$ 13,514,784 including grants of \$ 12,162,098 ) (Revenue \$ )

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

4b

(Code ) (Expenses \$ 1,568,008 including grants of \$ 1,411,067 ) (Revenue \$ )

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

4c

(Code ) (Expenses \$ 2,445,734 including grants of \$ 2,194,932 ) (Revenue \$ )

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

(Code ) (Expenses \$ 60,050 including grants of \$ 60,050 ) (Revenue \$ )

Individual donations and contributions to

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

others

4d



















Other program services (Describe in Schedule O )

(Expenses \$ 60,050 including grants of \$ 60,050 ) (Revenue \$ )

4e

Total program service expenses \$ 17,588,576

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 	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		No
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .		No
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 		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 		No
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 	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. 		No
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
14a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I . . . . .		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II and IV . . . . .		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III and IV . . . . .		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I 		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . . 	Yes	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . . 		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H . . . . .		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? <b>Note.</b> All Form 990 filers that operated one or more hospitals must attach audited financial statements . . . . .		

Part IV

Checklist of Required Schedules (continued)

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

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

Part VI

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .		
1a	30		
b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	1b	22
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5	No
6	Did the organization have members or stockholders? . . . . .	6	Yes
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? . . . . .	7a	Yes
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following . . . . .		
a	The governing body? . . . . .	8a	Yes
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9	No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed ▶ _____
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ DENNIS MCVEIGH 909 FROSTWOODSUITE 2100 Houston, TX 77024 (713) 338-4175

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

**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 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 organizations compensated any current or former officer, director, or trustee

[illegible]





Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c	2,625,755				
	d	Related organizations . . . .	1d	941,411				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	21,882,238				
	g	Noncash contributions included in lines 1a-1f \$ 1,640,448						
	h	Total. Add lines 1a-1f . . . . .						25,449,404
Program Service Revenue	2a		Business Code					
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f . . . . .			0			
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .		1,687,628			1,687,628
4		Income from investment of tax-exempt bond proceeds . .		0				
5		Royalties . . . . .		0				
6a		Gross rents	(i) Real (ii) Personal					
b		Less rental expenses						
c		Rental income or (loss)						
d		Net rental income or (loss) . . . . .						
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other	0				
b		Less cost or other basis and sales expenses						
c		Gain or (loss)						
d		Net gain or (loss) . . . . .						
8a		Gross income from fundraising events (not including \$ 2,625,755 of contributions reported on line 1c) See Part IV, line 18 . . . .		a	972,082	-182,271		-182,271
b		Less direct expenses . . . .	b	1,154,353				
c		Net income or (loss) from fundraising events . .						
9a		Gross income from gaming activities See Part IV, line 19 . . . .		a		0		
b		Less direct expenses . . . .	b					
c		Net income or (loss) from gaming activities . .						
10a		Gross sales of inventory, less returns and allowances . . . .		a		0		
b		Less cost of goods sold . . .	b					
c		Net income or (loss) from sales of inventory . .						
	Miscellaneous Revenue		Business Code					
11a					0			
b								
c								
d	All other revenue . . . . .							
e	Total. Add lines 11a-11d . . . . .							
12	Total revenue. See Instructions . . . . .			26,954,761			1,505,357	

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	15,732,628	15,732,628		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	95,519	95,519		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	890,051	368,578	240,194	281,279
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	1,129,428	516,715	217,906	394,807
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	63,818	27,977	14,476	21,365
9	Other employee benefits	214,027	93,825	48,550	71,652
10	Payroll taxes	107,333	47,053	24,347	35,933
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	0			
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	206,526	95,937	32,261	78,328
12	Advertising and promotion	153	74	24	55
13	Office expenses	436,983	199,286	81,129	156,568
14	Information technology	0			
15	Royalties	0			
16	Occupancy	18,460	7,764	3,362	7,334
17	Travel	19,592	8,392	3,790	7,410
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	2,599	1,433	262	904
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	0			
23	Insurance	0			
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
a	SPECIAL FUNCTION COSTS	755,651	376,924	86,775	291,952
b	DUES AND MEMBERSHIPS	33,863	16,471	1,262	16,130
c	BAD DEBT	844,618		844,618	
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	20,551,249	17,588,576	1,598,956	1,363,717
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing . . . . .			0	1	0
	2	Savings and temporary cash investments . . . . .			12,600,526	2	16,435,146
	3	Pledges and grants receivable, net . . . . .			20,056,168	3	20,062,579
	4	Accounts receivable, net . . . . .			0	4	0
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .			0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .			0	6	0
	7	Notes and loans receivable, net . . . . .			0	7	0
	8	Inventories for sale or use . . . . .			0	8	0
	9	Prepaid expenses and deferred charges . . . . .			0	9	0
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	10a		0	10c	
	b	Less: accumulated depreciation . . . . .	10b				
	11	Investments—publicly traded securities . . . . .			41,294,394	11	45,540,634
	12	Investments—other securities. See Part IV, line 11 . . . . .			697,968	12	219,437
	13	Investments—program-related. See Part IV, line 11 . . . . .			0	13	0
	14	Intangible assets . . . . .			0	14	0
	15	Other assets. See Part IV, line 11 . . . . .			1,467,974	15	1,984,473
16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			76,117,030	16	84,242,269	
Liabilities	17	Accounts payable and accrued expenses . . . . .			224,679	17	488,153
	18	Grants payable . . . . .			0	18	0
	19	Deferred revenue . . . . .			0	19	0
	20	Tax-exempt bond liabilities . . . . .			0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .			0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties . . . . .			0	23	0
	24	Unsecured notes and loans payable to unrelated third parties . . . . .			0	24	0
	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 . . . . .			697,102	25	608,692
	26	Total liabilities. Add lines 17 through 25 . . . . .			921,781	26	1,096,845
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets . . . . .			29,068	27	29,068
	28	Temporarily restricted net assets . . . . .			75,166,181	28	83,116,356
	29	Permanently restricted net assets . . . . .			0	29	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds . . . . .				30	
	31	Paid-in or capital surplus, or land, building or equipment fund . . . . .				31	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .				32	
	33	Total net assets or fund balances . . . . .			75,195,249	33	83,145,424
34	Total liabilities and net assets/fund balances . . . . .			76,117,030	34	84,242,269	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	26,954,761
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,551,249
3	Revenue less expenses Subtract line 2 from line 1	3	6,403,512
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	75,195,249
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,546,663
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	83,145,424

