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Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

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1

Briefly describe the organization’s mission

AS THE SISTERS OF MERCY BEFORE US, WE BRING TO LIFE THE HEALING MINISTRY OF JESUS THROUGH OUR COMPASSIONATE CARE AND EXCEPTIONAL SERVICE

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 \$ 1,958,123	including grants of \$ 76,280	(Revenue \$ 230,367)
MERCY MINISTRIES OF LAREDO PROVIDES PRIMARY HEALTHCARE SERVICES, WITH A FOCUS ON PREVENTION AND EDUCATION, TO FAMILIES IN WEBB COUNTY WHO ARE UNINSURED, INDIGENT AND RESIDE IN MEDICALLY UNDERSERVED AREAS. SERVICES ARE RENDERED AT MERCY CLINIC LOCATED AT 2500 ZACATECAS STREET AND AT FOURTEEN OUTREACH SITES THROUGHOUT WEBB COUNTY VIA A MEDICAL MOBILE CLINIC. MERCY MOBILE CLINIC DELIVERS SERVICES TO COLONIAS (UNINCORPORATED AREAS), INNER CITY AND OUTLYING AREAS WHERE MEDICAL HELP IS INACCESSIBLE. THE MAIN PROGRAMS ARE PRIMARY HEALTHCARE, OUTREACH & EDUCATION, ADULT DENTAL SERVICES, MEDICATION ASSISTANCE AND NUTRITION. OVER 2,800 UNDUPLICATED PATIENTS WERE SERVED IN FISCAL YEAR 2016. PRIMARY HEALTHCARE: THE PRIMARY HEALTHCARE PROGRAM FOCUSES ON PREVENTION AND EDUCATION. IT INCLUDES ANNUAL PHYSICAL AND WELLNESS EXAMS WITH SCREENINGS FOR DIABETES, HYPERTENSION AND HEART DISEASE. THE PROGRAM ALSO INCLUDES SCREENINGS FOR BREAST, CERVICAL, COLON AND PROSTATE CANCER. THERE WERE 1,522 CANCER SCREENING TESTS PERFORMED IN FISCAL YEAR 2016. SIX PATIENTS WERE DIAGNOSED DURING THE YEAR WITH SOME FORM OF CANCER AND WERE REFERRED TO SPECIALISTS FOR TREATMENT. MERCY CLINIC COLLABORATES WITH LOCAL ONCOLOGISTS AND DIAGNOSTICIANS TO ASSIST PATIENTS WITH EXPENSES FOR TREATMENT. ALL CASES ARE FOLLOWED BY CASE MANAGERS. PATIENTS ARE SEEN BY MID-LEVEL PRACTITIONERS AND ARE REFERRED TO PHYSICIANS AND/OR SPECIALTY PHYSICIANS WHEN NECESSARY. THE PRACTITIONERS HAD OVER 6,600 MEDICAL ENCOUNTERS DURING THE FISCAL YEAR. CASE MANAGERS AND SOCIAL WORKERS, WITH OVER 9,770 PATIENT ENCOUNTERS, ALSO PLAY A CRITICAL ROLE IN THE PRIMARY HEALTHCARE PROGRAM. THEY GUIDE PATIENTS THROUGH THE MEDICAL SYSTEM AND MAKE SPECIALTY AND FOLLOW-UP REFERRALS. OVER 450 PATIENTS WERE REFERRED TO MEDICAL SPECIALISTS FOR CARE. DIABETIC AND PRE-DIABETIC PATIENTS ARE MONITORED CLOSELY BY THE CLINIC. EDUCATION, COUNSELING, NUTRITION AND EXERCISE CLASSES ARE PROVIDED IN AN EFFORT TO AID PATIENTS CONTROL THEIR DISEASE. IN ADDITION, A CHRONIC ILLNESS MANAGER WORKS CLOSELY WITH PATIENTS WHO REQUIRE ONE-ON-ONE MONITORING. PATIENTS ARE ALSO PROVIDED WITH EYE AND FOOT EXAMS BY SPECIALTY PHYSICIANS. A TOTAL OF 434 UNDUPLICATED DIABETIC PATIENTS WERE SEEN THROUGH THE PROGRAM. BEHAVIORAL HEALTH COUNSELING HAS BEEN INTEGRATED INTO THE PRIMARY HEALTHCARE PROGRAM TO AID PATIENTS WITH BEHAVIOR MODIFICATION AND CONTROL OF ANXIETY AND DEPRESSION. THERE WERE 562 COUNSELING ENCOUNTERS DURING THE YEAR.				

4b	(Code)	(Expenses \$ 256,646	including grants of \$ 0	(Revenue \$ 0)
OUTREACH & EDUCATION: A CRITICAL PART OF OUR PROGRAM IS REACHING OUT TO PEOPLE WHO LIVE IN REMOTE AREAS. THE OUTREACH PROGRAM SEEKS TO EDUCATE PATIENTS ON THE NEED FOR A MEDICAL HOME AND REGULAR PHYSICAL EXAMS. OUTREACH PROVIDES MEDICAL SERVICES VIA THE MERCY MEDICAL MOBILE CLINIC TO PATIENTS AT FOURTEEN LOCATIONS THROUGHOUT WEBB COUNTY, TEXAS. THESE ARE REMOTE LOCATIONS WHERE TRANSPORTATION IS A BARRIER TO CARE. COMMUNITY HEALTHCARE WORKERS PLAY THE GREATEST ROLE IN THE EDUCATION COMPONENT OF THESE EFFORTS. OUTREACH EFFORTS INCLUDED 516 HOME VISITS AND 66 PLATICAS IN FISCAL YEAR 2016. IN ADDITION, THERE WERE 700 MEDICAL OUTREACH ENCOUNTERS AND 285 EDUCATION ENCOUNTERS.				

