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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

▶ **Do not enter Social Security numbers on this form as it may be made public.**

▶ **Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning 07/01, 2013, and ending 06/30, 2014

Name of foundation
HEALTHCARE INITIATIVE FOUNDATION

A Employer identification number
23-7324576

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
7910 WOODMONT AVENUE | 500

B Telephone number (see instructions)
(301) 907-9144

City or town, state or province, country, and ZIP or foreign postal code
BETHESDA, MD 20814

C If exemption application is pending, check here . . . . . ▶ ☐

D 1. Foreign organizations, check here . ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation . . . . . ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here . ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 34,234,455.

J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc , received (attach schedule)				
2 Check ▶ ☒ if the foundation is **not** required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	1,233,949.	1,233,949.		ATCH 1
5a Gross rents				
b Net rental income or (loss) _____				
6a Net gain or (loss) from sale of assets not on line 10	4,920,044.			
b Gross sales price for all assets on line 6a 25,550,101.				
7 Capital gain net income (from Part IV, line 2)		4,920,044.		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	6,153,993.	6,153,993.		
13 Compensation of officers, directors, trustees, etc	136,529.	1,313.		132,275.
14 Other employee salaries and wages				
15 Pension plans, employee benefits	28,871.	278.		28,484.
16a Legal fees (attach schedule) ATCH 2	436.			436.
b Accounting fees (attach schedule) ATCH 3	63,374.	6,233.		57,997.
c Other professional fees (attach schedule) *	5,700.			5,700.
17 Interest				
18 Taxes (attach schedule) (see instructions) ATCH 5	179,798.			
19 Depreciation (attach schedule) and depletion	682.			
20 Occupancy				
21 Travel, conferences, and meetings	4,468.	822.		3,646.
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	41,135.	39.		41,567.
24 **Total operating and administrative expenses.** Add lines 13 through 23	460,993.	8,685.		270,105.
25 Contributions, gifts, grants paid	239,923.			683,537.
26 **Total expenses and disbursements** Add lines 24 and 25	700,916.	8,685.	0	953,642.
27 Subtract line 26 from line 12				
a **Excess of revenue over expenses and disbursements**	5,453,077.			
b **Net investment income** (if negative, enter -0-)		6,145,308.		
c **Adjusted net income** (if negative, enter -0-)				

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Operating and Administrative Expenses

SCANNED JUN 08 2015

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	31,745.	51,041.	51,041.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	6,187.	2,436.	2,436.
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule)			
	c Investments - corporate bonds (attach schedule)			
	11 Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶ (attach schedule)			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule) ATCH 7	25,800,018.	31,252,237.	33,918,855.
	14 Land, buildings, and equipment basis ▶ 4,115. Less accumulated depreciation ▶ 2,807. (attach schedule)	1,990.	1,308.	ATCH 8 1,308.
	15 Other assets (describe ▶ ATCH 9)	174,297.	170,738.	260,815.
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	26,014,237.	31,477,760.	34,234,455.
Liabilities	17 Accounts payable and accrued expenses	20,368.	22,091.	
	18 Grants payable	651,745.	208,131.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ ATCH 10)	159,507.	151,995.	
	23 **Total liabilities** (add lines 17 through 22)	831,620.	382,217.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	25,078,489.	30,991,415.	
	25 Temporarily restricted	104,128.	104,128.	
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, ▶ [ ] check here and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see instructions)	25,182,617.	31,095,543.	
	31 **Total liabilities and net assets/fund balances** (see instructions)	26,014,237.	31,477,760.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	25,182,617.
2	Enter amount from Part I, line 27a	2	5,453,077.
3	Other increases not included in line 2 (itemize) ▶ ATCH 11	3	459,849.
4	Add lines 1, 2, and 3	4	31,095,543.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	31,095,543.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo , day, yr)
1a	SEE PART IV SCHEDULE			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	4,920,044.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2012	26,414,387.	35,268,663.	0.748948
2011			
2010			
2009			
2008			