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A  
(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public  
Inspection

Name of the organization Memorial Hermann Foundation	Employer identification number 74-1653640
---	--

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E )
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II )
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III )
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☒

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☒ Type I

b

☐ Type II

c

☐ Type III - Functionally integrated

d

☐ Type III - Other
- e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?
- h

☐

Provide the following information about the supported organization(s)

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
(A) MEMORIAL HERMANN HOSPITAL SYSTEM	741152597	03	Yes		Yes		Yes		9,588,646
Total									9,588,646

Part II

Support Schedule for Organizations Described in IRC 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 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support							
Calendar year (or fiscal year beginning in)		(a) 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 (Explain in Part IV ) Do not include gain or loss from the sale of capital assets						
11	Total support (Add lines 7 through 10)						
12	Gross receipts from related activities, etc (See instructions )					12	
13	First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage			
14	Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14	
15	Public Support Percentage for 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 <b>stop here.</b> The organization qualifies as a publicly supported organization 		
b	<b>33 1/3% support test—2010.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization 		
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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization 		
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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization 		
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 		

Part IIIPart III

Support Schedule for Organizations Described in IRC 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 501(c)(3) organization, check this box and <b>stop here</b>						

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 <b>stop here</b> . 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 <b>stop here</b> . The organization qualifies as a publicly supported organization			
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions			



**Part IV** **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

Name of the organization  
Memorial Hermann Foundation

Employer identification number  
74-1653640

Part I

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

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

Part II

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

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

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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ \_\_\_\_\_

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

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

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

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

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

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

Part III

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

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

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

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

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance . . . . .	75,195,249	64,691,548	61,038,557	51,669,904
b	Contributions . . . . .	22,544,425	19,948,146	15,636,018	17,064,811
c	Investment earnings or losses . . . . .	2,966,181	3,513,440	3,687,962	-76,012
d	Grants or scholarships . . . . .				
e	Other expenditures for facilities and programs . . . . .	15,828,147	12,102,373	15,030,505	7,134,180
f	Administrative expenses . . . . .	1,732,284	855,512	640,484	485,966
g	End of year balance . . . . .	83,145,424	75,195,249	64,691,548	61,038,557

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶ 100 000 %

3a

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

(i)

unrelated organizations . . . . .

3a(i)

Yes

No

(ii)

related organizations . . . . .

3a(ii)

Yes

No

b

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

3b

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 . . . . .				
d Equipment . . . . .				
e Other . . . . .				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				



Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	26,954,761
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	20,551,249
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	6,403,512
4	Net unrealized gains (losses) on investments	4	1,278,553
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	268,110
9	Total adjustments (net) Add lines 4 - 8	9	1,546,663
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	7,950,175

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements . . . . .	1	28,415,585
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments . . . . .	2a	1,278,553
b	Donated services and use of facilities . . . . .	2b	
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIV) . . . . .	2d	182,271
e	Add lines 2a through 2d . . . . .	2e	1,460,824
3	Subtract line 2e from line 1 . . . . .	3	26,954,761
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIV) . . . . .	4b	
c	Add lines 4a and 4b . . . . .	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5	26,954,761

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements . . . . .	1	20,465,410
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	-85,839
e	Add lines 2a through 2d . . . . .	2e	-85,839
3	Subtract line 2e from line 1 . . . . .	3	20,551,249
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIV) . . . . .	4b	
c	Add lines 4a and 4b . . . . .	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . .	5	20,551,249

Part XIVSupplemental Information

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

Identifier	Return Reference	Explanation
Reconciliation of Revenue to Audit Financial Statements	Part XI Line 8, Part XII, Line 2d	Gala related revenue and change in charitable trusts
Reconciliation of Expenses to Audited Financial Statements	Part XIII, Line 2d	Adjustments to Charitable Remainder Unitrust for beneficiary distributions and net present value adjustment to future liability reclassification for GAAP financial statements
FIN 48 Tax Statement in Audit Financial Report Footnotes	Form 990, Schedule D, Part X	The Memorial Hermann Foundation does have an annual financial audit conducted although the financial accounts of the Foundation are also included in the financial statements that are audited by an independent public accounting firm of the consolidated Memorial Hermann Healthcare System entities and its related affiliates. The paragraph included in the last issued audited financial statements of the Foundation was: "Taxes: The Foundation was incorporated to raise funds to support the System and certain other not-for-profit direct affiliates of the System. The Foundation and the System are Texas not-for-profit corporations exempt from federal income tax. The Foundation has determined that there are no material uncertain tax positions that require recognition in the financial statements."
Intended Uses of the Organization's Endowment Funds	Schedule D, Part V, Line 4	The endowment funds of the Foundation consist of both term and permanent endowment funds obtained from planned solicitations and donor initiatives for charitable contributions. The term funds consist of donations and investment income whose use is governed by time or a specific event. The permanent funds consist of donations and investment income for which the donor's stipulations restrict the Foundation to using only the income resulting from the investment of the donation. The assets of the term funds and the permanent funds income may only be used to support the charitable exempt operations, programs and purposes of Memorial Hermann Hospital System through the purchase of supplies, equipment, and other expenditures necessary for the performance of those operations and programs.

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

74-1653640

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

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

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

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		Annual Gala (event type)	(event type)	0 (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts . . . .	2,625,755		2,625,755
	2	Less Charitable contributions . . . .	1,653,673		1,653,673
	3	Gross income (line 1 minus line 2) . . . .	972,082		972,082
Direct Expenses	4	Cash prizes . . . .			
	5	Non-cash prizes . . . .			
	6	Rent/facility costs . . . .			
	7	Food and beverages . . . .	357,935		357,935
	8	Entertainment . . . .	387,821		387,821
	9	Other direct expenses . . . .	408,597		408,597
	10	Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶			
	11	Net income summary Combine lines 3 and 10 in column (d). . . . . ▶			
					( 1,154,353 )
					-182,271

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

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

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

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

b If "No," Explain \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

b If "Yes," Explain \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 11

Does the organization operate gaming activities with nonmembers?