4c	(Code)	(Expenses \$ 268,042	including grants of \$ 46,837	(Revenue \$ 9,600)
OTHER PROGRAM SERVICE: MERCY MINISTRIES OF LAREDO'S OTHER PROGRAMS INCLUDE MEDICATION ASSISTANCE, DENTAL AND NUTRITION. THE MEDICATION ASSISTANCE PROGRAM GUIDES PATIENTS THROUGH THE PROCESS OF SECURING FREE OR LOW-COST MEDICATION THROUGH PHARMACEUTICAL COMPANIES. THE PROGRAM PROVIDED \$1,730,225 OF MEDICATION FOR PATIENTS. THE DENTAL PROGRAM PROVIDES SERVICES TO ADULT PATIENTS WHO ARE COMPLIANT WITH THEIR MEDICAL REGIMENT AND SCREENINGS. REGULAR SERVICES INCLUDE CLEANINGS, FILLINGS AND EXTRACTIONS. OTHER SERVICES INCLUDE ROOT CANALS, DENTURES AND CROWNS. THE CLINIC IS STAFFED ONE DAY PER WEEK BY LOCAL VOLUNTEER DENTISTS. DURING FISCAL YEAR 2016, DENTISTS PERFORMED 1,075 PROCEDURES VALUED AT \$117,437. OVER 191 PATIENTS WERE PROVIDED SERVICES ACCOUNTING FOR 473 DENTAL VISITS. THE NUTRITION PROGRAM ADDRESSES THE GENERAL WELLNESS OF PATIENTS BY TEACHING THE IMPORTANCE OF HEALTHY EATING. THE PROGRAM TEACHES PARTICIPANTS TO READ LABELS, SHOP WISELY, PORTION CONTROL, AND PROVIDES HEALTHY RECIPES.				








4d	Other program services (Describe in Schedule O)			
	(Expenses \$	including grants of \$	(Revenue \$)

4e	Total program service expenses ▶	2,482,811		
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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 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	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a Yes	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, 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	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> 	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> 	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> 	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> 	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance								
Check if Schedule O contains a response or note to any line in this Part V <input checked="" type="checkbox"/>								
		<table><tr><td></td><td>Yes</td><td>No</td></tr></table>		Yes	No			
	Yes	No						
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	<table><tr><td>1a</td><td>34</td></tr></table>	1a	34					
1a	34							
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<table><tr><td>1b</td><td>0</td></tr></table>	1b	0					
1b	0							
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		<table><tr><td>1c</td><td>Yes</td><td></td></tr></table>	1c	Yes				
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	<table><tr><td>2a</td><td>0</td></tr></table>	2a	0					
2a	0							
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)								
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		<table><tr><td>3a</td><td></td><td>No</td></tr></table>	3a		No			
3a		No						
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		<table><tr><td>3b</td><td></td><td></td></tr></table>	3b					
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)?		<table><tr><td>4a</td><td></td><td>No</td></tr></table>	4a		No			
4a		No						
b If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)								
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		<table><tr><td>5a</td><td></td><td>No</td></tr></table>	5a		No			
5a		No						
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		<table><tr><td>5b</td><td></td><td>No</td></tr></table>	5b		No			
5b		No						
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		<table><tr><td>5c</td><td></td><td></td></tr></table>	5c					
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?		<table><tr><td>6a</td><td></td><td>No</td></tr></table>	6a		No			
6a		No						
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		<table><tr><td>6b</td><td></td><td></td></tr></table>	6b					
6b								
7 Organizations that may receive deductible contributions under section 170(c).								
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		<table><tr><td>7a</td><td></td><td>No</td></tr></table>	7a		No			
7a		No						
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		<table><tr><td>7b</td><td></td><td></td></tr></table>	7b					
7b								
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		<table><tr><td>7c</td><td></td><td>No</td></tr></table>	7c		No			
7c		No						
d If "Yes," indicate the number of Forms 8282 filed during the year	<table><tr><td>7d</td><td></td></tr></table>	7d						
7d								
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?								
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		<table><tr><td>7e</td><td></td><td>No</td></tr><tr><td>7f</td><td></td><td>No</td></tr></table>	7e		No	7f		No
7e		No						
7f		No						
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		<table><tr><td>7g</td><td></td><td></td></tr></table>	7g					
7g								
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		<table><tr><td>7h</td><td></td><td></td></tr></table>	7h					
7h								
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		<table><tr><td>8</td><td></td><td></td></tr></table>	8					
8								
9a Did the sponsoring organization make any taxable distributions under section 4966?		<table><tr><td>9a</td><td></td><td></td></tr></table>	9a					
9a								
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		<table><tr><td>9b</td><td></td><td></td></tr></table>	9b					
9b								
10 Section 501(c)(7) organizations. Enter								
a Initiation fees and capital contributions included on Part VIII, line 12	<table><tr><td>10a</td><td></td></tr></table>	10a						
10a								
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<table><tr><td>10b</td><td></td></tr></table>	10b						
10b								
11 Section 501(c)(12) organizations. Enter								
a Gross income from members or shareholders	<table><tr><td>11a</td><td></td></tr></table>	11a						
11a								
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	<table><tr><td>11b</td><td></td></tr></table>	11b						
11b								
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		<table><tr><td>12a</td><td></td><td></td></tr></table>	12a					
12a								
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<table><tr><td>12b</td><td></td></tr></table>	12b						
12b								
13 Section 501(c)(29) qualified nonprofit health insurance issuers.								
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		<table><tr><td>13a</td><td></td><td></td></tr></table>	13a					
13a								
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<table><tr><td>13b</td><td></td></tr></table>	13b						
13b								
c Enter the amount of reserves on hand	<table><tr><td>13c</td><td></td></tr></table>	13c						
13c								
14a Did the organization receive any payments for indoor tanning services during the tax year?		<table><tr><td>14a</td><td></td><td>No</td></tr></table>	14a		No			
14a		No						
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		<table><tr><td>14b</td><td></td><td></td></tr></table>	14b					
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 or note to any line 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 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	15	
1b	Enter the number of voting members included in line 1a, above, who are independent	15	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
7b	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	a The governing body?	8a	Yes
8b	b Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	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
11b	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
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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	a The organization's CEO, Executive Director, or top management official	15a	No
15b	b Other officers or key employees of the organization	15b	No
	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
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ 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, address, and telephone number of the person who possesses the organization's books and records
 ▶ ELIZABETH CASSO CFO 2500 ZACATECAS ST LAREDO, TX 78046 (956) 721-7411