2	**Total** of line 1, column (d)	2	0.748948
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.748948
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	32,037,442.
5	Multiply line 4 by line 3	5	23,994,378.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	61,453.
7	Add lines 5 and 6	7	24,055,831.
8	Enter qualifying distributions from Part XII, line 4	8	953,642.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	122,906.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	122,906.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	122,906.
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a: 90,852.		
b	Exempt foreign organizations - tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 32,054.		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	122,906.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ _____ (2) On foundation managers ▶ $ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MD,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation.*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV.*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.HIFMC.ORG

14 The books are in care of ▶ COUNCILOR, BUCHANAN & MITCHELL, Telephone no. ▶ 301-986-0600

Located at ▶ 7910 WOODMONT AVE., SUITE 500, BETHESDA, MD ZIP+4 ▶ 20814-3048

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ Yes ☒ No			
	If "Yes," list the years ▶ _____, _____, _____, _____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ _____, _____, _____, _____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATCH 12		136,529.	19,651.	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶ 0

JSA

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Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 **Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
All other program-related investments See instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

Form **990-PF** (2013)

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	32,126,539.
b	Average of monthly cash balances	1b	134,224.
c	Fair market value of all other assets (see instructions)	1c	264,559.
d	**Total** (add lines 1a, b, and c)	1d	32,525,322.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	32,525,322.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	487,880.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	32,037,442.
6	**Minimum investment return.** Enter 5% of line 5	6	1,601,872.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	1,601,872.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	122,906.		
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	122,906.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	1,478,966.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	1,478,966.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1.			7	1,478,966.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	953,642.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	953,642.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	953,642.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				1,478,966.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years 20 11 ,20 10 ,20 09				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012 24,741,803.				
f Total of lines 3a through e	24,741,803.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 953,642.				
a Applied to 2012, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2013 distributable amount				953,642.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	525,324.			525,324.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	24,216,479.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)				
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	24,216,479.			
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012 24,216,479.				
e Excess from 2013				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2).)

N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

ATCH 13

b The form in which applications should be submitted and information and materials they should include

ATCH 14

c Any submission deadlines

ATCH 15

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

ATCH 16

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATCH 17				
Total ▶ **3a**				683,537.
b *Approved for future payment*				
ATCH 18				
Total ▶ **3b**				208,131.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	1,233,949.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	4,920,044.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				6,153,993.	
13 Total. Add line 12, columns (b), (d), and (e)				13	6,153,993.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions.)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	N/A		N/A

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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 taxpayer) is based on all information of which preparer has any knowledge

Sign Here

▶ BW Beckham — 4/17/15 — ▶ TREAS SECY

Signature of officer or trustee — Date — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
PHILIP R BAKER	Philip Baker	3/27/15		P00010692

Firm's name ▶ REGARDIE, BROOKS & LEWIS, CHTD — Firm's EIN ▶ 52-1038701

Firm's address ▶ 7101 WISCONSIN AVE, BETHESDA, MD 20814-4805 — Phone no 301-654-9000

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES				D	VAR	VAR
25550101.		20630057.					4,920,044.	
TOTAL GAIN(LOSS)							4,920,044.	

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIVIDENDS AND CAPITAL GAINS		1,233,949.	1,233,949.
	TOTAL	1,233,949.	1,233,949.

ATTACHMENT 2

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES	436.			436.
TOTALS	436.			436.

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
BOOKKEEPING/ACCOUNTING FEES	44,059.	2,931.		41,984.
AUDIT FEES	19,315.	3,302.		16,013.
TOTALS	63,374.	6,233.		57,997.

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
TAX AND OTHER CONSULTATIONS	5,700.	5,700.
TOTALS	5,700.	5,700.

ATTACHMENT 5

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
EXCISE TAX ON NET INVESTMENT INCOME	179,798.
TOTALS	179,798.

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
OFFICE SUPPLIES	11,483.		11,962.
MEMBERSHIP DUES	13,900.		13,900.
INSURANCE	11,623.		11,623.
PENSION ADMINISTRATION EXPENSE	1,800.	17.	1,783.
PAYROLL ADMINISTRATION	2,329.	22.	2,299.
TOTALS	41,135.	39.	41,567.