Yes

No
- 12

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

Yes

No

13

Indicate the percentage of gaming activity operated in

a	The organization's facility	13a
b	An outside facility	13b

14

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

Name

Address

15a

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

Yes

No

b

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

c

If "Yes," enter name and address

Name

Address

16

Gaming manager information

Name

Gaming manager compensation

\$

Description of services provided

Director/officer

Employee

Independent contractor

17

Mandatory distributions

a

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

Yes

No

b

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

Part IV

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

Identifier	ReturnReference	Explanation
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Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Memorial Hermann Foundation

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

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

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Open to Public  
Inspection

Employer identification number  
74-1653640

Part I

General Information on Grants and Assistance

- 1

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

☒ Yes

☐ No
- 2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . .

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Memorial Hermann Hospital System and Affiliates909 Frostwood Ste 2100 Houston,TX 77024	76-0025117	501(c)(3)	9,588,646				Disbursement to and on behalf of the Hospital in support of its tax exempt purposes for equipment, furnishings, supplies and other financial assistance
(2) Alley Theatre615 Texas Avenue Houston,TX 77002	74-1143076	501(c)(3)	15,000				General fund raising events
(3) Houston Grand Opera 510 Preston St Houston,TX 77002	74-6016764	501(c)3	12,500				General fund raising events
(4) Houston Children's Charity230 Westcott Houston,TX 77007	76-0135741	501(c)3	12,000				General fund raising events

2

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

4

3

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

0

**Part III**

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Financial Assistance to Employees	57	95,519			

**Part IV**

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

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

Schedule J  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Compensation Information  
  
For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047  
  
2011  
  
Open to Public Inspection

Name of the organization Memorial Hermann Foundation	Employer identification number  74-1653640
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Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization  a Receive a severance payment or change-of-control payment? 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	4a	No
		4b	Yes
		4c	No
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of  a The organization? b Any related organization? If "Yes," to line 5a or 5b, describe in Part III	5a	No
		5b	No
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	6a	No
		6b	No
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space 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, columns (D) and (E) 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 in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Wolterman Daniel J	(i)	0	0	0	0	0	0	0
	(ii)	1,040,456	1,170,693	317,662	1,736,941	15,768	4,281,520	319,924
(2) Aulbaugh Carrol E	(i)	0	0	0	0	0	0	0
	(ii)	609,110	494,212	162,763	53,561	8,083	1,327,729	143,188
(3) Duco Bernard A Jr	(i)	0	0	0	0	0	0	0
	(ii)	443,798	301,316	83,985	214,282	10,216	1,053,597	84,772
(4) Laraway Dennis	(i)	0	0	0	0	0	0	0
	(ii)	181,731	70,000	21,033	13,535	11,412	297,711	0
(5) McVeigh Dennis P	(i)	0	0	0	0	0	0	0
	(ii)	295,152	183,254	68,670	79,453	5,260	631,789	49,636
(6) Reimer P Renee	(i)	0	0	0	0	0	0	0
	(ii)	263,378	138,423	-1,353	41,175	5,260	446,883	0
(7) Trevino Illeana V	(i)	283,405	169,730	151,618	64,507	12,337	681,597	160,159
	(ii)	0	0	0	0	0	0	0
(8) Bayless Elizabeth G	(i)	88,893	74,824	121,581	6,405	734	292,437	17,460
	(ii)	0	0	0	0	0	0	0
(9) Beckstett Douglas G	(i)	0	0	0	0	0	0	0
	(ii)	475,834	333,290	109,754	37,014	6,575	962,467	105,857
(10) Garman Jim	(i)	0	0	0	0	0	0	0
	(ii)	199,912	0	29,865	14,469	8,337	252,583	0
(11) Elliott Kristin	(i)	117,372	33,728	-2,822	9,442	4,551	162,271	0
	(ii)	0	0	0	0	0	0	0
(12) Voss Julie	(i)	142,282	59,387	-9,762	16,702	11,682	220,291	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

**Part III**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
Supplemental Nonqualified Retirement Plan	Form 990, Schedule J, Line 4-b	Memorial Hermann Healthcare System (of which the Foundation is a part) sponsors two nonqualified retirement plans for certain executives who are part of a select group of highly compensated or management employees. The first plan is a make-up plan and provides for an annual payment (upon achieving full vesting in the qualified retirement plan) equivalent to the amount of contribution from the employer that is lost to the employee due to the limits on compensation and benefits in the Internal Revenue Code. The second plan is called the Deferred Compensation Plan, and it provides for a payment (upon full vesting in the plan). In this plan, certain executives who are part of a select group of highly compensated or management employees are provided with a payment such that the total retirement contribution for the participant is based on a percentage of the participant's base salary. For example, someone earning a base salary in the range of \$200,000 to \$350,000 will receive a payment such that the total amount of retirement contributions from the qualified cash balance pension plan, the make-up plan and this plan equal 20%. Base salary range >\$600,000 Total Contributions @ 27.5% of base salary, \$350,000 to \$600,000 @ 24%, \$200,000 to \$350,000 @ 20%, < \$200,000 @ 17.9%. Applicable amounts paid for the persons listed: AULBAUGH, CARROL 143,188; BAYLESS, ELIZABETH G 17,460; BECKSTETT, DOUGLAS 105,857; DUCO, BERNARD A JR 84,772; McVEIGH, DENNIS 49,636; TREVINO, ILLEANA V 160,159; WOLTERMAN, DAN 319,924.
Non Fixed Payments of Compensation	Form 990, Schedule J, Line 7	Memorial Hermann Healthcare System (of which the Foundation is a part) sponsors an executive compensation philosophy that is based on competitive market and pay-for-performance principles. The Compensation Committee of the System implements this philosophy by, generally, setting base salaries at the median of the organization's talent market and using an annual incentive plan and long-term incentive plan that make incentive payments based on the achievement of performance goals determined by the Committee at the beginning of the year for the annual plan or at the beginning of the three year cycle for the long-term performance plan. In all cases, the incentive targets are set so that all payments will be reasonable.
Tax Indemnification and Gross Up Payments	Form 990, Schedule J, Line 1a	Memorial Hermann provides certain cash payments to employees for non-wage purposes that are grossed up for tax indemnification. These could include moving related expenses, special recognition rewards, and holiday awards. The payments are included in each employee's W-2 as taxable income on a grossed-up basis.

