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Form 990

Return of Organization Exempt From Income Tax

2012

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

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

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012, 2012, and ending 12-31-2012

B Check if applicable	C Name of organization METHODIST HEALTHCARE FOUNDATION		D Employer identification number 23-7320638
<input type="checkbox"/> Address change	Doing Business As		
<input type="checkbox"/> Name change			
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number (901) 516-0500
<input type="checkbox"/> Terminated			
<input type="checkbox"/> Amended return	City or town, state or country, and ZIP + 4 MEMPHIS, TN 38104		
<input type="checkbox"/> Application pending			G Gross receipts \$ 8,206,244
F Name and address of principal officer PAULA JACOBSON 1211 UNION AVENUE NO 450 MEMPHIS, TN 38104		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

J Website: ► WWW METHODISTHEALTH.ORG/GIVE

K Form of organization Corporation Trust Association Other ► L Year of formation 1974 M State of legal domicile TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities PHILANTHROPIC ACTIVITIES AWARDING GRANTS AND SCHOLARSHIPS FOR PROGRAMS AND PROJECTS	
2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets	
3 Number of voting members of the governing body (Part VI, line 1a)	3 17
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 17
5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5 37
6 Total number of volunteers (estimate if necessary)	6 275
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0
b Net unrelated business taxable income from Form 990-T, line 34	7b 0

8 Contributions and grants (Part VIII, line 1h)	Prior Year 5,069,644	Current Year 7,950,852
9 Program service revenue (Part VIII, line 2g)	0	0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	100,650	68,392
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-261,157	-130,557
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,909,137	7,888,687

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	3,320,310	2,624,882
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	861,080	915,606
16a Professional fundraising fees (Part IX, column (A), line 11e)	63,613	0
b Total fundraising expenses (Part IX, column (D), line 25) ► 512,142		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,816,002	1,569,266
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	6,061,005	5,109,754
19 Revenue less expenses Subtract line 18 from line 12	-1,151,868	2,778,933

20 Total assets (Part X, line 16)	Beginning of Current Year 13,974,850	End of Year 17,420,339
21 Total liabilities (Part X, line 26)	540,047	613,025
22 Net assets or fund balances Subtract line 21 from line 20	13,434,803	16,807,314

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer CHRISTOPHER MCLEAN ASSISTANT TREASURER Type or print name and title	2013-09-23 Date
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Paid Preparer Use Only	Print/Type preparer's name AMY BIBBY	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00445891
	Firm's name ► DIXON HUGHES GOODMAN LLP			Firm's EIN ► 56-0747981	
	Firm's address ► 500 RIDGEFIELD COURT ASHEVILLE, NC 28806			Phone no (828) 254-2254	

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III **1 Briefly describe the organization's mission**

TO SUPPORT THE LIFE OF METHODIST LE BONHEUR HEALTHCARE BY INVITING COMMUNITY PHILANTHROPIC PARTNERS TO INVEST IN THE PARTS OF OUR MISSION THAT DEMAND ENHANCEMENTS IN RESEARCH, FACILITY OR PROGRAMS THE FOUNDATION INVITES ITS PARTNERS TO BUILD THE CAPACITY OF THE HEALTHCARE SYSTEM BY COMMUNICATING THE BOLD FAITH OF OUR FOUNDERS AND EXPANSIVE VISION OF A MORE FULL AND HEALTHY LIFE FOR THE COMMUNITIES WE SERVE

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 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 \$ 1,120,478 including grants of \$ 1,120,478) (Revenue \$)

#1 - PHYSICIANS' RESEARCH NETWORK METHODIST LE BONHEUR HEALTHCARE HAD 531 OPEN CLINICAL RESEARCH PROTOCOLS IN 2012 THE PHYSICIANS' RESEARCH NETWORK (PRN) OPERATES UNDER THE UMBRELLA OF THE METHODIST HEALTHCARE FOUNDATION AND FACILITATES ADULT AND PEDIATRIC RESEARCH WITHIN METHODIST HEALTHCARE PRN PROVIDES STUDY COORDINATION, SUPPORT SERVICES, AND REGULATORY ASSISTANCE TO INVESTIGATORS MANAGING INPATIENT AND OUTPATIENT CLINICAL RESEARCH TRIALS

4b (Code) (Expenses \$ 832,086 including grants of \$ 832,086) (Revenue \$)

#2 - THE CENTER OF EXCELLENCE IN FAITH AND HEALTH THE SPIRIT OF FAITH AND HEALING PERVERADES METHODIST LE BONHEUR HEALTHCARE AS A FAITH-BASED INSTITUTION, WE ARE WORKING TO DEFINE HOW WE CAN BETTER UTILIZE OUR FAITH RESOURCES AND OTHER ASSETS IN THE COMMUNITY TO IMPROVE HEALTH THAT MISSION HAS RESULTED IN A STRATEGY AROUND CONGREGATIONS AND OUR CONNECTION WITH THEM WE BELIEVE THAT CONGREGATIONS CAN PLAY A SIGNIFICANT ROLE IN HEALTHCARE WHEN THEY ARE STRATEGIC PARTNERS IN THEIR MEMBERS' HEALTH JOURNEYS TO THAT END, WE HAVE ENTERED INTO COVENANT RELATIONSHIPS WITH 450+ CONGREGATIONS TO IMPROVE THE ACCESS TO COMPREHENSIVE HEALTH SERVICES FOR ALL CITIZENS AND TO IMPROVE THE HEALTH STATUS OF THESE PATIENTS THE CENTER OF EXCELLENCE IN FAITH AND HEALTH (COE) WAS COMPLETED IN JANUARY 2011 AND IS HOUSED IN RENOVATED SPACE AT METHODIST UNIVERSITY HOSPITAL THE COE WILL ADVANCE HEALTH BY BRINGING FAITH AND HEALTH TOGETHER FOR THE IMPROVED WELLBEING OF THOUSANDS OF PATIENTS THE CENTER'S GOAL IS TO DRAMATICALLY ENHANCE QUALITY OF CARE AND SUPPORT FOR OUR PATIENTS AND THEIR FAMILIES WE BELIEVE THAT THE COUPLING OF FAITH AND HEALTH CAN NOT ONLY ELEVATE THE LEVEL OF CARE WE DELIVER TO OUR PATIENTS, BUT ALSO IMPROVE THE QUALITY OF LIFE FOR OUR COMMUNITY AND BEYOND THE ACTUAL CENTER OF EXCELLENCE SPACE TRANSFORMED THE PREVIOUSLY EXISTING INTENSIVE CARE WAITING ROOM INTO A STATE-OF-THE-ART FAMILY-CENTERED HEALING ENVIRONMENT WITH A QUIET AREA, RESOURCE ROOM, EDUCATION SPACES, MOVEABLE FURNITURE, AS WELL AS SPACE FOR LOCAL CLERGY TO COUNSEL THEIR MEMBERS IT ALSO HOUSES CREATIVE MEETING SPACE FOR ACADEMIC PARTNERS LOCALLY AND ACROSS THE GLOBE TO WORK WITH EACH OTHER, AS WELL AS PROVIDE TRAINING AND EDUCATION TO OUR ASSOCIATES, LOCAL CLERGY AND COMMUNITY HEALTH PARTNERS THE FOUNDATION RAISED OVER \$2 MILLION TO MAKE THIS PROJECT A REALITY IN ADDITION, WE PROVIDED EDUCATIONAL PROGRAMS REGARDING HEALTHCARE ISSUES TO 600+ CONGREGATIONAL MEMBERS, TRAINING THEM IN END-OF-LIFE CARE, HOSPITAL VISITATION, AND CANCER CARE, AMONG OTHER TOPICS REVENUES GENERATED FOR THE YEAR WERE \$794,999 AND EXPENSES INCURRED TOTATED \$832,086