ATTACHMENT 7

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MUTUAL FUNDS (SEE DETAILS ON ATTACHMENT 19)	31,252,237.	33,918,855.
TOTALS	31,252,237.	33,918,855.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 8

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	ACCUMULATED DEPRECIATION DETAIL BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
FURNITURE	SL	2,466.			2,466.	2,083.	352.		2,435.
COMPUTER EQUIPMENT	SL	1,649.			1,649.	42.	330.		372.
COMPUTER EQUIPMENT	SL	285.		285.		285.		285.	
TOTALS		4,400.			4,115.	2,410.			2,807.

ATTACHMENT 9

FORM 990PF, PART II - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
ASSETS HELD IN NONQUALIFIED EMPLOYEE BENEFIT PLAN	66,610.	84,316.
ASSETS HELD IN CHARITABLE REMAINDER TRUSTS	104,128.	176,499.
TOTALS	170,738.	260,815.

ATTACHMENT 10

FORM 990PF, PART II - OTHER LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
FEDERAL EXCISE TAXES PAYABLE	32,053.
DEFERRED FEDERAL EXCISE TAX LIABILITY	53,332.
OBLIGATION UNDER NONQUALIFIED EMPLOYEE BENEFIT PLAN	66,610.
TOTALS	151,995.

ATTACHMENT 11

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
COST BASIS ADJUSTMENT FOR INVESTMENTS	459,849.
TOTAL	459,849.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES ATTACHMENT 12

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ROBERT H. MYERS, JR. 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	CHAIRMAN 4.00	0	0	0
DAVID J. KRESSLER 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	VICE CHAIRMAN 10.00	0	0	0
BENJAMIN GUILIANI 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	TREASURER 10.00	0	0	0
STEPHEN C. EASTHAM 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	SECRETARY 3.00	0	0	0
DEBORAH FISHER 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	TRUSTEE 1.00	0	0	0

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES ATTACHMENT 12 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CRYSTAL TOWNSEND 7910 WOODMONT AVENUE 500 BETHESDA, MD 20814	PRESIDENT 40.00	136,529.	19,651.	0
	GRAND TOTALS	136,529.	19,651.	0

ATTACHMENT 13

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

NOT APPLICABLE - SEE ATTACHMENT 14

ATTACHMENT 14

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

THE FOUNDATION DOES NOT ACCEPT APPLICATION BY MAIL, EMAIL OR FAX, BUT VIA ITS GRANT INTERFACE WEB-BASED SYSTEM (WWW.GRANTINTERFACE.COM/HEALTHCAREINITIATIVE/COMMON/LOGON.ASPX).

GRANT APPLICATIONS AND REPORTS MUST BE SUBMITTED VIA HIF'S ON-LINE SYSTEM (SEE ABOVE LINK). GRANT APPLICATIONS ARE AVAILABLE ON-LINE APPROXIMATELY SIX WEEKS BEFORE THEY ARE DUE. GRANT APPLICATION ROUNDS (E.G., GENERAL OPERATING SUPPORT, CAPACITY BUILDING, AND SMALL GRANT ROUNDS) ARE ADVERTISED ON THE FOUNDATION'S WEBSITE ALONG WITH THE GRANT CALENDAR YEAR.

ATTACHMENT 15

990PF, PART XV - SUBMISSION DEADLINES

FOR FISCAL YEAR 2014, THE FOUNDATION HAD ONE GRANT ROUND (FOR CAPACITY BUILDING GRANTS WHICH WERE DUE NOVEMBER 22, 2013.)
THE SMALL GRANTS DID NOT HAVE A DEADLINE BUT WERE AWARDED TOWARDS THE END OF THE FISCAL YEAR.

ATTACHMENT 16

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

THE FOUNDATION CONSIDERS GRANTS TO 501(C)(3) HEALTHCARE NONPROFITS THAT ARE BASED IN MONTGOMERY COUNTY, MARYLAND, OR TO NONPROFITS THAT HAVE COUNTY-BASED HEALTH PROGRAMS OR ACTIVITIES.