Part I		Types of Property					
		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts		
1	Art—Works of art . . . . .						
2	Art—Historical treasures . .						
3	Art—Fractional interests . . .						
4	Books and publications . . .						
5	Clothing and household goods . . . . .						
6	Cars and other vehicles . . .						
7	Boats and planes . . . . .						
8	Intellectual property . . . .						
9	Securities—Publicly traded .						
10	Securities—Closely held stock .						
11	Securities—Partnership, LLC, or trust interests . . . . .						
12	Securities—Miscellaneous . .						
13	Qualified conservation contribution—Historic structures . . . . .						
14	Qualified conservation contribution—Other . . . .						
15	Real estate—Residential . . .						
16	Real estate—Commercial . . .						
17	Real estate—Other . . . . .						
18	Collectibles . . . . .						
19	Food inventory . . . . .						
20	Drugs and medical supplies .						
21	Taxidermy . . . . .						
22	Historical artifacts . . . . .						
23	Scientific specimens . . . .						
24	Archeological artifacts . . . .						
25	Other ► ( Helicopter engines )	X	1	1,228,700	FMV		
26	Other ► ( Skies painting and Mural )	X	1	120,000	FMV		
27	Other ► ( 7 product samples )	X	1	25,405	FMV		
28	Other ► ( 3 month Modena membership )	X	1	18,350	FMV		
	Other ► ( 3 Elite resort packages )	X	1	14,255	FMV		
	Other ► ( 500 shimmer lip colour lipsticks )	X	1	11,000	FMV		
	Other ► ( 3 night 4 days Villa stay in Cabo Mex )	X	1	7,500	FMV		
	Other ► ( 7 day, 6 night stay in Kemah waterfront estate )	X	1	7,000	FMV		
	Other ► ( 2011 Dodge Durango used to transport patient )	X	1	6,000	FMV		
	Other ► ( 3 nights in 2 bedroom Villa )	X	1	5,500	FMV		
	Other ► ( Assorted Wines )	X	1	5,203	FMV		
	Other ► ( Italian made shirts by Lucho for one year )	X	1	5,100	FMV		
29	Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . .			29	0		
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .					Yes	No
b	If "Yes," describe the arrangement in Part II						
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?				31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions? . . . . .				32a		No
b	If "Yes," describe in Part II						
33	If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II						

Part II

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

Identifier	Return Reference	Explanation
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SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public  
Inspection

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



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

Identifier	Return Reference	Explanation
Review of Form 990	Form 990, Part VI, Section B, Line 11b	MEMORIAL HERMANN Foundation PROVIDES A COPY OF THE FORM 990 TO ALL MEMBERS OF THE GOVERNING BODY VIA A WEBSITE SET UP SPECIFICALLY FOR BOARD MEMBERS TO ACCESS VARIOUS BOARD MEMBER DOCUMENTS THE FORM 990 IS REVIEWED BY MEMORIAL HERMANN FINANCIAL ACCOUNTING STAFF, BY SPECIFIC DEPARTMENTS INVOLVED IN RELATED SECTIONS OF THE RETURN, BY THE MEMORIAL HERMANN CHIEF ACCOUNTING OFFICER, AND BY MEMORIAL HERMANN'S PUBLIC ACCOUNTING FIRM ERNST & YOUNG, PRIOR TO ITS FILING