4c (Code) (Expenses \$ 473,568 including grants of \$ 473,568) (Revenue \$)

#3 - COMPREHENSIVE SICKLE CELL CENTER OF MEMPHIS THE COMPREHENSIVE SICKLE CELL CENTER OF MEMPHIS OPENED IN 2012 IT PROVIDES COMPREHENSIVE CARE FOR ADULT PATIENTS WITH SICKLE CELL DISEASE THE CENTER INCLUDES AN OUTPATIENT TREATMENT CENTER FOR CLINICAL CARE AND ROUTINE HEALTH MAINTENANCE CARE AND AN IN-PATIENT UNIT FOR THOSE WITH MORE URGENT CARE NEEDS FUNDS WERE RAISED TO BUILD A CLINIC TO PROVIDE COMPREHENSIVE AND PREVENTIVE CARE TO OUR 1,600 SICKLE CELL PATIENTS IN THE GREATER MEMPHIS AREA THE CLINIC WAS DEDICATED ON SEPTEMBER 5, 2012 COORDINATING THE CARE OF THESE PATIENTS UNDER ONE ROOF CREATES GREATER CONTINUITY OF CARE A KEY ELEMENT OF DEVELOPING AN ADULT SICKLE CELL PROGRAM IS THE SEAMLESS TRANSITION OF PEDIATRIC PATIENTS FROM ST. JUDE CHILDREN'S RESEARCH HOSPITAL TO CARE AT THE COMPREHENSIVE SICKLE CELL CENTER IN ADDITION, WE ARE RECRUITING OUR PATIENTS WHO HAVE PREVIOUSLY PRESENTED FOR EMERGENCY CARE ONLY TO REGISTER FOR PREVENTIVE CARE AS WELL OVER THE NINE MONTHS SINCE OUR OFFICIAL OPENING, WE HAVE REGISTERED ALMOST 100 PATIENTS WHO NOW RECEIVE COMPREHENSIVE PREVENTIVE CARE FOR THEIR SICKLE CELL DISEASE AND RELATED PHYSICAL ISSUES THE PROCESS OF ENROLLING PATIENTS TO ASSESS THE TOTAL HEALTH STATUS OF THE PATIENT ALLOWS US TO PROVIDE MORE APPROPRIATE CARE DURING AN EMERGENCY VISIT DURING A SICKLE CELL CRISIS IN ADDITION, WE RAISED FUNDS TO ENDOW THE CLINICAL AND RESEARCH LEADER FOR THE COMPREHENSIVE SICKLE CELL CENTER REVENUES GENERATED IN 2012 WERE \$3,053,999 AND EXPENSES INCURRED TOTATED \$473,568

(Code) (Expenses \$ 1,502,099 including grants of \$ 198,750) (Revenue \$)

THE FOUNDATION RAISES FUNDS TO BENEFIT AND STRENGTHEN THE METHODIST LE BONHEUR HEALTHCARE PROGRAMS AND CENTERS OF EXCELLENCE FUNDS RAISED ENHANCE AND STRENGTHEN CLINICAL AND RESEARCH INITIATIVES, UNDERWRITE COSTS FOR FACILITIES, TECHNICIANS, AND EQUIPMENT AND BRIDGE THE GAP BETWEEN WHAT HOSPITAL CHARGES COVER AND WHAT IS NECESSARY TO STAY ON THE CUTTING EDGE OF MEDICAL SCIENCE IN 2012, THE FOUNDATION PROVIDED \$2,571,271 IN SUPPORT OF THESE PROGRAMS THE HOSPICE RESIDENCE IS A \$9 MILLION, 30-BED FREE-STANDING FACILITY ON SIX ACRES THAT PROVIDES RESIDENTIAL HOSPICE CARE FOR THOSE PATIENTS WHO CANNOT STAY IN THEIR HOMES AT THE END OF THEIR LIVES THE FACILITY CONTAINS A LARGE "LIVING ROOM", FAMILY RECHARGE AREAS AND LOVELY GARDENS THAT CAN BE ACCESSED BY ALL PATIENT ROOMS IT IS PART OF METHODIST ALLIANCE HOSPICE, A 501(C)(3) ORGANIZATION EIN 62-0841121, DIVISION OF METHODIST LE BONHEUR HEALTHCARE SINCE 1979, METHODIST HOSPICE HAS PROVIDED COMPASSIONATE CARE AND SUPPORT TO INDIVIDUAL AND THEIR FAMILIES WHO ARE FACING LIFES FINAL JOURNEY AS ONE OF THE FIRST HOSPICES IN THE COUNTRY TO RECEIVE MEDICARE CERTIFICATION, METHODIST HOSPICE WORKS TO HELP EAST THE END-OF-LIFE TRANSITION FOR ALMOST 150 FAMILIES IN THE MID-SOUTH EVERY DAY THE GRAND OPENING OF THIS FACILITY WAS HELD IN JULY, 2011 EXPENSES FOR OUR HOSPICE PROGRAM AND RESIDENCE TOTATED \$334,195 IN 2012, AND REVENUES WERE \$594,573, \$300,000 OF WHICH WAS UTILIZED TO UNDERWRITE THE HOSPICE CARE FOR INDIVIDUALS WHO COULD NOT PAY FOR THESE SERVICES METHODIST LE BONHEUR HEALTHCARE SUPPORTS LIFELONG LEARNING FOR PHYSICIANS BY PROVIDING THEM THE NECESSARY EVIDENCE-BASED INFORMATION IN FORMATS THAT WILL DEVELOP AND MAINTAIN COMPETENCE, ENHANCE KNOWLEDGE AND SKILLS, IMPROVE PERFORMANCE AND PATIENT OUTCOMES IN 2012, MLH OFFERED 41 COURSES, 55 REGULARLY SCHEDULED SERIES AND 10 ENDURING MATERIALS FOR A TOTAL OF 106 PROGRAMS, 1,766 HOURS A TOTAL OF 18,742 PHYSICIANS ATTENDED AND 946 NON-PHYSICIANS THE FOUNDATION SPENT \$175,261 AND BROUGHT IN \$118,859 IN 2012 IN SUPPORT OF THESE EDUCATIONAL OFFERINGS ANNUAL GIVING AND SPECIAL EVENT EFFORTS (NOT INCLUDING OUR TOP THREE EVENTS) HAD TOTAL EXPENSES OF \$42,101 AND REVENUE OF \$643,896 PROCEEDS FROM THESE EFFORTS BENEFIT OUR GRANT AND SCHOLARSHIP PROGRAMS AND PROVIDE FUNDS FOR THE AREAS OF GREATEST NEED WITHIN METHODIST LE BONHEUR HEALTHCARE AS DETERMINED BY OUR FOUNDATION BOARD OF DIRECTORS THE METHODIST FOUNDATION AWARDS COLLEGE SCHOLARSHIPS TO CHILDREN AND DEPENDENTS OF ASSOCIATES WHO PLAN TO PURSUE A CAREER IN A HEALTH-RELATED FIELD OF STUDY IN 2012, THE METHODIST FOUNDATION PRESENTED 20 SCHOLARSHIPS TOTALING \$22,000 MANY YEARS AGO, THE METHODIST FOUNDATION ESTABLISHED "THE HUMANITARIAN FUND" WHICH HELPS ASSOCIATES IN TIMES OF CRISIS (I E , FIRE, CRIME, DEATH) IN 2012, THE FOUNDATION PROVIDED \$358,868 IN SUPPORT OF THESE ASSOCIATES EXTERNAL ACCOUNTS AND HOSPITAL/DEPARTMENTAL FUNDS, INCLUDING OUR AUXILIARY'S FUNDRAISING, REPRESENTED \$639,438 IN EXPENSES AND \$730,196 IN REVENUE OTHER FUNDRAISING INITIATIVES FOR METHODIST HEALTHCARE SERVICE LINES AND PROGRAMS HAD REVENUES OF \$214,825 AND EXPENSES OF \$4,500