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line 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	Officer	Key employee	Highest compensated employee	Former			
(1) Benavides Elizabeth Board member	0 5 0 0	X						0	0	0
(2) Callahan RSM Sr Carol Ann Board member	1 0 0 0	X						0	0	0
(3) Chapa Al Board member	1 0 0 0	X						0	0	0
(4) Cigarroa Melissa Board member	1 0 0 0	X						0	0	0
(5) Flores Elizabeth Board member	1 0 0 0	X						0	0	0
(6) Garcia Elsie Board member	1 0 0 0	X						0	0	0
(7) Garcia Virginia Board member	1 0 0 0	X						0	0	0
(8) Hartman RSM Sr Danella Board member	1 0 0 0	X						0	0	0
(9) Hendncks RSM Sr Rebecca Ann Board member	1 0 13 0	X						0	0	0
(10) Martinez Judith Board member	1 0 0 0	X						0	0	0
(11) Moore James Board member	1 0 0 0	X						0	0	0
(12) Pena Glona Board member	1 0 0 0	X						0	0	0
(13) Ramos-Sonana MD Asuncion G Board member	1 0 0 0	X						0	0	0
(14) Tijenna Julie Board member	1 0 0 0	X						0	0	0

Part VII

1b	Sub-Total	▶			
c	Total from continuation sheets to Part VII, Section A	▶			
d	Total (add lines 1b and 1c)	▶	0	97,353	19,024

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 ► 0

		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	No
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)	(B)	(C)
Name and business address	Description of services	Compensation
LAREDO MEDICAL CENTER, 1700 Saunders Street LAREDO, TX 78041	Lab/Diagnostic Svcs	119,420
LABCORP, PO BOX 12140 BURLINGTON, NC 272162140	LAB SERVICES	176,373

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 ▶ 2

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514			
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a	6,000	2,243,449					
	b	Membership dues	1b							
	c	Fundraising events	1c	34,765						
	d	Related organizations	1d	50,300						
	e	Government grants (contributions)	1e	427,362						
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,725,022						
	g	Noncash contributions included in lines 1a-1f \$		0						
	h	Total. Add lines 1a-1f								
Program Service Revenue			Business Code							
	2a	NET PATIENT SERVICE REVENUE	621339	239,967	239,967	0	0			
	b									
	c									
	d									
	e									
	f	All other program service revenue								
	g	Total. Add lines 2a-2f			239,967					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		366			366			
	4	Income from investment of tax-exempt bond proceeds . . .		0						
	5	Royalties		0						
	6a	(i) Real		(ii) Personal	5,625			5,625		
		Gross rents		5,625						
		b	Less rental expenses							
		c	Rental income or (loss)	5,625					0	
	d	Net rental income or (loss)								
	7a	(i) Securities		(ii) Other	0					
		Gross amount from sales of assets other than inventory								
		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 \$ 34,765 of contributions reported on line 1c) See Part IV, line 18			10,440			10,440		
		a	15,861							
		b	Less direct expenses	b					5,421	
		c	Net income or (loss) from fundraising events . . .							
	9a	Gross income from gaming activities See Part IV, line 19			8,500			8,500		
		a	8,500							
		b	Less direct expenses	b						
		c	Net income or (loss) from gaming activities							
	10a	Gross sales of inventory, less returns and allowances			0					
a										
b		Less cost of goods sold	b							
c		Net income or (loss) from sales of inventory . . .								
Miscellaneous Revenue		Business Code								
11a	ALL OTHER REVENUE	900099	183	0	0	183				
b										
c										
d	All other revenue									
e	Total. Add lines 11a-11d			183						
12	Total revenue. See Instructions			2,508,530	239,967	0	25,114			

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 or note to any line 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 domestic organizations and domestic governments. See Part IV, line 21.	30,334	30,334		
2	Grants and other assistance to domestic individuals. See Part IV, line 22.	92,783	92,783		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.	0	0		
4	Benefits paid to or for members.	0	0		
5	Compensation of current officers, directors, trustees, and key employees.	0	0	0	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0	0	0	0
7	Other salaries and wages.	1,822,878	1,273,066	456,501	93,311
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	99,661	60,438	33,521	5,702
9	Other employee benefits.	259,345	219,560	33,054	6,731
10	Payroll taxes.	105,407	87,711	12,932	4,764
11	Fees for services (non-employees):				
a	Management.	0	0	0	0
b	Legal.	0	0	0	0
c	Accounting.	23,000	0	23,000	0
d	Lobbying.	0	0	0	0
e	Professional fundraising services. See Part IV, line 17.	0			0
f	Investment management fees.	0	0	0	0
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	429,742	429,742		
12	Advertising and promotion.	0	0	0	0
13	Office expenses.	38,464	26,348	11,502	614
14	Information technology.	7,156	6,034	982	140
15	Royalties.	0	0	0	0
16	Occupancy.	80,245	60,000	18,746	1,499
17	Travel.	30,061	23,166	6,888	7
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0	0	0	0
19	Conferences, conventions, and meetings.	6,042	6,027	15	0
20	Interest.	0	0	0	0
21	Payments to affiliates.	0	0	0	0
22	Depreciation, depletion, and amortization.	111,793	89,434	20,123	2,236
23	Insurance.	12,619	0	12,619	0
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	BAD DEBT	253		253	
b	REPAIRS & MAINTENANCE	19,693	12,395	7,005	293
c	DRUGS & MEDICAL EXPENSES	41,615	41,615	0	0
d	ALL OTHER EXPENSES	32,058	24,158	7,748	152
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e.	3,243,149	2,482,811	644,889	115,449
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).	0			