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

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

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

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

Identifier	Return Reference	Explanation
Whistleblower Policy	Form 990, Part VI, Section B, Line 13	<p>Memorial Hermann Foundation (MHF) is committed to complying with all applicable laws and regulations. We support the efforts of federal and state authorities in identifying incidents of fraud and/or abuse and we have the necessary policies and procedures in place to prevent, detect, report and correct incidents of fraud and/or abuse in accordance with contractual, regulatory and statutory requirements. Recognizing the complexity of the various federal, state, and local laws regulating health care, MHF has adopted a Corporate Compliance Program. This Program is designed to assist the Board, the System and its employees, medical staff members, and independent contractors to maintain compliance through responsive educational programs, internal monitoring and reporting mechanisms, and compliance Standards of Conduct. Corporate Compliance is "Doing the Right Thing by following government regulations and the law." The MHF Compliance Program includes these 7 elements:</p> <ul style="list-style-type: none"> <li>A Compliance Officer and Committee to oversee and advise the Compliance Program</li> <li>Compliance Policies and Procedures to provide written guidance to help you do your job and demonstrate our commitment to compliance</li> <li>Compliance Training and Education to ensure appropriate education on areas of legal and regulatory compliance</li> <li>Auditing and Monitoring to conduct periodic and ongoing auditing and monitoring of high-risk areas and adherence to policies and procedures</li> <li>Corrective Action to develop plans to resolve identified issues, prevent them from happening again and avoid the risk of the same or similar issues occurring in other areas, departments or facilities</li> <li>Disciplinary Guidelines may be necessary to encourage prompt reporting of Compliance concerns, to ensure non-retaliation for reporting concerns and to encourage cooperation with compliance investigations</li> <li>Open Lines of Communication to establish an open environment for reporting compliance concerns - a hotline is available to all employees to call to report compliance concerns and non-retaliation for reporting a compliance concern in good faith. Available 24 hours a day, 7 days a week.</li> </ul> <p>Anonymous and Confidential Callers making reports in good faith are protected from any form of retaliation or adverse action.</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs	Needs Assessment 1 of 3	<p>Each decision made by Memorial Hermann to invest its people, resources, and talents in community benefit efforts is data driven. Given that 31% of the Houston area is uninsured, numerous community needs analyses center around the University of Texas School of Public Health's Houston Area Hospital's Emergency Department Use Study, which Memorial Hermann has participated in since 2003. The study monitors hospital emergency department use in Houston hospitals and is a data source for numerous assessments to understand primary care-related ER use including the characteristics of these patients, particularly those who are children, who are uninsured, and who have Medicaid. The study conducted in 2012 shows that 40.9 % of all ER visits and 48.6% of all treated and released ER visits are primary care related. With the desire to change emergency room use comes the need to identify available capacity of our existing safety-net clinics, and what is needed by each entity to increase its capacity to be able to respond to changes in ER usage our community efforts achieve. This study, the Greater Houston Clinic Capacity Analysis, performed in early 2012 by Project Safety-Net and University of Texas School of Public Health, indicates that the community clinics are currently meeting about 30 percent of the demand for primary care visits by the low-income population and the rest is either met by private practice physicians or is left unmet. Further, the study anticipates that safety net providers will only be able to meet 25 percent of the demand under the Affordable Care Act (ACA). It is important to be concerned because a shortage of primary care leads to more people experiencing serious illness requiring expensive specialty care, emergency services and hospitalization. As required by the Community Health Needs Assessment-Section 501(r)(3)--Requirement of the ACA, Memorial Hermann is conducting community needs assessments for each of its 11 hospitals to be completed in 2013. The studies will include demographic data of Harris, Fort Bend, Montgomery, and Brazoria counties (counties that compose 89% of Memorial Hermann discharges), a description of the processes and methodologies, surveys and interviews with public health officials where participants were given the opportunity to prioritize community health needs and rate the importance of health care initiatives, identification of all collaborating organizations and existing health care facilities and other resources within the community available to meet the needs identified in each of the community needs assessments. The University of Texas School of Public Health's Health Care Safety Net Review will be included in the assessment. Once community needs have been prioritized, Memorial Hermann will develop appropriate objectives, action plans and metrics. The process will be complete and information available to the public in spring 2013. The Health of Houston Study, a recent comprehensive study conducted by the Institute for Health Policy of The University of Texas School of Public Health through stakeholder input and neighborhood surveying, will be a continuing source to Memorial Hermann in continued program planning efforts by regularly assessing the health of Houstonians and tracking emerging health issues and health improvements. On behalf of Memorial Hermann, it is the MHCBC's mission to implement programs to work with other healthcare providers, government agencies, business leaders and community stakeholders to ensure that all residents of the greater Houston area have access to the care they need to improve their quality of life and the overall health of the community. MHCBC's programs are designed to provide care for uninsured and underinsured children, to reach those Houstonians needing low cost care, to support the existing infrastructure of non-profit clinics and FQHCs, and to educate individuals and their families on how to access the healthcare available to them. Committed to making the greater Houston area a healthier and more vital place to live, MHCBC supports the following initiatives: Memorial Hermann Health Centers for Schools, established in 1995, offers access to primary medical and mental health services to more than 38,300 underserved children at 49 schools in the Greater Houston area. In 2011, asthma exacerbations, emergency room visits and hospitalizations were reduced by 83%. The Memorial Hermann Mobile Dental Clinic, established in 2000, has two dental vans and provides access to preventative and restorative dental services at all six Health Centers for Schools' sites and is accessible as a "dental home" for 38,300 uninsured and underinsured students from 49 schools. In 2011, no more than 25% of patients at recall of both age groups experienced caries. These outcomes are significant given 80% of initial patients are diagnosed with caries, 33% are diagnosed with five or more caries. A dietitian is available through the Healthy Eating and Lifestyles</p>