4d Other program services (Describe in Schedule O)

(Expenses \$ 1,502,099 including grants of \$ 198,750) (Revenue \$)

4e Total program service expenses ► 3,928,231

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

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

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts 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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, 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

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

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

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

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

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

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

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 and XII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)

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

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

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

	Yes	No
1	Yes	
2	Yes	
3		No
4		No
5		No
6		No
7		No
8		No
9		No
10	Yes	
11a	Yes	
11b	Yes	
11c		No
11d	Yes	
11e		No
11f	Yes	
12a		No
12b	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18	Yes	
19		No
20a		No
20b		

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	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? If "Yes," complete Schedule I, Parts I and III	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	No	
24b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
24c	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		
24d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No	
25b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	No	
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	No	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	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)	28a	No	
28b	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	No	
28c	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	No	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	No	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	No	
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No	
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	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? If "Yes," complete Schedule R, Part I	33	No	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No	
35b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	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? If "Yes," complete Schedule R, Part VI	37	No	
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38	Yes	
Note. All Form 990 filers are required to complete Schedule O				

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	78	
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	37	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No	
b If "Yes," enter the name of the foreign country See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).	7a	Yes	
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	Yes	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d		
d If "Yes," indicate the number of Forms 8282 filed during the year	7e	No	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a		
9 Sponsoring organizations maintaining donor advised funds.	9b		
a Did the organization make any taxable distributions under section 4966?			
b Did the organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter	10a		
a Initiation fees and capital contributions included on Part VIII, line 12	10b		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11 Section 501(c)(12) organizations. Enter	11a		
a Gross income from members or shareholders	11b		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.	13a		
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13b		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	No	
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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

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

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	17	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
1b		17	
b Enter the number of voting members included in line 1a, above, who are independent	1b		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 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	8a	Yes	
a The governing body?	8b	Yes	
b Each committee with authority to act on behalf of the governing body?	9		No
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			

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 this 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?	15a	Yes	
a The organization's CEO, Executive Director, or top management official	15b	Yes	
b Other officers or key employees of the organization			
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 TN

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
 Own website Another's website Upon request Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 SUE WAUGH 1211 UNION AVENUE SUITE 600 MEMPHIS, TN (901) 516-0656

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099- MISC)	(E) Reportable compensation from related organizations (W-2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Office	Key employee	Highest compensated	Former			
(1) L KIRKPATRICK BOBO BOARD CHAIR	2 00	X		X				0	0	0
(2) CAROLE W WEST SECRETARY	2 00	X		X				0	0	0
(3) LARRY JENSEN BOARD DIRECTOR	2 00	X						0	0	0
(4) NANCY BARNETT BOARD DIRECTOR	2 00	X						0	0	0
(5) JEANNE JEMISON BOARD DIRECTOR	2 00	X						0	0	0
(6) KURT TAUER MD BOARD DIRECTOR	2 00	X						0	0	0
(7) DEBBIE JONES BOARD DIRECTOR	2 00	X						0	0	0
(8) ANDREW MCCARROLL BOARD DIRECTOR	2 00	X						0	0	0
(9) REV DR DEBORAH SMITH BOARD DIRECTOR	2 00	X						0	0	0
(10) REV DR ERIC WINSTON BOARD DIRECTOR	2 00	X						0	0	0
(11) RICHARD W SMITH BOARD DIRECTOR	2 00	X						0	0	0
(12) LEWIS WILLIAMSON BOARD DIRECTOR	2 00	X						0	0	0
(13) THOMAS MARTY CARR BOARD DIRECTOR	2 00	X						0	0	0
(14) JOHN GLASS BOARD DIRECTOR	2 00	X						0	0	0
(15) DENNIS HIGDON THROUGH JUNE 2012 BOARD DIRECTOR	2 00	X						0	0	0
(16) JOHN PETTEY BOARD DIRECTOR	2 00	X						0	0	0
(17) SALLY SHY BOARD DIRECTOR	2 00	X						0	0	0

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

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **3**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SEMMES MURPHY FOUNDATION 6325 HUMPHREYS BLVD MEMPHIS TN 38120	FELLOWSHIP SERVICES	162,000
UNIVERSITY OF TENNESSEE HSC 625 DUNLAP ST RM 320 MEMPHIS TN 38163	SALARY SUPPORT	124,053
RICK B KIRCHOFF , 2044 THORNCROFT DRIVE GERMANTOWN TN 38138	CLERGY SERVICES	102,537

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

Part VIII Statement of Revenue

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

		(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	388,636		
	d Related organizations	1d			
	e Government grants (contributions)	1e	74,869		
	f All other contributions, gifts, grants, and similar amounts not included above	1f	7,487,347		
	g Noncash contributions included in lines 1a-1f \$		5,003		
	h Total. Add lines 1a-1f		7,950,852		
Program Service Revenue	2a	Business Code			
	b				
	c				
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f				
	3 Investment income (including dividends, interest, and other similar amounts)		68,392		68,392
4 Income from investment of tax-exempt bond proceeds					
5 Royalties					
6a Gross rents	(i) Real	(ii) Personal			
b Less rental expenses					
c Rental income or (loss)					
d Net rental income or (loss)					
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b Less cost or other basis and sales expenses					
c Gain or (loss)					
d Net gain or (loss)					
8a Gross income from fundraising events (not including \$ 388,636 of contributions reported on line 1c) See Part IV, line 18					
a	187,000				
b Less direct expenses	b	317,557			
c Net income or (loss) from fundraising events			-130,557		-130,557
9a Gross income from gaming activities See Part IV, line 19	a				
b Less direct expenses	b				
c Net income or (loss) from gaming activities					
10a Gross sales of inventory, less returns and allowances	a				
b Less cost of goods sold	b				
c Net income or (loss) from sales of inventory					
Miscellaneous Revenue	Business Code				
11a					
b					
c					
d All other revenue					
e Total. Add lines 11a-11d					
12 Total revenue. See Instructions		7,888,687	0	0	-62,165

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)