WITHIN ITS GEOGRAPHIC AND FOCUS AREA, IT CONSIDERS EFFORTS TO:
- IMPROVE THE QUALITY AND DELIVERY OF HEALTHCARE;
- EXPAND THE AVAILABILITY OF COMPREHENSIVE HEALTHCARE;
- BUILD APPROPRIATE CAPACITY IN THE HEALTHCARE NETWORK; AND
- GROW THE HEALTHCARE WORKFORCE.

THE FOUNDATION GENERALLY CONSIDERS NEW GRANTS AFTER THE FOUNDATION'S REPRESENTATIVE MAKES A SITE VISIT. TO BE CONSIDERED FOR A POSSIBLE SITE VISIT, SEND A BRIEF, INFORMAL EMAIL (4 PARAGRAPHS OR LESS) ABOUT YOUR ORGANIZATION, ITS MISSION, PROGRAMS, AND CLIENTELE TO: CRYSTAL.TOWNSEND@HIFMC.ORG.

THE FOUNDATION MAKES GRANTS THAT:
- START OR GROW WELL-CONCEIVED PROGRAMS/ORGANIZATIONS;
- OFFER INNOVATIVE SOLUTIONS TO IMPROVE THE QUALITY, ACCESSIBILITY AND/OR DELIVERY OF HEALTHCARE;
- REPLICATE SUCCESSFUL (EVIDENCE-BASED) PROGRAMS FROM THE FOUNDATION'S OR OTHERS' JURISDICTIONS;
- BUILD ORGANIZATIONAL CAPACITY TO ENHANCE SUSTAINABILITY AND/OR IMPROVE SERVICE DELIVERY (E.G., PLANNING, MANAGEMENT, FINANCE, FUNDRAISING, COMMUNICATIONS, ETC.); AND
- LEVERAGE RESOURCES, WHETHER HUMAN OR FINANCIAL (E.G., PARTNERSHIPS, MATCHING OR CHALLENGE FUNDS).