Identifier	Return Reference	Explanation
Community Benefits and Needs	Needs Assessment 1 of 3	<p>Program (HELP) designed to educate Health Centers for Schools children and their families on the importance of proper nutrition and exercise. In 2011, 77% of enrolled students reduced their BMI, 67% reduced their cholesterol levels. Serving the community since 2008, the Memorial Hermann ER Navigation program places certified Community Health Workers who have the training, cultural understanding and linguistic capacity to help the uninsured, who disproportionately use emergency rooms for healthcare, 'navigate' the complex health system, obtain a medical home, schedule appointments, secure needed social services and cope with future healthcare concerns. Since its inception, the ER Navigation Program has navigated 18,270 patients. MHCBC's COPE program has a similar philosophy but operates with Masters Level Social Workers and focuses on 'frequent flyers' inpatient as well as ER. The Memorial Hermann Neighborhood Health Centers are strategically located near three of Houston's busiest ERs and provide care to working families without access to insurance and who do not qualify for other programs. The goal is to provide this population with a medical home for routine care, and prevent these cases from escalating to emergencies. At \$48/visit, with low cost labs and prescriptions, seven day a week access, and the provision of preventive, acute, as well as chronic care, they are an affordable medical home for new borns to the elderly. Decreased hypertension, management of diabetes, and a place where women feel comfortable returning for their annual well-woman exams are examples of the continuity of care and improved health resulting. MHCBC has played numerous and critical roles with a grass-roots Houston collaborative, Gateway to Care and its Provider Health Network (PHN) to recruit physicians, hospitals, and ancillary providers to provide specialty care to uninsured patients with incomes below 150% of poverty. With one in every four primary care visits requiring a referral to a specialist, the Provider Health Network serves as a bridge, connecting uninsured people to the specialty care they desperately need to get well. Recruiting is through numerous avenues-societies, insurance companies, etc -to rally the resulting city-wide effort. The PHN has provided significant opportunities for our own medical staffs to participate in caring for the uninsured. The provision of an organized effort with a designated staff for monitoring referrals is welcomed by the medical community as they desperately want to be a part of a solution, but fear being overwhelmed. Community Clinic (private-not-for-profit and FQHC) Initiatives receive MHCBC funding and support to fill target population gaps by providing primary healthcare and chronic illness care to uninsured children and adults. Children at Risk: MHCBC supports a Policy Coordinator for a Food in Schools initiative with the goal of increasing participation in the Universal Free Breakfast program by connecting an additional 3,610 students to 649,728 meals. The Disease Management Program is a free program that reduces hospital visits by supplementing the patient-physician relationship to ensure patients with Congestive Heart Failure and Diabetes have medical homes, stay healthier in between appointments and are accountable for their own health. It serves 2,265 patients and is growing. Data indicates a cost savings from ER visits, observation and inpatient costs of \$10,694,529. Project Fit is a nonprofit, national grassroots organization that develops and promotes exemplary fitness programs for students, grades 2nd through 5th, within the school curriculum. MHCBC has a Project Fit site at Field Elementary and plans to expand this program as funding permits. Approximately 500 kids participate in the program.</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs 2	Needs Assessment 2 of 3	<p>All Memorial Hermann Acute Care facilities and Rehab facilities have Third Party Qualification vendors on-site. Once someone requests or a financial counselor has determined through interaction with the patient and/or guarantor that the patient cannot pay for services, the patient/guarantor is referred to the Eligibility vendor on-site to screen for any Federal/State/Local Government program which may cover their services. These vendors act as agents for the patient/guarantor and may at times go to hearings for Medicaid or Disability as a legal representative of the patient. Also, all our entities including service lines have posted notices of a patient's right to request charity. Our statements that are sent to patients have documentation on the back informing the patient of Memorial Hermann's Charity policy and their right to request such, (in English and Spanish). Accounts are referred to be processed either on a real time basis by the hospital staff while the patient is still in the hospital or by electronic referral via data download which occur weekly and after the patient has been discharged. The goal is to make contact with the patient for financial screening to determine eligibility for governmental assistance as soon as possible. Additional assistance for patients to take advantage of all appropriate health improvement programs available within the community are through Memorial Hermann's navigation services. Memorial Hermann's navigation services inform patients of their eligibility for assistance under federal, state or local government programs or under Memorial Hermann's financial assistance policy. In 2008, MHCBC launched the ER Navigation program at Memorial Hermann as a response to the community need of educating patients on how to navigate through their existing resources, increasing access and using healthcare resources appropriately to reduce healthcare costs. Today, the ER Navigation program places a Community Health Worker (CHW) or "navigator" on-site in Memorial Hermann's three busiest emergency rooms to educate patients on the importance of identifying and using a consistent health home rather than relying on emergency rooms for their primary care. Patients eligible for the program are 18 months to age 65 who frequently use the ER for primary care and are uninsured or on Medicaid. Certified CHW training is offered by Memorial Hermann partner, Gateway to Care. CHWs gain the trust of patients by being familiar with the community's culture, language and values and by sharing their knowledge about local healthcare services and programs. CHWs identify clinics that are the best fit for an individual's location, income, language, work hours, bus routes and address issues that may push health care down the priority list--the need for food stamps, rental support and assistance with utilities. They provide patients with clinic referrals, make appointments, arrange transportation, share information and referrals to community and safety net programs, educate about qualifying for and using public benefits and other payment resources, serve as a liaison between the patient and providers and tackle other challenges to appropriate care. CHWs stress the importance of having a health home and provide support and guidance in making and keeping future health appointments. While navigators initially meet with patients during the ER visit, much of their work is done in follow-up, ensuring that a clinic appointment was made, was successful and assisting with the paperwork required for qualification for Medicaid, CHIP or county indigent programs. The primary goal of the ER Navigation program is to find an appropriate health home for patients and provide them with the resources to navigate through future medical concerns. A secondary goal is to reduce the time of delivery of services in cases of chronic and serious illnesses. Similar support of all Memorial Hermann Hospitals is also provided through the COPE (Care Management Community Program Eligibility) Program which provides empowering services for uninsured patients to improve their health and well being through education about and coordination with community health services. COPE targets patients who have repetitively been inpatients and ER patients and exhibit the need for one-on-one support to identify, access, and obtain services in their own community. Enrolling these populations into public benefits through all of these venues automatically increases their likelihood of obtaining regular primary and preventative care, the kind of care that ensures health and the potential for a prosperous future while concurrently eliminating the cost burden presently experienced by safety-net providers. Community Information Memorial Hermann serves "greater Houston," a multi-county area along the Gulf Coast in southeast Texas where several counties are without hospital district services. The 6th largest metropolitan area in the United States, greater Houston is</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs 2	Needs Assessment 2 of 3	<p>one of the fastest growing with a population of 5.9 million-a 25.2% growth rate since the 1990 census. A source of strength in a global economy, Houston prizes its racial and ethnic diversity. According to U.S. Census 2010 estimates, Houston is 25.6% White, 43.8% Hispanic, 23.7% Black or African American, 0.7% Native American, and 6.2% Asian/Pacific Islander. Per capita income is \$25,927. In Houston, 21% of all residents are living below the poverty line-20% higher than the rate for Texas. The largest employers in the community include Memorial Hermann Healthcare System (19,500 employees), The University of Texas M.D. Anderson Cancer Center (15,000 employees), ExxonMobil (13,000 employees), Shell Oil Company (13,000 employees), and Kroger Company (12,000 employees). The Houston area has experienced a recent dip in the unemployment rate to below 8% which is still double what it was before the recession. Unfortunately, communities within the region are still facing 9% or higher unemployment. A staple in Houston, the healthcare industry remains one of the more stable industries in the region. This sector is projected to add 10,300 jobs in 2012. The greater Houston area is one of the hardest hit areas in the healthcare/uninsured crisis--thirty-one percent of Houston's residents are uninsured. In comparison, Texas's uninsured rate - - although the highest of all states --is 24.6% (one out of every four Texans is uninsured -more than six million Texans) and the national rate is 16.3%. Houston's fast-growing Hispanic population accounts for a large percentage of uninsured residents. In fact, even after healthcare reform is fully implemented, estimates are that 15% of Houston area residents will remain uninsured. This situation is exacerbated by state budget cutbacks decreasing funding to vital health programs and reducing Medicaid reimbursements. Memorial Hermann is committed to ensuring that the greater Houston community receives the healthcare it deserves. Health education and prevention and increased access to healthcare are vital to improving the overall health of residents whose leading causes of health issues mirror the nation's (heart disease, cancer, strokes, accidents, chronic respiratory disease and diabetes).</p>