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	1,123,536	1,123,536		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	1,501,346	1,501,346		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	221,600		110,800	110,800
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	460,492		220,730	239,762
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	103,913		103,913	
9 Other employee benefits	86,704		42,142	44,562
10 Payroll taxes	42,897		18,591	24,306
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	1,942		1,942	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	127,794		53,147	74,647
12 Advertising and promotion				
13 Office expenses	85,276		80,198	5,078
14 Information technology				
15 Royalties				
16 Occupancy	1,388		1,388	
17 Travel	3,067		617	2,450
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	21,022		10,803	10,219
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,812		3,812	
23 Insurance	1,058		1,058	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a OTHER PROJECT DISBURSEMENT	1,303,349	1,303,349		
b MISCELLANEOUS EXPENSE	20,558		20,240	318
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	5,109,754	3,928,231	669,381	512,142
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response to any question in this Part X

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	17,700	1 6,447
	2 Savings and temporary cash investments	2	
	3 Pledges and grants receivable, net	2,931,245	3 3,477,115
	4 Accounts receivable, net	4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	6	
	7 Notes and loans receivable, net	7	
	8 Inventories for sale or use	8	
	9 Prepaid expenses and deferred charges	9	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	136,223
	b Less accumulated depreciation	10b	130,498
		9,116	10c 5,725
	11 Investments—publicly traded securities	7,536,604	11 9,446,972
	12 Investments—other securities See Part IV, line 11	1,913,143	12 2,846,588
	13 Investments—program-related See Part IV, line 11	13	
	14 Intangible assets	14	
	15 Other assets See Part IV, line 11	1,567,042	15 1,637,492
	16 Total assets. Add lines 1 through 15 (must equal line 34)	13,974,850	16 17,420,339
Liabilities	17 Accounts payable and accrued expenses	540,047	17 613,025
	18 Grants payable	18	
	19 Deferred revenue	19	
	20 Tax-exempt bond liabilities	20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D	21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	22	
	23 Secured mortgages and notes payable to unrelated third parties	23	
	24 Unsecured notes and loans payable to unrelated third parties	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	25	
	26 Total liabilities. Add lines 17 through 25	540,047	26 613,025
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	5,163,087	27 5,444,974
	28 Temporarily restricted net assets	8,271,716	28 11,362,340
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	30	
	31 Paid-in or capital surplus, or land, building or equipment fund	31	
	32 Retained earnings, endowment, accumulated income, or other funds	32	
	33 Total net assets or fund balances	13,434,803	33 16,807,314
	34 Total liabilities and net assets/fund balances	13,974,850	34 17,420,339

Part XI Reconciliation of Net AssetsCheck 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	7,888,687
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,109,754
3	Revenue less expenses Subtract line 2 from line 1	3	2,778,933
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	13,434,803
5	Net unrealized gains (losses) on investments	5	593,578
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	16,807,314

Part XII Financial Statements and ReportingCheck 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? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	No
2b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	Yes
2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes
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?	3a	Yes
3b 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	3b	Yes

2012

Open to Public
Inspection**SCHEDULE A**
(Form 990 or 990EZ)**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.

Department of the Treasury
Internal Revenue Service

Employer identification number

23-7320638

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

h Provide the following information about the supported organization(s)

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

(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 monetary support
(A) METHODIST HEALTHCARE - MEMPHIS HOSPITALS	620479367	3	Yes			807,489
(B) ALLIANCE HEALTH SERVICES INC	620841121	9	Yes			250,000
Total						1,057,489

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	
15 Public support percentage for 2011 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		►
b 33 1/3% support test—2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		►
17a 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		►
b 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		►
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		►

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15
16 Public support percentage from 2011 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions	

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

Facts And Circumstances Test

Explanation

SCHEDULE D

(Form 990)

OMB No 1545-0047

2012**Open to Public
Inspection****Supplemental Financial Statements**

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

Department of the Treasury
Internal Revenue Service**Name of the organization**

METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

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

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

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

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

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

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

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

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

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 XIII 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 XIII. Check here if the explanation has been provided in Part XIII

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	8,271,716	8,502,305	11,410,332	10,163,577	7,204,323
b Contributions	4,245,945	1,046,041	2,762,788	1,510,669	4,813,973
c Net investment earnings, gains, and losses	250,795	96,373	278,478	362,622	-417,684
d Grants or scholarships	22,000		1,195,806	260,261	324,504
e Other expenditures for facilities and programs	1,384,107	1,373,003	4,753,487	366,275	1,112,531
f Administrative expenses					
g End of year balance	11,362,349	8,271,716	8,502,305	11,410,332	10,163,577

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

a Board designated or quasi-endowment

b Permanent endowment

c Temporarily restricted endowment 100 000 %

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

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

(i) unrelated organizations

(ii) related organizations

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

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

4 Describe in Part XIII 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			136,223	130,498	5,725
e Other					
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)					5,725

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) HEDGE FUND OF FUNDS-LONG/SHORT EQUITY	633,979	F
(B) PRIVATE REAL ESTATE COMINGLED FUND	801,028	F
(C) COMINGLED EQUITY SECURITIES	1,411,581	F

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	8,799,822
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	593,578
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	593,578
3	Subtract line 2e from line 1	3	8,206,244
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 XIII)	4b	-317,557
c	Add lines 4a and 4b	4c	-317,557
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	7,888,687

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

1	Total expenses and losses per audited financial statements	1	5,427,311
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 XIII)	2d	317,557
e	Add lines 2a through 2d	2e	317,557
3	Subtract line 2e from line 1	3	5,109,754
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 XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	5,109,754

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE FOUNDATION RECEIVED A LIMITED AMOUNT OF DONOR-RESTRICTED ENDOWMENT FUNDING AND DOES NOT MAINTAIN ANY BOARD-DESIGNATED ENDOWMENTS IN ALL MATERIAL RESPECTS, INCOME FROM THE DONOR RESTRICTED ENDOWMENT FUNDS IS ITSELF RESTRICTED TO SPECIFIC DONOR-DIRECTED PURPOSES, AND IS THEREFORE ACCOUNTED FOR WITHIN TEMPORARILY RESTRICTED NET ASSETS UNTIL EXPENDED IN ACCORDANCE WITH THE DONOR'S WISHES. FOUNDATION FUNDS ARE INVESTED IN SECURITIES THAT, FROM TIME TO TIME, CAN EXPERIENCE DROPS IN MARKET VALUATIONS WHILE OUR INVESTMENT POLICIES ARE CONSERVATIVE AND STRIVE TO PROTECT PRINCIPAL AND CORPUS. THERE IS NO ASSURANCE THAT THE ABSOLUTE VALUE OF FUNDS CANNOT DROP BELOW ORIGINAL VALUE DURING TIMES OF SEVERE MARKET DROPS
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	THE ORGANIZATION CONSOLIDATES ITS AUDIT WITH ITS CORPORATE PARENT AND OTHER SUBSIDIARIES OF THE PARENT. THE FOLLOWING STATEMENT REFLECTS THE FIN 48 FOOTNOTE OF THE CONSOLIDATED GROUP. THE INTERNAL REVENUE SERVICE HAS DETERMINED THAT THE SYSTEM AND ALL OF THE NONPROFIT AFFILIATES FOR WHICH THE SYSTEM OR ITS BOARD OF DIRECTORS IS CONTROLLING MEMBER ARE EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE (IRC) SECTION 501(A) AS ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) AS QUALIFIED TAX-EXEMPT ORGANIZATIONS. THE SYSTEM'S NONPROFIT AFFILIATES MUST OPERATE IN CONFORMITY WITH THE IRC TO MAINTAIN THEIR TAX-EXEMPT STATUS. INCOME TAX FROM THE OPERATIONS OF THE SYSTEM'S WHOLLY OWNED FOR-PROFIT SUBSIDIARY, AMBULATORY OPERATIONS, INC., AND ITS SUBSIDIARIES IS NOT SIGNIFICANT. THE SYSTEM APPLIES FASB ASC TOPIC 740 (TOPIC 740), ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. TOPIC 740 CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAX POSITIONS AND PROVIDES GUIDANCE ON WHEN TAX POSITIONS ARE RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS AND HOW THE VALUES OF THESE POSITIONS ARE DETERMINED. THERE HAS BEEN NO IMPACT ON THE SYSTEM'S COMBINED FINANCIAL STATEMENTS AS A RESULT OF TOPIC 740.
PART XI, LINE 4B - OTHER ADJUSTMENTS		DIRECT FUNDRAISING EXPENSES -317,557
PART XII, LINE 2D - OTHER ADJUSTMENTS		DIRECT FUNDRAISING EXPENSES 317,557