Part X

Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			452,378	1	464,330
	2	Savings and temporary cash investments			0	2	0
	3	Pledges and grants receivable, net			348,784	3	526,733
	4	Accounts receivable, net			297	4	0
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			0	5	0
	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			0	6	0
	7	Notes and loans receivable, net			0	7	0
	8	Inventories for sale or use			0	8	0
	9	Prepaid expenses and deferred charges			0	9	0
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	3,548,656			
	b	Less: accumulated depreciation	10b	2,649,885	794,686	10c	898,771
	11	Investments—publicly traded securities			25,877,269	11	26,389,401
	12	Investments—other securities. See Part IV, line 11			0	12	0
	13	Investments—program-related. See Part IV, line 11			0	13	0
	14	Intangible assets			0	14	0
	15	Other assets. See Part IV, line 11			70,301	15	74,149
	16	Total assets. Add lines 1 through 15 (must equal line 34)			27,543,715	16	28,353,384
Liabilities	17	Accounts payable and accrued expenses			391,915	17	468,276
	18	Grants payable			0	18	0
	19	Deferred revenue			93,925	19	290,000
	20	Tax-exempt bond liabilities			0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	0
	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			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			0	23	0
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D			0	25	0
	26	Total liabilities. Add lines 17 through 25			485,840	26	758,276
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			26,702,806	27	27,167,318
	28	Temporarily restricted net assets			355,069	28	427,790
	29	Permanently restricted net assets			0	29	0
	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			27,057,875	33	27,595,108
	34	Total liabilities and net assets/fund balances			27,543,715	34	28,353,384

Part XI **Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,508,530
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,243,149
3	Revenue less expenses Subtract line 2 from line 1	3	-734,619
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	27,057,875
5	Net unrealized gains (losses) on investments	5	1,287,132
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	-15,280
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	27,595,108

Part XII **Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line 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		No
b	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	Yes	
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	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?	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2015

Open to Public Inspection

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.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization MERCY MINISTRIES OF LAREDO	Employer identification number 20-0198462
--	--

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 (Form 990 or 990-EZ))

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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g

a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b

☐

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c

☐

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**

d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f

Enter the number of supported organizations

g

Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii)EIN	(iii) Type of organization (described on lines 1- 9 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
1 Gifts, grants, contributions, and membership fees received (Do not include any unusual grants)	1,283,112	1,170,330	1,285,361	1,244,199	2,243,449	7,226,451
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 Total. Add lines 1 through 3	1,283,112	1,170,330	1,285,361	1,244,199	2,243,449	7,226,451
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)						2,452,728
6 Public support. Subtract line 5 from line 4						4,773,723

Section B. Total Support						
Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
7 Amounts from line 4	1,283,112	1,170,330	1,285,361	1,244,199	2,243,449	7,226,451
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	6,180	5,341	5,274	4,775	5,991	27,561
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)	695	534	215	417	183	2,044
11 Total support. Add lines 7 through 10						7,256,056
12 Gross receipts from related activities, etc (see instructions)					12	1,183,359
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here					<input type="checkbox"/>	

Section C. Computation of Public Support Percentage			
14	Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))	14	65 790 %
15	Public support percentage for 2014 Schedule A, Part II, line 14	15	74 242 %
16a	33 1/3% support test—2015. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>		
b	33 1/3% support test—2014. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a	10%-facts-and-circumstances test—2015. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b	10%-facts-and-circumstances test—2014. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
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 ▶ <input type="checkbox"/>		

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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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 VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2015 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2014 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2015. 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—2014. 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 Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	1	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).	2	
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.	3a	
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.	3b	
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.	3c	
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.	4a	
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.	4b	
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.	4c	
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).	5a	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c Substitutions only. Was the substitution the result of an event beyond the organization's control?	5c	
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .	6	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).	7	
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).	8	
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .	9a	
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .	9b	
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .	9c	
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.	10a	
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)	10b	
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a	
b A family member of a person described in (a) above?	11b	
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .	11c	

Part IV

Supporting Organizations (continued)

Section B. Type I Supporting Organizations

	Yes	No
<div>1</div> <div>Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i></div>		
<div>2</div> <div>Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i></div>		

Section C. Type II Supporting Organizations

	Yes	No
<div>1</div> <div>Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i></div>		

Section D. All Type III Supporting Organizations

	Yes	No
<div>1</div> <div>Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?</div>		
<div>2</div> <div>Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i></div>		
<div>3</div> <div>By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i></div>		

Section E. Type III Functionally-Integrated Supporting Organizations

<div>1</div> <div>Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)</div> <div><div>a</div><div><input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.</div><div><div>b</div><div><input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.</div><div><div>c</div><div><input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).</div></div></div></div>		
<div>2</div> <div>Activities Test. Answer (a) and (b) below.</div>		
<div>a</div> <div>Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i></div>		
<div>b</div> <div>Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i></div>		
<div>3</div> <div>Parent of Supported Organizations. Answer (a) and (b) below.</div>		
<div>a</div> <div>Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.</div>		
<div>b</div> <div>Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.</div>		

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E ☐

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI) _____		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount		Current Year	
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions) <input type="checkbox"/>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2015 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2015			
a			
b			
c			
d From 2013.			
e From 2014.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2015 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2016. Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b			
c Excess from 2013.			
d From 2014.			
e From 2015.			