Identifier	Return Reference	Explanation
Community Benefits and Needs 3	Needs Assessment 3 of 3	<p>Memorial Hermann Healthcare System is the largest not-for-profit healthcare system in Texas and serves the greater Houston community through (11) hospitals, a vast network of affiliated physicians and numerous specialty programs and services. Life-saving facilities include Memorial Hermann-Texas Medical Center, the teaching hospital for The University of Texas Medical School at Houston and home of one of the nation's busiest Level I trauma centers, (8) suburban hospitals, (3) premier Heart &amp; Vascular Institutes, TIRR Memorial Hermann, one of the nation's top rehabilitation and research hospitals, Children's Memorial Hermann Hospital, the Memorial Hermann Sports Medicine Institute, the Mischer Neuroscience Institute, (9) Cancer Centers, (21) Imaging Centers, (27) sports medicine and rehabilitation centers, (12) diagnostic laboratories, PaRC, a substance abuse treatment center, (1) retirement/ nursing center, and (1) home health agency. Memorial Hermann operates the Life Flight air ambulance program and the city's only burn treatment center. Memorial Hermann Community Benefit Corporation (MHCBC) addresses the health needs of the community through the community service initiatives listed above. In January of this year, Memorial Hermann Healthcare System was the only hospital system in Houston and one of only two in Texas named one of the nation's top 15 health systems by Thomson Reuters, a leading provider of information and solutions to improve the cost and quality of healthcare. Memorial Hermann has 3,375 licensed beds, 19,500 full-time employees, 4,178 medical staff members, 1,324 physicians-in-training (residents and fellows), and 2,972 volunteers providing 380,768 hours. Memorial Hermann is governed by 13 Boards of Directors totaling 143 members representative of the greater Houston business, healthcare and community leadership. Memorial Hermann's annual services include 131,002 admissions, 827,060 outpatient visits, 74,720 outpatient surgeries, 433,191 emergency visits, 24,174 deliveries, and 2,960 Life Flight air ambulance missions. By establishing the nation's first complete, citywide Chest Pain Center Network and the region's largest Stroke Network, Memorial Hermann offers the community faster access to life-saving care. Memorial Hermann is responsible for 23.4% of the "expanded" greater Houston area's healthcare market that includes 12 counties and takes a leadership role in regional efforts to improve the health and quality of life of the community. Community Education Initiatives are offered by Memorial Hermann Healthcare System at each of its 11 hospitals and PARC, its substance abuse treatment center. These initiatives offer free screenings and support groups to thousands of Houston residents seeking more information about his or her health.</p>

Identifier	Return Reference	Explanation
Form 5471 cat 5 filing	Form 5471	US Corporation with Form 5471 Category 5 Filing Requirement <div>Memorial Hermann Foundation EIN 74-1653640 Tax Year Ended 06/30/2012 Disclosure Statement Related to Forms 5471, Information Return of U S Persons With Respect to Certain Foreign Corporations, Filed on Behalf of the Taxpayer Under the constructive ownership rules of IRC Sections 958(a) and (b), if the taxpayer is required to file Forms 5471, Information Return of U S Persons With Respect to Certain Foreign Corporations, as a Category 5 filer with respect to certain controlled foreign corporations (CFCs) These filing requirements are or will be satisfied through the filing of Forms 5471 for Memorial Hermann Hospital System EIN 74-1152597 909 Frostw ood, Suite 2 100 Houston, Texas 77024 who has the same filing requirement</div>

Identifier	Return Reference	Explanation
Other changes in Net Assets	990 Part XI, Line 5	Net unrealized gains on investments and Gala related revenue and change in charitable trusts unrealized gains 1,278,553 Gala revenue 182,271 Change in Cruts 85,839

Identifier	Return Reference	Explanation
Officer's hours devoted to related organizations	990 Part VII, Section A col B	Corporate officers, key employees, and highly compensated employees work an average of 50 hours per week for the reporting organization, related organizations included in Schedule R, and all other affiliated entities ALL EMPLOYEES ARE PAID BY CORPORATION OR AFFILIATE HEALTHCARE SYSTEM ENTITY AND NO TIME OR SALARY IS ALLOCATED CORPORATE OFFICERS PERFORM ADMINISTRATIVE ACTIVITIES FOR MULTIPLE RELATED ENTITIES FOR WHICH NO INTERUNIT ALLOCATION OF TIME OR SALARY IS MADE DIRECTORS ARE VOLUNTARY CITIZENS OF COMMUNITY WHO PERFORM THEIR DUTIES WITHOUT COMPENSATION FOR HOURS DEVOTED TO BOARD WORK

SCHEDULE R (Form 990)	Related Organizations and Unrelated Partnerships  ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37. ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2011
		Open to Public Inspection

Name of the organization Memorial Hermann Foundation	Employer identification number 74-1653640
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Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)					
(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) Memorial Hermann Healthcare System  909 Frostwood Suite 2100  Houston, TX 77024 76-0025117	Healthcare	TX	501(c)3	11A I	NA		No
(2) Memorial Hermann Hospital System  909 Frostwood Suite 2100  Houston, TX 77024 74-1152597	Healthcare	TX	501(c)3	3	MHHCS		No
(3) Memorial Hermann Community Benefits Corp  909 Frostwood Suite 2100  Houston, TX 77024 68-0511504	Healthcare	TX	501(c)3	9	MHHCS		No
(4) The Institute for Rehab and Research  909 Frostwood Suite 2100  Houston, TX 77024 74-1334678	Healthcare	TX	501(c)3	3	MHHS		No
(5) Memorial Hermann Medical Group  909 Frostwood Suite 2100  Houston, TX 77024 20-4923281	Healthcare	TX	501(c)3	3	MHHS		No
(6) MHS Physicians of Texas  909 Frostwood Suite 2100  Houston, TX 77024 76-0385980	Healthcare	TX	501(c)3	3	MHHS		No
(7) Memorial Hermann Information Exchange  909 Frostwood Suite 2100  Houston, TX 77024 02-0684202	Healthcare	TX	501(c)3	3	MHHS		No



Part IIIPart III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) The Woodlands POB III LP  909 Frostwood Suite 2100 Houston, TX 77024 20-2184543	Manages Med Build	TX	na	related or exempt	0	0		No	0		No	0 %
(2) Memorial HermannUSP Surgery Ctr III LP  15305 Dallas Parkway Suite 1600 LB Addison, TX 75001 20-0707543	Surgery Center	TX	na	related or exempt	0	0		No	0		No	0 %
(3) Memorial Hermann Surgery Center Katy LLP  15305 Dallar Parkway Suite 1600 LB Houston, TX 77024 20-3360737	Surgery Center	TX	na	related or exempt	0	0		No	0		No	0 %
(4) MH Katy Rehab Hospital LLC  909 Frostwood Suite 2100 Houston, TX 77024 26-3896057	Medical Services	TX	na	related or exempt	0	0		No	0		No	0 %