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.

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

2012

Open to Public Inspection

Employer identification number

23-7320638

Name of the organization
METHODIST HEALTHCARE

METHODIST HEALTHCARE FOUNDATION

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

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

- a** Mail solicitations
- b** Internet and email solicitations
- c** Phone solicitations
- d** In-person solicitations
- e** Solicitation of non-government grants
- f** Solicitation of government grants
- g** Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

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 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col (a) through col (c))
		CANCER CENTER LUNCHEON (event type)	MH GOLF CLASSIC (event type)	1 (total number)	
1	Gross receipts . . .	291,750	185,590	98,296	575,636
2	Less Contributions . . .	179,550	159,490	49,596	388,636
3	Gross income (line 1 minus line 2) . . .	112,200	26,100	48,700	187,000
4	Cash prizes . . .	0	0	0	
5	Noncash prizes . . .	4,785	4,609	2,112	11,506
6	Rent/facility costs . . .	7,009	50,741	6,686	64,436
7	Food and beverages . .	38,755	10,389	30,820	79,964
8	Entertainment . . .	77,300	1,363	350	79,013
9	Other direct expenses .	44,484	2,204	35,950	82,638
10	Direct expense summary Add lines 4 through 9 in column (d)				► (317,557)
11	Net income summary Combine line 3, column (d), and line 10				► -130,557

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))
1	Gross revenue				
2	Cash prizes				
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 _____

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 Enter 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 of the third party

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 Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
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Schedule I
(Form 990)

2012

Open to Public
InspectionDepartment of the Treasury
Internal Revenue ServiceGrants and Other Assistance to Organizations,
Governments and Individuals in the United StatesComplete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
► Attach to Form 990

Name of the organization

METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

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. Part II can be duplicated 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
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(1) ALLIANCE HEALTH SERVICES INC 6400 SHELBY VIEW SUITE 101 MEMPHIS, TN 38104	62-0841121	501(C)(3)	250,000			VARIOUS PROGRAMS AND OPERATIONAL SUPPORT
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(2) METHODIST HEALTHCARE - MEMPHIS HOSPITALS 1265 UNION AVE MEMPHIS, TN 38104	62-0479367	501(C)(3)	333,921			CAPITAL ACQUISITION
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(3) METHODIST LE BONHEUR HEALTHCARE 1211 UNION AVENUE SUITE 700 MEMPHIS, TN 38104	58-1454711	501(C)(3)	66,047			OPERATIONAL SUPPORT
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(4) METHODIST HEALTHCARE - MEMPHIS HOSPITALS 1265 UNION AVE MEMPHIS, TN 38104	62-0479367	501(C)(3)	473,568			SUPPORT FOR THE SICKLE CELL CENTER
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2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ► 3

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.
 Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) PHYSICIANS' RESEARCH NETWORK - SUPPORT SERVICES AND REGULATORY ASSISTANCE FOR TRIALS MANAGEMENT	475	1,120,478			
(2) COLLEGE SCHOLARSHIPS	20	22,000			
(3) THE HUMANITARIAN FUND - ASSISTANCE IN TIMES OF CRISIS	378	358,868			

Part IV Supplemental Information.

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE GRANT REVIEW COMMITTEE (GRC) OF THE METHODIST HEALTHCARE FOUNDATION (MHF) BIANNUALLY ASSESSES PROPOSALS, IN THE FORMAT PROVIDED AS PART OF ITS GRANT APPLICATION PACKET, FOR FUNDING. PROJECTS ARE FUNDED BASED ON A STANDARD ADMINISTRATION PROCESS ESTABLISHED BY THE GRC. ADDITIONALLY, FUNDED PROJECTS INCLUDE THOSE THAT FIT CURRENT GRANT MAKING PRIORITIES OF METHODIST LE BONHEUR HEALTHCARE (MLH) GRANT APPLICATION PROCESS 1. ELIGIBILITY CRITERIA TO BE ELIGIBLE FOR THE GRANT, THE APPLICANT MUST FOCUS ON CLINICAL RESEARCH OR HEALTH OUTCOMES RELATED TO THE MISSION, GOALS AND STRATEGIC PLAN OF MLH, BE A MEMBER OF THE MLH MEDICAL STAFF IN GOOD STANDING WITH MLH, AND HAVE RECEIVED APPROPRIATE ADMINISTRATIVE OR INSTITUTIONAL REVIEW BOARD APPROVAL, IF APPLICABLE. 2. GRANT MAKING PRIORITIES. THE GRC FUNDS PROJECTS OF MANY TYPES, INCLUDING RESEARCH. THE GRC WILL GIVE PRIORITY TO PROJECTS THAT FIT THE MISSION AND GOALS OF MLH. THE GRANT AWARD PROGRAM PROVIDES SUPPORT TO GROUPS AND INDIVIDUALS THAT COMPLEMENT THE WORK CONDUCTED IN AREAS OF MOST INTEREST TO MLH, SPECIFICALLY NEUROSCIENCE, TRANSPLANTATION, CANCER, PATIENT SAFETY, QUALITY OF CARE, AND NURSING EXCELLENCE AND EDUCATION. DUE TO THE HIGH LEVEL OF COMPETITION FOR PHILANTHROPIC RESOURCES, SOME TYPES OF PROJECTS ARE NOT SUPPORTED AS A MATTER OF GENERAL POLICY. THE FOLLOWING IS A LIST OF ACTIVITIES THAT ARE NOT SUPPORTED BY THE GRANT REVIEW PROCESS OF THE FOUNDATION - BASIC SCIENCE - ONGOING GENERAL OPERATING EXPENSES OR EXISTING DEFICITS - INDIRECT COSTS - POLITICAL CONTRIBUTIONS - PROJECTS IN CONFLICT WITH THE MISSION STATEMENT OF MLH - PROJECTS IN CONFLICT WITH THE SOCIAL PRINCIPLE OF THE UNITED METHODIST CHURCH. ADDITIONALLY, THE GRC RARELY AWARDS GRANTS FOR - CONFERENCES OR SYMPOSIA (UNLESS THEY ARE CLEARLY RELATED TO THE FOUNDATION'S GOALS AND PRIORITIES) - PUBLICATIONS OR MEDIA PROJECTS, EXCEPT THOSE THAT GROW OUT OF ONE OF OUR GRANT PROGRAMS.