Part VI **Supplemental Information.**

Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test	

Return Reference	Explanation
FORM 990, SCHEDULE A, PART II, LINE 10	OTHER INCOME FEES FOR COPYING MEDICAL RECORDS

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
MERCY MINISTRIES OF LAREDO

Employer identification number
20-0198462

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate value of contributions to (during year)	
3	Aggregate value of 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II Conservation Easements. Complete if the organization answered "Yes" on 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)
☐ Protection of natural habitat
☐ Preservation of open space

☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

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, handling of violations, and enforcing conservation easements during the year
►

7

Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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)

Revenue included on 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

Revenue included on Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

Part III

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

(continued)

3

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

a☐ Public exhibition

b☐ Scholarly research

c☐ Preservation for future generations

d☐ Loan or exchange programs

e☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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" on 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
c	Beginning balance
d	Additions during the year
e	Distributions during the year
f	Ending balance

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ 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	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

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

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

3a

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

(i)

unrelated organizations

(ii)

related organizations

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

b

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

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. 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		269,235		269,235
b Buildings		2,476,869	2,105,557	371,312
c Leasehold improvements				
d Equipment		802,552	544,328	258,224
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				898,771

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	3,944,528
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	1,287,132
b	Donated services and use of facilities	2b	148,866
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	1,435,998
3	Subtract line 2e from line 1	3	2,508,530
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	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c.(This must equal Form 990, Part I, line 12)	5	2,508,530

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	3,392,015
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	148,866
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	148,866
3	Subtract line 2e from line 1	3	3,243,149
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	
5	Total expenses Add lines 3 and 4c.(This must equal Form 990, Part I, line 18)	5	3,243,149

Part XIII

Supplemental Information

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.

Return Reference	Explanation
FORM 990, SCHEDULE D, PART X, LINE 2	ASC 740 FOOTNOTE FEDERAL INCOME TAX PRIMARILY ALL OF THE MERCY HEALTH ENTITIES ARE RECOGNIZED BY THE INTERNAL REVENUE SERVICE (IRS) AS EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(A) OF THE INTERNAL REVENUE CODE AS CHARITABLE ORGANIZATIONS QUALIFYING UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), BY VIRTUE OF IRS DETERMINATION LETTERS OR INCLUSION IN THE OFFICIAL CATHOLIC DIRECTORY. MERCY COMPLETED AN ANALYSIS OF ITS TAX POSITIONS IN ACCORDANCE WITH APPLICABLE ACCOUNTING GUIDANCE AND DETERMINED THAT NO AMOUNTS WERE REQUIRED TO BE RECOGNIZED ON THE CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2016 OR 2015.

Part XIII **Supplemental Information** *(continued)*

Return Reference	Explanation

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" on Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a

Attach to Form 990 or Form 990-EZ

Information about Schedule G (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
MERCY MINISTRIES OF LAREDO

Employer identification number
20-0198462

Part I Fundraising Activities

Complete if the organization answered "Yes" on Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a ☐ Mail solicitations

e ☐ Solicitation of non-government grants

b ☐ Internet and email solicitations

f ☐ Solicitation of government grants

c ☐ Phone solicitations

g ☐ Special fundraising events

d ☐ In-person solicitations
- 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.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total						

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

Part II Fundraising Events.

Complete if the organization answered "Yes" on 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.

Revenue		(a)Event #1	(b)Event #2	(c)Other events	(d)
		MILAGRO DINNER	BOSOM BUDDY	0	Total events
		(event type)	(event type)	(total number)	(add col (a) through col (c))
	1 Gross receipts	38,950	11,676		50,626
	2 Less Contributions	28,805	5,960		34,765
	3 Gross income (line 1 minus line 2)	10,145	5,716		15,861
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	2,891	2,530		5,421
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				5,421
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				10,440

Part III Gaming.

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

Revenue		(a)Bingo	(b)Pull tabs/Instant bingo/progressive bingo	(c)Other gaming	(d)
					Total gaming (add col (a) through col (c))
	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash 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 Subtract line 7 from line 1, column (d). ▶				

9 Enter the state(s) in which the organization conducts gaming activities _____

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

b If "No," explain _____

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

b If "Yes," explain _____

11

Does the organization conduct 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 conducted 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. 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).

Return Reference	Explanation
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2015

20-0198462

Schedule I (Form 990) 2015

Part IIIGrants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on 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) MEDICATION ASSISTANCE	163	16,503			
(2) SURGICAL ASSISTANCE	25	15,912			
(3) PHYSICIAN FEES	84	26,732			
(4) SPECIAL PROCEDURES	68	33,636			