Part IVPart III

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) MHMD 909 Frostwood Suite 2100 Houston, TX 77024 76-0074819	Claims Admin	TX	NA	C Corp	0	0	0 %
(2) Memorial Health Ventures 909 Frostwood Suite 2100 Houston, TX 77024 74-2211474	Investments	TX	NA	C Corp	0	0	0 %
(3) The Health Professionals Ins Company LTD Barclays House 3rd Floor Grand Caymen CJ	Insurance	CJ	na	Foreign	0	0	0 %
(4) Memorial Hermann Accountable Care Corp 909 Frostwood Suite 2100 Houston, TX 77024 80-0778181	Insurance	TX	NA	C corp	0	0	0 %
(5) MHealth Inc 909 Frostwood Suite 2100 Houston, TX 77024 26-4419989	Insurance	TX	NA	C Corp	0	0	0 %
(6) Mhealth Insurance 909 Frostwood Suite 2100 Houston, TX 77024 76-0646301	Insurance	TX	NA	c corp	0	0	0 %

Part V

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

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

1

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

a

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

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

Lease of facilities, equipment, or other assets to related organization(s)

j

Lease of facilities, equipment, or other assets from related organization(s)

k

Performance of services or membership or fundraising solicitations for related organization(s)

l

Performance of services or membership or fundraising solicitations by related organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

Other transfer of cash or property to related organization(s)

r

Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

No

Yes

Yes

No

No

2

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NA			
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2011

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation	
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Software ID:  
Software Version:  
EIN: 74-1653640  
Name: Memorial Hermann Foundation

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
Memorial Hermann Healthcare System  909 Frostwood Suite 2100 Houston, TX 77024 76-0025117	Healthcare	TX	501(c)3	11A I	NA		No
Memorial Hermann Hospital System  909 Frostwood Suite 2100 Houston, TX 77024 74-1152597	Healthcare	TX	501(c)3	3	MHHCS		No
Memorial Hermann Community Benefits Corp  909 Frostwood Suite 2100 Houston, TX 77024 68-0511504	Healthcare	TX	501(c)3	9	MHHCS		No
The Institute for Rehab and Research  909 Frostwood Suite 2100 Houston, TX 77024 74-1334678	Healthcare	TX	501(c)3	3	MHHS		No
Memorial Hermann Medical Group  909 Frostwood Suite 2100 Houston, TX 77024 20-4923281	Healthcare	TX	501(c)3	3	MHHS		No
MHS Physicians of Texas  909 Frostwood Suite 2100 Houston, TX 77024 76-0385980	Healthcare	TX	501(c)3	3	MHHS		No
Memorial Hermann Information Exchange  909 Frostwood Suite 2100 Houston, TX 77024 02-0684202	Healthcare	TX	501(c)3	3	MHHS		No

Additional Data

Software ID:  
Software Version:  
EIN: 74-1653640  
Name: Memorial Hermann Foundation

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

4d. Other program services				
(Code )	(Expenses \$	60,050	including grants of \$	60,050 ) (Revenue \$ )
Individual donations and contributions to				
(Code )	(Expenses \$		including grants of \$	) (Revenue \$ )
others				

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former				
Adickes Mark S MD Member	1 0	X						0	0	0	
Alexander Leslie L Member	1 0	X						0	0	0	
Baird Philamena Member	1 0	X						0	0	0	
Cazalot Margaret A Member	1 0	X						0	0	0	
Davis Joe R Chairman 2010	1 0	X						0	0	0	
Falgout Jo Lynn P Member	1 0	X						0	0	0	
Fraga Stephen M Member	1 0	X						0	0	0	
Garner Carol P Member	1 0	X						0	0	0	
Gibson Steven J Member	1 0	X						0	0	0	
Johnson Susie Member	1 0	X						0	0	0	
Kirksey John M Member	1 0	X						0	0	0	
Krohn Susan D Member	1 0	X						0	0	0	
Lawhon T James MD Member	1 0	X						0	0	0	
Lubetkin Sanford J MD Member	1 0	X						0	0	0	
Marion Jesse R Member	1 0	X						0	0	0	
Mischer Walter M Jr Member	1 0	X						0	0	0	
Penland William E Jr Member	1 0	X						0	0	0	
Rosales Oscar R MD Member	1 0	X						0	0	0	
Rose Lynden B Member	1 0	X						0	0	0	
Shaikh Terry M Member	1 0	X						0	0	0	
Slawin Kevin M MD Member	1 0	X						0	0	0	
Smith James R Chairman 2010	1 0	X						0	0	0	
Strake Stephen D Member	1 0	X						0	0	0	
Thakkar Heena MD Member	1 0	X						0	0	0	
Trauber Leticia F Member	1 0	X						0	0	0	

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former				
Turzillo Mark A Member	1 0	X							0	0	0
Weller Fenner R Jr Member	1 0	X							0	0	0
Williams Randa Duncan Member	1 0	X							0	0	0
Williams Sheridan P Member	1 0	X							0	0	0
Wolterman Daniel J Member, President & CEO	50 0	X		X					0	2,528,811	1,752,709
Aulbaugh Carrol E Chief Financial Officer & Trea	50 0			X					0	1,266,085	61,644
Duco Bernard A Jr Chief Legal Officer & Secretar	50 0			X					0	829,099	224,498
Laraway Dennis Chief Financial Officer	50 0			X					0	272,764	24,947
McVeigh Dennis P Chief Accounting Officer	50 0			X					0	547,076	84,713
Reimer P Renee Chief Risk & Insurance Officer	50 0			X					0	400,448	46,435
Trevino Illeana V CEO Foundation	50 0			X					604,753	0	76,844
Bayless Elizabeth G Sys Exec Community Relations	50 0				X				285,298	0	7,139
Beckstett Douglas G Chief Human Resources Officer	50 0				X				0	918,878	43,589
Garman Jim Chief Human Resource Officer	50 0				X				0	229,777	22,806
Callies Jacquelyn C Director of Development	50 0					X			126,936	0	7,321
Elliott Kristin Director of Community Relation	50 0					X			148,278	0	13,993
Garcia Cecelia Director of Fund Raising	50 0					X			129,552	0	6,069
Lampi Amy Director of Development	50 0					X			114,782	0	9,750
Voss Julie Director of Development	50 0					X			191,907	0	28,384