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

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.

2012**Open to Public Inspection**Name of the organization
METHODIST HEALTHCARE FOUNDATION**Employer identification number**

23-7320638

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

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

Yes**No**

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

4b**Yes**

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

4c**No**

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

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

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

a The organization?

No

b Any related organization?

No

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

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

a The organization?

No

b Any related organization?

No

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

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

7**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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

8**No**

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

9

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) PAULA JACOBSON FOUNDATION PRESIDENT	(i) 193,991 (ii) 0	0	27,609 0	38,746 0	8,256 0	268,602 0	22,186 0
(2) W STEVEN WEST CO-SECRETARY	(i) 0 (ii) 189,036	0 42,611	0 110,612	0 59,474	0 20,693	0 422,426	0 104,103
(3) LARRY SPRATLIN CO-TREASURER	(i) 0 (ii) 289,765	0 38,391	0 36,781	0 36,718	0 19,063	0 420,718	0 30,544
(4) CHRISTOPHER MCLEAN ASSISTANT TREASURER	(i) 0 (ii) 463,726	0 176,443	0 21,082	0 130,578	0 23,109	0 814,938	0 0
(5) LORI KESSLER ADMIN DIR OF MED EDUCATION & RESEA	(i) 130,229 (ii) 0	10,001 0	1,335 0	17,649 0	25,000 0	184,214 0	0 0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 4B	<p>THE PURPOSE OF THE METHODIST LE BONHEUR HEALTHCARE CONSOLIDATED EXECUTIVE DEFERRED COMPENSATION PLAN IS TO PROVIDE RETIREMENT BENEFITS FOR CERTAIN EXECUTIVE LEVEL EMPLOYEES IN ADDITION TO THE BENEFITS PROVIDED THROUGH THE OTHER RETIREMENT PLANS THAT ARE SPONSORED BY THE COMPANY. IT IS INTENDED THAT THIS PLAN COMPLY WITH INTERNAL REVENUE CODE SECTION 457(F) AND QUALIFY FOR THE SHORT TERM DEFERRAL EXCEPTION TO CODE SECTION 409A. UNDER THE PLAN, CORPORATE EXECUTIVES AT OR ABOVE THE VICE PRESIDENT LEVEL ARE ELIGIBLE TO RECEIVE EXECUTIVE DEFERRED COMPENSATION CREDITS DEPENDING ON THEIR POSITION CLASSIFICATION [6%, 8%, 10%, 12% OF BASE SALARY]. EACH PLAN YEAR, THE EXECUTIVE MUST ELECT A DEFERRED VESTING DATE TO BE APPLIED TO THE DEFERRED COMPENSATION CREDIT THAT WILL BE EARNED IN THAT PLAN YEAR. THE DEFERRED VESTING DATE IS SUBJECT TO A VESTING SCHEDULE THAT REQUIRES A MINIMUM DEFERRAL OF 5 YEARS TO BECOME VESTED UPON REACHING AGE 55, THE MINIMUM DEFERRAL IS REDUCED TO 3 YRS UPON REACHING AGE 60, THE MINIMUM DEFERRAL IS REDUCED TO 2 YRS. AT AGE 64, A CASH EQUIVALENT IS PROVIDED TO THE EXECUTIVE AND NO ADDITIONAL DEFERRALS ARE MADE UNDER THIS PLAN. THE PLAN IS UNFUNDED WITH ALL BENEFITS PAID FROM THE COMPANY'S GENERAL ASSETS. HOWEVER, THE EXECUTIVE IS ALLOWED TO DIRECT THE INVESTMENTS OF HIS DEFERRED COMPENSATION CREDIT IN A MENU OF INVESTMENT ALTERNATIVES MADE AVAILABLE BY THE COMPANY. UPON VESTING, A DISTRIBUTION IS PROVIDED LESS APPLICABLE TAX IN THE CASE OF A VOLUNTARY TERMINATION OF EMPLOYMENT BY THE EXECUTIVE OR INVOLUNTARY TERMINATION OF EMPLOYMENT FOR CAUSE BY THE COMPANY, THE NON-VESTED FUNDS ARE FORFEITED. ACCELERATED VESTING (100%) IS ALLOWED UPON DEATH, DISABILITY OR AN INVOLUNTARY TERMINATION BY THE COMPANY WITHOUT CAUSE. ALLOCATIONS TO THE PLAN FOR 2012 INCLUDE THE FOLLOWING: PAULA JACOBSON - \$ 15,721 CHRISTOPHER MCLEAN - 56,565 LARRY SPRATLIN - 23,473 W STEVEN WEST - 7,160</p>
	PART I, LINE 7	<p>THE MANAGEMENT INCENTIVE PLAN INTENDS TO REWARD MANAGEMENT FOR THE ACHIEVEMENT OF PERFORMANCE AGAINST A PRE-ESTABLISHED SET OF BALANCED AND CHALLENGING GOALS. THE PLAN ALSO INCLUDES A PROVISION THAT DEFERS VESTING OF A PORTION OF THE AWARD SUBJECT TO CONTINUED EMPLOYMENT (WITH A SUBSTANTIAL RISK OF FORFEITURE) TO ENCOURAGE RETENTION OF EXECUTIVES. THIS PLAN IS REVIEWED BY AN EXTERNAL THIRD-PARTY CONSULTANT.</p>
SUPPLEMENTAL INFORMATION	PART III	<p>PART I, LINE 3 - THE BOARD OF METHODIST LE BONHEUR HEALTHCARE, A RELATED ORGANIZATION AND CORPORATE OVERSIGHT ENTITY, CONDUCTS THE FOLLOWING METHODS TO ESTABLISH COMPENSATION FOR ITS OFFICERS AND KEY EMPLOYEES - COMPENSATION COMMITTEE - INDEPENDENT COMPENSATION CONSULTANT - FORM 990 OF OTHER ORGANIZATIONS - WRITTEN EMPLOYMENT CONTRACT - COMPENSATION STUDY / SURVEY - APPROVAL BY THE BOARD / COMPENSATION COMMITTEE</p>

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.