Part IVSupplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
FORM 990, SCHEDULE I, PART I, LINE 2	ORGANIZATION'S PROCEDURES FOR MONITORING THE USE OF GRANTS ASSISTANCE IS PROVIDED TO CLINIC PATIENTS FOR FOOD, TRANSPORTATION, MEDICATION AND SURGERIES AND RELATED PHYSICIAN FEES. GROCERY STORE GIFT CARDS ARE GIVEN TO PATIENTS BASED ON THE ASSESSMENTS OF CLINIC COMMUNITY OUTREACH WORKERS WITH THE APPROVAL OF THE DIRECTOR OF OUTREACH AND EDUCATION. ASSESSMENTS ARE BASED ON ACTUAL HOME VISITS AND PATIENT INTERVIEWS. MEDICATIONS FOR CHRONIC ILLNESSES ARE PROVIDED TO CLINIC PATIENTS BASED ON THE RECOMMENDATION OF THE NURSE PRACTITIONER WITH THE APPROVAL OF THE CLINIC DIRECTOR. SOME CLINIC PATIENTS ARE ASSISTED WITH THE COST OF SPECIAL SURGERIES AND PROCEDURES. THE AMOUNT OF ASSISTANCE IS BASED ON THE RECOMMENDATION OF THE SOCIAL WORKER/CASE MANAGER, CLINIC DIRECTOR AND PRESIDENT OF THE CLINIC. THE USE OF GRANT FUNDS IS NOT MONITORED AFTER GRANTS ARE GIVEN. MERCY MINISTRIES MANAGEMENT DESIGNATES A PERCENTAGE OF UNRESTRICTED DONATIONS IN SUPPORT OF CASA DE MISERICORDIA. THESE DONATIONS ARE APPROVED BY THE PRESIDENT OF MERCY MINISTRIES.

SCHEDULE O
(Form 990 or
990-EZ)Department of the
Treasury
Internal Revenue
Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.

OMB No 1545-0047

2015**Open to Public
Inspection**Name of the organization
MERCY MINISTRIES OF LAREDO**Employer identification number**

20-0198462

Return Reference**Explanation**FORM 990, PART V,
QUESTION 2AW3-FILING EMPLOYEES ARE PAID BY A RELATED ORGANIZATION UNDER A COMMON PAYMASTER ARRANGEMENT
AS SUCH, ALL REQUIRED PAYROLL FILING (INCLUDING W-2, W-3'S) WAS REPORTED UNDER THE RELATED
ORGANIZATION, MHM SUPPORT SERVICES, EIN 20-2553101

Return Reference	Explanation
FORM 990, PART VI, LINE 6A, LINE 7A, 7B	CLASSES OF MEMBERS OR STOCKHOLDERS THE FILING ORGANIZATION HAS A SOLE CORPORATE MEMBER, MERCY HEALTH THE FOLLOWING CORPORATE POWERS AND RESPONSIBILITIES SHALL BE RESERVED UNTO THE CORPORATE MEMBER -APPROVAL OF THE ADOPTION OF AND ANY REVISIONS TO THE MISSION, VISION AND OPERATING VALUES PURSUANT TO WHICH THE CORPORATION WILL OPERATE, -APPROVAL OF ANY AMENDMENTS TO THE ARTICLES OF INCORPORATION AND THESE BYLAWS AND ANY AMENDMENTS TO THE ARTICLES OF INCORPORATION OF THE CORPORATION AND BYLAWS OF ANY AFFILIATE OF THE CORPORATION, -APPOINTMENT AND REMOVAL OF MEMBERS OF THE BOARD, APPOINTMENT AND REMOVAL OF THE CHIEF EXECUTIVE OFFICER OF THE CORPORATION, ADOPTION OF BUDGETS FOR THE CORPORATION, -TO LEASE OR SELL ANY OF THE ASSETS OF THE CORPORATION, OR ANY AFFILIATE OF THE CORPORATION, IN EXCESS OF ONE MILLION DOLLARS (\$1,000,000), -AUTHORIZATION AND APPROVAL OF ANY INCURRENCE OF DEBT BY THE CORPORATION (OTHER THAN DEBT INCURRED FOR THE ACQUISITION OF GOODS OR SERVICES ACQUIRED IN THE ORDINARY COURSE OF BUSINESS) OR THE GRANT OF SECURITY INTERESTS, PLACEMENT OF ENCUMBRANCES, ENTERING INTO COVENANTS, EXECUTION OF ANY DOCUMENTS AND TAKING OF ANY ACTIONS NECESSARY OR APPROPRIATE IN CONNECTION WITH THE INCURRENCE OF SUCH DEBT, -TO MERGE, DISSOLVE, OR ABANDON THE CORPORATION OR ANY CORPORATION CONTROLLED BY THE CORPORATION

Return Reference	Explanation
FORM 990, PART VI, QUESTION 11B	DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990 THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM, USING INFORMATION PROVIDED BY THE FILING ORGANIZATION A DRAFT FORM 990 IS REVIEWED BY THE FILING ORGANIZATION'S FINANCE TEAM THE DRAFT FORM 990 IS ALSO REVIEWED BY MERCY HEALTH'S TAX DEPARTMENT, TO ENSURE ACCURACY AND CONSISTENCY WITH OTHER RELATED ORGANIZATIONS' FORMS 990 AFTER QUESTIONS ARISING FROM THE VARIOUS REVIEWS ARE ADDRESSED AND INCORPORATED INTO THE FORM 990, A REVISED DRAFT IS PROVIDED TO THE FILING ORGANIZATION'S LEADERSHIP TEAM, INCLUDING THE CFO AND CEO, FOR REVIEW ONCE REVIEWED AND APPROVED BY THE FILING ORGANIZATION'S LEADERSHIP TEAM, THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS FOR REVIEW, IT IS THEN SIGNED AND FILED WITH THE IRS

Return Reference	Explanation
FORM 990, PART VI, QUESTION 12C	DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST OFFICERS, DIRECTORS, KEY EMPLOYEES AND OTHER DISQUALIFIED PERSONS ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY AND DID SO IN THE NORMAL COURSE FOR THE YEAR ENDED JUNE 30, 2016 THIS PROCESS IS ADMINISTERED AT THE MERCY HEALTH LEVEL BY MERCY'S BUSINESS RISK (INTERNAL AUDIT) DEPARTMENT THE QUESTIONNAIRES ARE REVIEWED WITH LEADERSHIP AT THE LOCAL LEVEL AND POTENTIAL CONFLICTS DISCUSSED AND RESOLVED THE CONFLICTS AND THEIR RESPECTIVE RESOLUTIONS ARE SHARED AT THE MERCY LEVEL WITH A TEAM INCLUDING MERCY'S CHIEF FINANCIAL OFFICER, CHIEF COMPLIANCE OFFICER AND OTHER MEMBERS OF FINANCE, LEGAL AND HR SUMMARY RESULTS ARE REVIEWED WITH MERCY'S STEWARDSHIP COMMITTEE (FORMERLY FINANCE, AUDIT AND COMPLIANCE COMMITTEE) OF THE BOARD OF DIRECTORS