THE FOUNDATION DOES NOT:
- GIVE TO ENDOWMENT FUNDS OR ANNUAL CAMPAIGNS;
- FUND LOBBYING OR POLITICAL ACTIVITIES;
- MAKE GRANTS TO INDIVIDUALS;
- PROVIDE FUNDS TO PRIVATE FOUNDATIONS UNLESS FOR A PARTICULAR GRANT PURPOSE;
- FUND A NONPROFIT SYSTEM OR ORGANIZATION, INCLUDING ITS AFFILIATE(S) THAT OWNS OR OPERATES AN ACUTE CARE HOSPITAL IN MONTGOMERY COUNTY, MARYLAND;
- PROVIDE FUNDS TO COVER BRICK AND MORTAR CAPITAL EXPENSES;
- REPLACE GOVERNMENT FUNDING; OR
- FUND RELIGIOUS ACTIVITIES, ALTHOUGH SECULAR HEALTH PROGRAMS PROVIDED BY A RELIGIOUS INSTITUTION OR ITS AFFILIATE(S) MAY QUALIFY.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MONTGOMERY HOSPICE 1355 PICCARD DRIVE, SUITE 100 ROCKVILLE, MD 20850	NONE PC	NURSING CARE	200,000.
PRIMARY CARE COALITION OF MONTGOMERY COUNTY, INC. 8757 GEORGIA AVENUE, 10TH FLOOR SILVER SPRING, MD 20910	NONE PC	ELECTRONIC HEALTH RECORD SYSTEM, BUILDING DATA CAPACITY, & ENROLLMENT SYSTEM PLANNING	85,000.
COMMUNITY HEALTH AND EMPOWERMENT THROUGH EDUCATION 7724 MAPLE AVENUE, APT. 13 TAKOMA PARK, MD 20912	NONE PC	HEALTH ENTERPRISE ZONE CONVENER & GENERAL SUPPORT	83,640.
MENTAL HEALTH ASSOCIATION OF MONTGOMERY COUNTY 1000 TWINBROOK PARKWAY ROCKVILLE, MD 20851	NONE PC	TROOPS AND FAMILY CARE & CAPACITY BUILDING	65,921.
CHILD CENTER AND ADULT SERVICES, INC. 16220 FREDERICK ROAD, SUITE 502 GAITHERSBURG, MD 20877	NONE PC	INTEGRATED BEHAVIORAL HEALTHCARE	30,000.
COMMUNITY CLINIC 8630 FENTON STREET, SUITE 1204 SILVER SPRING, MD 20910	NONE PC	HEALTH SERVICES INTEGRATION FOR LOW INCOME RESIDENTS	30,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MUSLIM COMMUNITY CENTER MEDICAL CLINIC 15200 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20905	NONE PC	PREVENTIVE DENTAL CARE PROJECT	30,000.
MARY'S CENTER 2333 ONTARIO ROAD WASHINGTON, DC 20009	NONE PC	SPECIALTY CARE COORDINATOR	29,841.
COMMUNITY MINISTRIES OF ROCKVILLE 1010 GRANDIN AVENUE, SUITE A1 ROCKVILLE, MD 20851	NONE PC	2013 HOMELESS RESOURCE DAY & MANSFIELD KASEMAN HEALTH CLINIC	27,135.
MERCY HEALTH CLINIC, INC. 7 METROPOLITAN COURT, SUITE 1 GAITHERSBURG, MD 20878	NONE PC	ENHANCING PATIENT CARE & SERVICES AND GENERAL SUPPORT	25,000.
COLUMBIA LIGHTHOUSE FOR THE BLIND 8720 GEORGIA AVENUE, SUITE 1011 SILVER SPRING, MD 20910	NONE PC	GENERAL SUPPORT	13,000.
PEOPLE ANIMALS LOVE, INC. 731 8TH ST. SE, SUITE 202 WASHINGTON, DC 20003	NONE PC	GENERAL SUPPORT	11,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
REGIONAL PRIMARY CARE COALITION C/O CONSUMER HEALTH FOUNDATION 1400 16TH STREET NW, SUITE 710 WASHINGTON, DC 20036	NONE PF	GENERAL SUPPORT	7,500.
THE SHEPHERD'S TABLE 8210 DIXON AVENUE SILVER SPRING, MD 20910	NONE PC	GENERAL SUPPORT	6,000.
ALZHEIMER'S ASS'N. NAT'L. CAPITAL AREA CHAPTER 3701 PENDER DRIVE, SUITE 400 FAIRFAX, VA 22030	NONE PC	GENERAL SUPPORT	5,834.
CIRCLE OF HOPE THERAPEUTIC RIDING, INC. 22500 WEST HARRIS ROAD BARNESVILLE, MD 20838	NONE PC	GENERAL SUPPORT	5,000.
ST. ANN'S CENTER FOR CHILDREN, YOUTH AND FAMILIES 4901 EASTERN AVENUE HYATTSVILLE, MD 20782	NONE PC	GENERAL SUPPORT	5,000.
THE CHILDREN'S INN AT NIH 7 WEST DRIVE BETHESDA, MD 20814	NONE PC	GENERAL SUPPORT	5,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE PEOPLE'S COMMUNITY WELLNESS CENTER 3300 BRIGGS CHANEY ROAD SILVER SPRING, MD 20903	NONE PC	EHR INFRASTRUCTURE	5,000.
CABIN JOHN PARK VOLUNTEER FIRE DEPARTMENT 8001 RIVER ROAD BETHESDA, MD 20817	NONE PC	GENERAL SUPPORT	3,333.
GLEN ECHO FIRE DEPARTMENT 5920 MASSACHUSSETTS AVENUE BETHESDA, MD 20816	NONE PC	GENERAL SUPPORT	3,333.
GAITHERSBURG HELP, INC. 301 MUDDY BRANCH ROAD GAITHERSBURG, MD 20878	NONE PC	GENERAL SUPPORT	2,500.
HEBREW HOME OF GREATER WASHINGTON 6121 MONTROSE ROAD ROCKVILLE, MD 20852	NONE PC	GENERAL SUPPORT	2,500.
THE ALS ASSOCIATION - DC/MD/VA CHAPTER 7507 STANDISH PLACE ROCKVILLE, MD 20855	NONE PC	GENERAL SUPPORT	1,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE UNIVERSITIES AT SHADY GROVE 9636 GUDELSKY DRIVE ROCKVILLE, MD 20850	NONE PC	GENERAL SUPPORT	1,000.
		TOTAL CONTRIBUTIONS PAID	683,537.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 18