2012**Open to Public
Inspection**

Name of the organization

METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 1	THE EXECUTIVE COMMITTEE SHALL CONSIST OF THE CHAIR AND VICECHAIR OF THE BOARD, THE PRESIDENT OF THE CORPORATION, THE METHODIST LE BONHEUR HEALTHCARE REPRESENTATIVE TO THE BOARD, AND OTHER MEMBERS AS APPOINTED BY THE CHAIR. THIS COMMITTEE SHALL ACT AS AN ADVISORY COMMITTEE TO THE BOARD OF DIRECTORS AND TO THE OTHER OFFICERS OF THE CORPORATION EXCEPT THAT IT SHALL HAVE THE POWER TO ACT WHEN THE BOARD IS NOT IN SESSION, AND IT SHALL PERFORM SUCH FUNCTIONS AND DUTIES THAT MAY BE DELEGATED TO IT BY THE BOARD OF DIRECTORS, HOWEVER, THE EXECUTIVE COMMITTEE MAY NOT AUTHORIZE DISTRIBUTIONS OF ASSETS, APPROVE OR RECOMMEND TO THE MEMBER DISSOLUTION, MERGER, OR THE SALE, PLEDGE OR TRANSFER OF ALL OR SUBSTANTIALLY ALL OF THE CORPORATION'S ASSETS, ELECT, APPOINT OR REMOVE DIRECTORS OR FILL VACANCIES ON THE BOARD OR ON ANY OF ITS COMMITTEES, OR TAKE ANY OTHER ACTION CONTRARY TO THE POWERS RESERVED FOR THE MEMBERS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 2	DUE TO THE INTER-CONNECTIVE NATURE OF BUSINESS, A FEW INDIVIDUALS ON THE BOARD WERE IDENTIFIED AS HAVING BUSINESS RELATIONSHIPS WITH OTHER BOARD MEMBERS. THE METHODIST HEALTHCARE FOUNDATION DIRECTOR SELECTION COMMITTEE HAS TAKEN GREAT CARE IN IDENTIFYING THESE RELATIONSHIPS PRIOR TO SELECTION TO ENSURE THE INTEGRITY OF BOARD DECISIONS ARE PRESERVED AND POTENTIAL CONFLICTS OF INTEREST ARE MINIMIZED IN THE FUTURE. BOARD MEMBERS L. KIRKPATRICK, BOBO AND JOHN PETTEY HAVE A BUSINESS RELATIONSHIP.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	METHODIST HEALTHCARE FOUNDATION IS A SUBSIDIARY OF METHODIST LE BONHEUR HEALTHCARE (MLH, 58-1454711) WITH MLH AS THE SOLE MEMBER

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	AS THE SOLE MEMBER OF THE ORGANIZATION, MLH AND ITS BOARD OF DIRECTORS ELECT ALL MEMBERS OF THE GOVERNING BODY FOR METHODIST HEALTHCARE FOUNDATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7B	<p>THE MEMBER SHALL FROM TIME TO TIME ADOPT AND PROMULGATE SUCH AMENDMENTS, AS THEY SHALL DEEM APPROPRIATE TO THE BY LAWS AND TO THE GENERAL POLICIES AND GUIDELINES OF THE CORPORATION, ALL OF WHICH SHALL BE CONSISTENT WITH THE PURPOSES OF THE CORPORATION UPON REQUEST BY THE BOARD OF DIRECTORS AND AT SUCH OTHER TIMES AS THE MEMBER MAY SELECT, THE MEMBER SHALL REVIEW THE AFFAIRS OF THE CORPORATION AND TAKE SUCH ACTION AS IT MAY DEEM APPROPRIATE IN ACCORDANCE WITH THE BY LAWS THE FOLLOWING ITEMS, AFTER BEING REVIEWED AND ADOPTED BY THE BOARD OF DIRECTORS, SHALL BE SUBMITTED TO THE MEMBER FOR APPROVAL - IN THE LAST MONTH OF EACH FISCAL YEAR, A STRATEGIC PLAN, AND A ONE (1) YEAR OPERATING BUDGET OF THE CORPORATION'S ENSUING FISCAL YEAR, AND THEREAFTER, ANY ACTION WHICH WILL RESULT IN A SUBSTANTIAL CHANGE IN THE EXPENDITURES OR REVENUE FORECAST IN ANY SUCH PLANS OR BUDGETS, - ANY SALE, EXCHANGE, GIFT MORTGAGE, OPTION, LEASE WITH A TERM IN EXCESS OF ONE (1) YEAR (EXCEPT TO DOCTORS FOR OFFICE SPACE), OR OTHER DISPOSITION OF ANY REAL PROPERTY (INCLUDING IMPROVEMENTS THEREON) OR INTEREST THEREIN OWNED BY THE CORPORATION, OR ANY OTHER ASSET OR ASSETS OWNED BY THE CORPORATION WITH A VALUE IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000), EXCEPT WITH RESPECT TO TRANSACTIONS SPECIFIED AND PREVIOUSLY APPROVED WITHIN THE CAPITAL OR OPERATING BUDGETS, - ANY APPLICATION FOR A GOVERNMENT GRANT, - ANY AMENDMENT OR RESTATEMENT OF THE CORPORATE CHARTER OR ANY PLAN OF MERGER, CONSOLIDATION OR DISSOLUTION OF THE CORPORATION, - ANY INDEMNIFICATION OF PERSONS BY THE CORPORATION EXCEPT AS SPECIFIED IN THESE BY LAWS, - ANY ACTION OR INACTION AT VARIANCE WITH THE STATED POLICIES OF THE CORPORATION, WHICH POLICIES HAVE BEEN APPROVED BY THE MEMBER, - THE NEGOTIATION, IMPLEMENTATION, NON-RENEWAL OR ANY OTHER ACTION TAKEN WITH RESPECT TO ANY MANAGEMENT CONTRACT, - ANY RELEASE OR CANCELLATION BY THE CORPORATION OF A CLAIM OR RIGHT OF ACTION AGAINST ANOTHER PARTY IN AN AMOUNT IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000), - THE SELECTION OF ANY BANKING INSTITUTIONS AS A DEPOSITORY OF CORPORATE FUNDS, AND - ANY OTHER MATTERS AS MAY BE REQUIRED BY LAW TO BE SUBMITTED TO THE MEMBER OF A NOT FOR PROFIT CORPORATION</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM WITH INPUT FROM HUMAN RESOURCES, LEGAL, COMPLIANCE, AND FINANCE DEPARTMENTS AND EXTERNAL FINANCIAL CONSULTANTS. FINANCIAL INFORMATION IS RECONCILED TO AUDITED FINANCIAL STATEMENTS AS APPROPRIATE. THE INFORMATION TO BE DISCLOSED REGARDING COMPENSATION IS REVIEWED WITH THE COMPENSATION COMMITTEE OF THE BOARD. THE RETURN IS REVIEWED BY THE CHIEF FINANCIAL OFFICER OF MLH AND MANAGEMENT OF THE ORGANIZATION AS APPROPRIATE. A COPY OF THE RETURN IS PROVIDED TO EACH BOARD MEMBER VIA E-MAIL PRIOR TO FILING THE RETURN