Return Reference	Explanation
FORM 990, PART VI, QUESTIONS 15A & 15B	OFFICERS & POSITIONS FOR WHICH PROCESS WAS USED & YEAR PROCESS WAS BEGUN FOR THOSE CLASSIFIED AS OFFICERS (AND THUS DISQUALIFIED PERSONS), THE ORGANIZATION RELIES UPON MERCY HEALTH, WHICH USES THE FOLLOWING TO ESTABLISH THE COMPENSATION EXTERNAL MARKET SALARY SURVEYS, EXTERNAL MARKET SALARY STUDIES, ENGAGEMENT OF AN INDEPENDENT COMPENSATION CONSULTANT, AND REVIEW/APPROVAL OF COMPENSATION BY THE COMPENSATION COMMITTEE OF THE BOARD OF MERCY HEALTH

Return Reference	Explanation
FORM 990, PART VI, QUESTION 19	AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY , & FIN STMT TO GEN PUBLIC GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY , AND FINANCIAL STATEMENTS ARE MADE AVAILABLE UPON REQUEST BUT ARE NOT PUBLISHED PUBLICLY FORM 990, SCHEDULE O, PART VII, SECTION A SR MARIA LUISA VERA, RSM, DOES NOT TAKE COMPENSATION FOR HER ROLE AS CEO OF MERCY MINISTRIES OF LAREDO HER COMPENSATION IS PAID DIRECTLY TO THE RELIGIOUS ORDER, AS SHE HAS TAKEN A VOW OF POVERTY

Return Reference	Explanation
FORM 990, PART VII, SECTION A, COLUMN B	AVERAGE HOURS PER WEEK THE HOURS PER WEEK DISCLOSED IN PART VII IS THE AVERAGE HOURS THE LISTED PERSON WORKED OR DEVOTED PER WEEK WHILE EMPLOYED OR ASSOCIATED WITH THE FILING ORGANIZATION AND RELATED ORGANIZATIONS (IF APPLICABLE)

Return Reference	Explanation
FORM 990, PART XII, QUESTION 2C	AUDIT OF FINANCIAL STATEMENTS IN ADDITION TO BEING INCLUDED IN THE CONSOLIDATED MERCY MINISTRIES OF LAREDO ANNUAL FINANCIAL STATEMENT AUDIT, THE FILING ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED IN MERCY HEALTH AND SUBSIDIARIES ANNUAL FINANCIAL STATEMENT AUDIT. MERCY HEALTH AND SUBSIDIARIES RECEIVED AN UNQUALIFIED OPINION FROM THE EXTERNAL AUDITORS FOR FISCAL 2016 (THE TAX YEAR CURRENTLY BEING REPORTED). THE ULTIMATE RESPONSIBILITY FOR OVERSIGHT OF THE FINANCIAL STATEMENT AUDIT AND SELECTION OF THE EXTERNAL AUDITOR LIES WITH THE STEWARDSHIP COMMITTEE (FORMERLY FINANCE, AUDIT, AND COMPLIANCE COMMITTEE) OF MERCY HEALTH BOARD OF DIRECTORS. AUDIT RESULTS ARE COMMUNICATED TO THIS COMMITTEE.

Return Reference	Explanation
FORM 990, PART XII, QUESTION 3A AND 3B	SINGLE AUDIT ACT AND OMB CIRCULAR A-133 MERCY HEALTH UNDERGOES A CONSOLIDATED A-133 AUDIT EVERY YEAR AND DID SO FOR THE FISCAL YEAR ENDING JUNE 30, 2016 EACH ENTITY THAT RECEIVES FEDERAL FUNDS DURING THE YEAR IS INCLUDED ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA) AND IS ALSO INCLUDED IN THE POPULATION AVAILABLE FOR AUDIT THE FILING ENTITY RECEIVED FEDERAL FUNDS DURING THE YEAR ENDED JUNE 30, 2016, WAS INCLUDED ON THE MERCY HEALTH CONSOLIDATED SEFA, AND THEREFORE, WAS ALSO INCLUDED IN THE POPULATION AVAILABLE FOR AUDIT

Return Reference	Explanation
FORM 990 PART IX LINE 11 G	DESCRIPTION SURGICAL PROCEDURES TOTAL FEES 25944

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION LAB AND DIAGNOSTIC CHARGES TOTAL FEES 281095

Return Reference	Explanation
FORM 990 PART IX LINE 11 G	DESCRIPTION PHYSICIAN FEES TOTAL FEES 89463

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION GRANT EVALUATION CONSULTANTS TOTAL FEES 24775

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION STRATEGIC PLANNING CONSULTANT TOTAL FEES 7600

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION EXERCISE INSTRUCTOR TOTAL FEES 865

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
MERCY MINISTRIES OF LAREDO

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990. ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public
Inspection

Employer identification number

20-0198462

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on 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" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
See Additional Data Table							