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MONTGOMERY HOSPICE 1355 PICCARD DRIVE, SUITE 100 ROCKVILLE, MD 20850	NONE PC	NURSING CARE	200,000.
PROYECTO SALUD 2424 REEDIE DRIVE, SUITE 125 WHEATON, MD 20902	NONE PC	CARE COORDINATION & RECERTIFICATION	8,131.
		TOTAL CONTRIBUTIONS APPROVED	208,131.

Description of Property

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Method	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
FURNITURE	08/22/2007	2,466.	100.000			2,466.	2,083.	2,435.	SL		7.000				352.
COMPUTER EQUIPMENT	04/22/2013	1,649.	100.000			1,649.	42.	372.	SL		5.000				330.
COMPUTER EQUIPMENT	08/22/2007	285.	100.000			285.	285.		SL		5.000				
Less Retired Assets		285.				285.	285.								
Subtotals		4,115.				4,115.	2,125.	2,807.							682.
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS		4,115.				4,115.	2,125.	2,807.							682.

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

HEALTHCARE INITIATIVE FOUNDATION
EIN: 23-7324576
2013 FORM 990-PF, PART II LINE 13

ATTACHMENT 19

Investments - Other:

Investment Custodian	Ending Book Value	
Vanguard Investment	$ 16,644,562	See Attachment 19-A
Frank Russell Investments	14,607,675	See Attachment 19-B
Total for Part II Line 13	$ 31,252,237	

Vanguard®

100A 0000000615431 55 L

Organization account

Intermediary Services: 800-669-0498

HEALTHCARE INITIATIVE FOUNDATION 23-7324576
C/O COUNCILLOR BUCHANAN & MITCHELL

Account overview

$16,977,248.27
Total account value as of June 30, 2014

Year-to-date income	
Taxable income	$107,786 03
Nontaxable income	0 00
Total	**$107,786.03**

Balances and holdings for Vanguard funds

Beginning on January 1, 2012, new tax rules on taxable (nonretirement) mutual fund accounts (excluding money market funds) require Vanguard to track cost basis information for shares acquired and subsequently sold, on or after that date Unless you select another method, sales of Vanguard mutual funds, but not ETFs, will default to the average cost method. We'll begin reporting cost basis to the IRS in 2013. For more information, visit vanguard.com/costbasis.

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 06/30/2014
VIGSX	Growth Index Signal	1347-88018532016	-	-	$0 00
VBILX	Inter-Term Bond Index Adm	5314-88018532016	-	-	0 00
VFIDX	Inter-Term Invest-Gr Adm	0571-88018532016	-	-	0 00
VMGRX	Mid-Cap Growth Fund	0301-88018532016	-	-	0 00
VMMXX	Prime Money Mkt Fund	0030-88018532016	-	-	0 00
VSPMX	S&P Mid-Cap 400 Index Ist	1842-88018532016	-	-	0 00
VASVX	Selected Value Fund	0934-88018532016	-	-	0 00
VBIRX	Short-Term Bond Index Adm	5132-88018532016	-	-	0.00
VFSUX	Short-Term Invest-Gr Adm	0539-88018532016	-	-	0.00
VSMAX	Small-Cap Index Fund Adm	0548-88018532016	-	-	0.00
VTIAX	Tot Intl Stock Ix Admiral	0569-88018532016	29 10	532,035 27	532,400 93