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	METHODIST LE BONHEUR HEALTHCARE, THE PARENT ORGANIZATION, EMPLOYS A COMPLIANCE OFFICER WHO MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY FOR ALL VOTING BOARD MEMBERS AND APPLICABLE OFFICERS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION FOR OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION IS DETERMINED BY THE BOARD OF DIRECTORS OF METHODIST LE BONHEUR HEALTHCARE, THE PARENT ORGANIZATION AN EXTERNAL INDEPENDENT CONSULTANT ADVISES THE BOARD COMPENSATION COMMITTEE ON EXECUTIVE SALARY AND INCENTIVE COMPENSATION BENEFITS ARE PERIODICALLY BENCHMARKED BY A SEPARATE EXTERNAL CONSULTANT AND ANY CHANGES ARE APPROVED BY THE BOARD OF DIRECTORS COMPENSATION COMMITTEE. THE COMPENSATION COMMITTEE IS COMPRISED OF INDEPENDENT MEMBERS AND IS A SUBGROUP OF THE FULL BOARD OF DIRECTORS. THE COMPENSATION CONSULTANT ANNUALLY DEVELOPS TOTAL CASH COMPENSATION COMPARISONS OF PEER NON-PROFIT SYSTEMS ESTABLISHED BY THE COMPENSATION COMMITTEE. THE COMPENSATION CONSULTANT INTERPRETS THE INFORMATION AND PROVIDES AN OPINION OF REASONABLENESS ON THE TOTAL CASH COMPENSATION PACKAGE. THE COMPENSATION COMMITTEE APPROVES ANY CHANGES TO THE COMPENSATION AND EXECUTIVE BENEFIT STRUCTURE OF THE CEO AND OTHER TOP EXECUTIVES, OTHERWISE KNOWN AS DISQUALIFIED CANDIDATES. ALL OTHER COMPENSATION DECISIONS ARE DETERMINED BY ARRANGEMENT AS DELEGATED BY THE BOARD OF DIRECTORS. THE COMMITTEE DOCUMENTS ALL DETERMINATIONS.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 18	PHOTOCOPIES OF THE FORM 990 ARE AVAILABLE UPON REQUEST AT THE ORGANIZATION'S ADMINISTRATIVE OFFICE. IN ADDITION, RECENT FILINGS OF THE FORM 990 ARE AVAILABLE ONLINE AT OUR WEBSITE IN THE "ABOUT US" SECTION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION'S FINANCIAL STATEMENTS ARE AUDITED IN A CONSOLIDATION WITH ITS CORPORATE PARENT, METHODIST LE BONHEUR HEALTHCARE, AND RELATED SUBSIDIARIES. INFORMATION ON FINANCIAL STATEMENTS IS AVAILABLE BY CONTACTING THE ORGANIZATION'S CORPORATE OFFICE. PLEASE SEE FORM 990, PART VI, LINE 20 FOR DETAILS. CONFLICT OF INTEREST POLICY AND GOVERNING DOCUMENTS FOR ALL AFFILIATES OF METHODIST LE BONHEUR HEALTHCARE ARE ALSO AVAILABLE BY REQUEST.

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR

SCHEDULE R (Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization
METHODIST HEALTHCARE FOUNDATION

Employer identification number

23-7320638

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

(a) Name, address, and EIN (if applicable) 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" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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			
(1) DESOTO DIAGNOSTIC IMAGING LLC 9085 SANDIDGE CTR CV OLIVE BRANCH, MS 38654 62-1802576	RADIOLOGY	MS	N/A								
(2) NORTH SURGERY CENTER LP 3960 NEW COVINGTON PIKE MEMPHIS, TN 38128 62-1685756	SURGERY CENTER	TN	N/A								
(3) METHODIST SURGERY CENTER- GERMANTOWN LP 1363 S GERMANTOWN ROAD GERMANTOWN, TN 38138 62-1659904	SURGERY CENTER	TN	N/A								
(4) HAMILTON EYE INSTITUTE SURGERY CENTER LP 930 MADISON AVE 3RD FLOOR MEMPHIS, TN 38103 20-2873438	SURGERY CENTER	TN	N/A								

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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		(i) Section 512 (b)(13) controlled entity?
							Yes	No	
(1) AMBULATORY OPERATIONS INC 1211 UNION AVENUE SUITE 600 MEMPHIS, TN 38104 62-1157166	MEDICAL SERVICES	TN	N/A	C					No
(2) SOLUS MANAGEMENT SERVICES INC 6400 SHELBY VIEW SUITE 101 MEMPHIS, TN 38134 62-1361349	HEALTH SERVICES MANAGEMENT	TN	N/A	C					No
(3) MEMPHIS PROFESSIONAL BUILDING INC 1211 UNION AVENUE SUITE 600 MEMPHIS, TN 38104 62-1847544	INVESTMENTS	TN	N/A	C					No

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

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(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** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

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

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

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

	Yes	No
1a		No
1b	Yes	
1c	Yes	
1d	Yes	
1e		No
1f		No
1g		No
1h		No
1i		No
1j	Yes	
1k	Yes	
1l	Yes	
1m	Yes	
1n		No
1o	Yes	
1p	Yes	
1q	Yes	
1r		No
1s		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-s)	(c) Amount involved	(d) Method of determining amount involved

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

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.

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: 23-7320638
Name: METHODIST HEALTHCARE 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
METHODIST LE BONHEUR HEALTHCARE 1211 UNION AVENUE SUITE 700 MEMPHIS, TN 38104 58-1454711	SUPPORTING ORGANIZATION	TN	501(C)(3)	LINE 11B, II	N/A	No
METHODIST HEALTHCARE - MEMPHIS HOSPITALS 1265 UNION AVENUE MEMPHIS, TN 38104 62-0479367	HOSPITALS	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE - FAYETTE HOSPITAL 214 LAKEVIEW DRIVE SOMERVILLE, TN 38068 62-0862334	HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST EXTENDED CARE HOSPITAL INC 225 SOUTH CLAYBROOK MEMPHIS, TN 38104 62-1518342	HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE PRIMARY CARE ASSOCIATES 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 58-2078931	OUTPATIENT HEALTHCARE	TN	501(C)(3)	LINE 9	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE COMMUNITY CARE ASSOCIATES 6400 SHELBY VIEW SUITE 101 MEMPHIS, TN 38134 62-1403517	OUTPATIENT HEALTHCARE	TN	501(C)(3)	LINE 9	METHODIST LE BONHEUR HEALTHCARE	No
ALLIANCE HEALTH SERVICES INC 6400 SHELBY VIEW SUITE 101 MEMPHIS, TN 38134 62-0841121	HEALTHCARE	TN	501(C)(3)	LINE 9	METHODIST LE BONHEUR HEALTHCARE	No
LE BONHEUR CHILDREN'S HOSPITAL FOUNDATION 850 POPLAR AVENUE BLDG 2 MEMPHIS, TN 38105 62-1872938	FOUNDATION	TN	501(C)(3)	LINE 11A, I	METHODIST LE BONHEUR HEALTHCARE	No
LE BONHEUR COMMUNITY HEALTH AND WELL-BEING 50 PEABODY PLACE MEMPHIS, TN 38103 62-1251288	FOUNDATION	TN	501(C)(3)	LINE 7	LE BONHEUR CHILDREN'S FOUNDATION	No
METHODIST HEALTHCARE-JONESBORO HOSPITAL 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 71-0499625	INACTIVE HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE-DYERSBURG HOSPITAL 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 62-1155084	INACTIVE HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE CENTRAL MS MEDICAL ASSOCIATES 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 64-0884720	INACTIVE HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE-JACKSON HOSPITAL 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 64-0794199	INACTIVE HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE-MIDDLE MISSISSIPPI HOSPITAL 1211 UNION AVENUE SUITE 657 MEMPHIS, TN 38104 64-0698911	INACTIVE HOSPITAL	TN	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No
METHODIST HEALTHCARE-OLIVE BRANCH HOSPITAL 1211 UNION AVENUE SUITE 700 MEMPHIS, TN 38104 64-0889822	HOSPITAL	MS	501(C)(3)	LINE 3	METHODIST LE BONHEUR HEALTHCARE	No