Vanguard®

100A 00000006154315S L

Organization account

Intermediary Services: 800-669-0498

HEALTHCARE INITIATIVE FOUNDATION 23-7324576
C/O COUNCILLOR BUCHANAN & MITCHELL

Balances and holdings for Vanguard funds continued

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 06/30/2014
VBTIX	Total Bond Mkt Index Inst	0222-88018532016	10 50	5,243,986 08	5,406,857.91
VTSAX	Total Stock Mkt Idx Adm	0585-88018532016	-	-	0 00
VITSX	Total Stock Mkt Idx Inst	0855-88018532016	48 77	10,868,540 91	11,037,989.43
VWISX	Value Index Signal	1346-88018532016	-	-	0 00
VIFSX	500 Index Fund Signal	1340-88018532016	-	-	0 00
			Total	$16,644,562.26	**$16,977,248.27**

to Attachment 19

HOLDINGS

HEALTHCARE INITIATIVE FOUND. 23-7324576

INVESTMENT ACCOUNT

Account. SI3F

As of June 30, 2014

Base Currency: USD - US DOLLAR				Rate	Maturity Date			
Asset ID	Asset Description	Unit	Total		Market	Unrealized	% Curr
	Units Fund	Cost	Cost	Unit Price	Value	Gain/Loss	% Comp
EQUITY							
US DOLLAR						Exchange Rate	1 000000
782478119	RUSSELL GLOBAL EQUITY RUSSELL GLOBAL EQUITY FND S						
	160,915 529 SI3F Local	9 833984	1,582,440 81	11 870000	1,910,067 33	327,626.52	11 27
	Base	9.833984	1,582,440 81	11 870000	1,910,067 33	327,626 52	11.27
782493100	RUSSELL US CORE EQUITY FUND RUSSELL US CORE EQUITY I						
	37,534 674 SI3F Local	29.238009	1,097,439 14	42 220000	1,584,713 94	487,274 80	9 35
	Base	29 238009	1,097,439 14	42 220000	1,584,713 94	487,274 80	9 35
782493209	RUSSELL U S SMALL CAP EQUITY RUSSELL US SMALL CAP						
	37,926.681 SI3F Local	22 865643	867,217 96	31.880000	1,209,102.59	341,884.63	7 14
	Base	22 865643	867,217 96	31.880000	1,209,102 59	341,884 63	7 14
782493605	RUSSELL INTERNATIONAL FUND RUSSELL INTL DEVELOP MKTS						
	112,912 408 SI3F Local	31.891233	3,600,915 90	38 490000	4,345,998 58	745,082 68	25 65
	Base	31 891233	3,600,915 90	38.490000	4,345,998 58	745,082 68	25.65
782493738	RUSSELL STRATEGIC BOND FUND RUSSELL STRATEGIC BOND						
	363,904 780 SI3F Local	10.525665	3,830,339 75	11 070000	4,028,425 91	198,086 16	23.78
	Base	10 525665	3,830,339 75	11 070000	4,028,425 91	198,086.16	23 78

& Issue has redenominated but Local is not converted

Issue has not been redenominated but Local is converted

Russell Investments

HOLDINGS

HEALTHCARE INITIATIVE FOUND. 23-7324576

INVESTMENT ACCOUNT

Account SI3F

As of June 30, 2014

Base Currency: USD - US DOLLAR				Rate	Maturity Date			
Asset ID	Asset Description		Unit	Total		Market	Unrealized	% Curr
	Units	Fund	Cost	Cost	Unit Price	Value	Gain/Loss	% Comp
782493746	RUSSELL EMERGING MARKETS FUND/ RUSSELL EMERGING							
	60,408 460	SI3F Local	19 108635	1,154,323 20	19 320000	1,167,091 45	12,768 25	6.89
		Base	19 108635	1,154,323.20	19 320000	1,167,091 45	12,768.25	6 89
782493761	RUSSELL GLOBAL REAL ESTATE SEC RUSSELL GL REAL							
	11,314 636	SI3F Local	35 203599	398,315 91	40 290000	455,866 68	57,550 77	2 69
		Base	35 203599	398,315 91	40.290000	455,866 68	57,550 77	2 69
782493811	RUSSELL US DEFENSIVE EQUITY FU RUSSELL US DEFENSIVE							
	13,932 481	SI3F Local	35 206536	490,514 40	44 500000	619,995 40	129,481 00	3 66
		Base	35 206536	490,514 40	44 500000	619,995.40	129,481 00	3 66
782494199	RUSSELL GLOBAL OPPORTUNISTIC C RUSSELL GLOBAL OPP							
	56,054.868	SI3F Local	10 500147	588,584 35	10 280000	576,244 04	-12,340 31	3 40
		Base	10 500147	588,584 35	10 280000	576,244.04	-12,340 31	3.40
782494256	RUSSELL GLOBAL INFRASTRUCTURE RUSSELL GLOBAL							
	37,169 874	SI3F Local	11 405350	423,935 42	13 430000	499,191 41	75,255 99	2.95
		Base	11 405350	423,935 42	13 430000	499,191 41	75,255 99	2 95
782494363	RUSSELL COMMODITY STRATEGIES F RUSSELL COMMODITY							
	61,226.068	SI3F Local	9.369345	573,648 15	8.900000	544,912 01	-28,736 14	3 22
		Base	9 369345	573,648.15	8 900000	544,912 01	-28,736 14	3 22

& Issue has redenominated but Local is not converted
# Issue has not been redenominated but Local is converted

Russell Investments

HOLDINGS

HEALTHCARE INITIATIVE FOUND. 23-7324576

INVESTMENT ACCOUNT

Account SI3F

As of June 30, 2014

Base Currency: USD - US DOLLAR				Rate	Maturity Date			
Asset ID	Asset Description Units	Fund	Unit Cost	Total Cost	Unit Price	Market Value	Unrealized Gain/Loss	% Curr % Comp
US DOLLAR Total								
	953,300 459	Local		14,607,674 99		16,941,609 34	2,333,934 35	100 00
		Base		14,607,674 99		16,941,609 34	2,333,934 35	100 00
EQUITY Total								
	953,300 459	Base		14,607,674 99		16,941,609 34	2,333,934 35	100 00

to Attachment 19

& Issue has redenominated but Local is not converted

Issue has not been redenominated but Local is converted

Russell Investments

Form **8868**
(Rev January 2014)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return
▶ Information about Form 8868 and its instructions is at *www.irs.gov/form8868.*

OMB No 1545-1709

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

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

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

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . . ▶ [ ]

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

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or (Enter filer's identifying number, see instructions)
	HEALTHCARE INITIATIVE FOUNDATION	23-7324576
	Number, street, and room or suite no If a P O box, see instructions 7910 WOODMONT AVENUE	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions BETHESDA, MD 20814	

Enter the Return code for the return that this application is for (file a separate application for each return) . . . . . [0 4]

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ COUNCILOR,BUCHANAN & MITCHELL,, 7910 WOODMONT AVE., SUITE 500, BETHESD

Telephone No ▶ 301 986-0600 FAX No ▶ 301 986-0432

- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) 0000 If this is for the whole group, check this box . . . . . ▶ [ ] If it is for part of the group, check this box . . . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 20 15, to file the exempt organization return for the organization named above The extension is for the organization's return for
▶ [ ] calendar year 20 ____ or
▶ [X] tax year beginning 07/01, 20 13, and ending 06/30, 20 14

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 122,906.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 90,852.
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 32,054.

Caution If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . . ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

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

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	HEALTHCARE INITIATIVE FOUNDATION	23-7324576
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions 7910 WOODMONT AVENUE	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions BETHESDA, MD 20814	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

- The books are in the care of ▶ COUNCILOR, BUCHANAN & MITCHELL, , 7910 WOODMONT AVE., SUITE 500, BETHESD
  Telephone No ▶ 301 986-0600 Fax No ▶ 301 986-0432
- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) 0000 If this is for the whole group, check this box . . . . . ▶ [ ] If it is for part of the group, check this box . . . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 05/15, 20 15

5 For calendar year _____, or other tax year beginning 07/01, 20 13, and ending 06/30, 20 14

6 If the tax year entered in line 5 is for less than 12 months, check reason [ ] Initial return [ ] Final return
[ ] Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO ACCUMULATE ALL INFORMATION NECESSARY FOR A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$ 122,906.
b	If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$ 122,906.
c	**Balance Due.** Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$ 0

Signature and Verification must be completed for Part II only.

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

Signature ▶ [signature] CPA Title ▶ CPA Date ▶ 01/16/2015

JSA

3F8055 2 000

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