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) MERC AMBU SURG CTR 7301 Rogers FT SMITH, AR 72917 71-0827721	AMBUL SURG CT	AR	NA									
(2) RES OPT & INNOV 645 MARYVILLE St Louis, MO 63141 46-0468368	CENTRAL DIST	MO	NA									
(3) SO OK DIAG CTR 1011 14TH Ardmore, OK 73401 43-1971232	MRI Services	OK	NA									
(4) FORT SMITH EMS 1701 S GREENWOOD FT SMITH, AR 72901 71-0416615	Emergency Medical	AR	NA									
(5) ST ED MER MED MOB 7301 Rogers FT SMITH, AR 72903 71-0554050	Office Building	AR	NA									

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
See Additional Data Table									

Part V

Transactions With Related Organizations

Complete if the organization answered "Yes" on 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

1a

No

b

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

1b

No

c

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

1c

Yes

d

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

1d

No

e

Loans or loan guarantees by related organization(s)

1e

No

f

Dividends from related organization(s)

1f

No

g

Sale of assets to related organization(s)

1g

No

h

Purchase of assets from related organization(s)

1h

No

i

Exchange of assets with related organization(s)

1i

No

j

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

1j

No

k

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

1k

No

l

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

1l

No

m

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

1m

No

n

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

1n

No

o

Sharing of paid employees with related organization(s)

1o

Yes

p

Reimbursement paid to related organization(s) for expenses

1p

Yes

q

Reimbursement paid by related organization(s) for expenses

1q

Yes

r

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

1r

No

s

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

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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)MHM SUPPORT SERVICES	O	3,083,421	FMV
(2)CASA DE MISERICORDIA	P	69,890	FMV

Schedule R (Form 990) 2015

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

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
FORM 990, SCHEDULE R, PART II	MERCY HOSPITALS EAST COMMUNITIES MERCY HOSPITALS EAST COMMUNITIES CONSISTS OF MERCY HOSPITAL ST LOUIS, EIN 43-0653493, AND MERCY HOSPITAL WASHINGTON, EIN 43-1066883
FORM 990, SCHEDULE R, PART V	LAWSON ERP SOFTWARE IS THE PRIMARY ACCOUNTING SOFTWARE USED BY MERCY HEALTH SYSTEM, INC AND SUBSIDIARIES THE MAJORITY OF THE NTERCOMPANY/RELATED ORGANIZATION TRANSACTIONS ARE PROCESSED THROUGH LAWSON VIA INTERCOMPANY JOURNAL ENTRIES WITH THE CURRENT DESIGN OF THE ERP SYSTEM, THERE ARE VARIOUS LIMITATIONS ON THE RELATED ORGANIZATION INFORMATION THAT CAN BE EXTRACTED FROM LAWSON DUE TO THESE LIMITATIONS, MOST OF THE RELATED ORGANIZATION ACTIVITY FOR THE FILING ORGANIZATION HAS BEEN CLASSIFIED ON SCHEDULE R, PART V, IN LINES P AND Q

Additional Data

Software ID:

Software Version:

EIN: 20-0198462

Name: MERCY MINISTRIES OF LAREDO

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
Casa de Misericordia 1602 McClelland Street Laredo, TX 78044 74-2912461	SHELTER	TX	501c3	7	MM LAREDO	Yes	
Jefferson Land Company Inc 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 43-1330360	HOLDING CO	MO	501c2	N/A	MH JFFRSON	Yes	
McAuley Portfolio Management Company 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 26-1708048	PORT MGMT	MO	501c3	11b	Mercy Health	Yes	
Mercy ACO Clinical Services Inc 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 46-4504901	VIRTUAL CARE	MO	501c3	3	Mercy Health	Yes	
Mercy Clinic East Communities 645 Maryville Center Drive Suite 1 St Louis, MO 63141 43-1771217	PHYS GROUP	MO	501c3	9	MH EAST COMM	Yes	
Mercy Clinic Fort Smith Communities 7301 Rogers Avenue Fort Smith, AR 72903 26-1318597	PHYS CLINIC	AR	501c3	3	MH FS COMM	Yes	
Mercy Clinic Oklahoma Communities Inc 4300 W Memorial Road Oklahoma City, OK 73120 27-0473057	PHYS GROUP	OK	501c3	3	MH OK COMM	Yes	
Mercy Clinic Springfield Communities 1965 Fremont Street Ste 2950 Springfield, MO 65804 43-1560263	PHYS GROUP	MO	501c3	3	MH SF COMM	Yes	
Mercy Family Center 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 72-1069468	COUNSELING	MO	501c3	7	Mercy Health	Yes	
Mercy Health Foundation 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 20-0901499	Foundation	MO	501c3	11b	Mercy Health	Yes	
Mercy Health 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 43-1423050	CORP OFFICE	MO	501c3	1	NA		No
Mercy Health East Communities 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 43-1718408	HLTH SYSTEM	MO	501c3	11b	Mercy Health	Yes	
Mercy Health East Communities - Southern 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 46-1412322	HLTH SYSTEM	MO	501c3	11b	MH EAST COMM	Yes	
Mercy Health Fort Smith Communities 7301 Rogers Avenue Fort Smith, AR 72917 26-1318515	HOLDING CO	AR	501c3	11b	Mercy Health	Yes	
Mercy Health Foundation Ada 430 N Monte Vista Street Ada, OK 74820 46-3596274	Foundation	OK	501c3	11a	MH ADA INC	Yes	
Mercy Health Foundation Ardmore 1011 14th Avenue NW Ardmore, OK 73401 71-0962525	Foundation	OK	501c3	11a	MH ARDMORE	Yes	
Mercy Health Foundation Berryville 214 Carter Street Berryville, AR 72616 71-0759301	Foundation	AR	501c3	11a	MH FT SMITH	Yes	
Mercy Health Foundation Fort Scott 401 Woodland Hills Blvd Fort Scott, KS 66701 48-1077073	Foundation	KS	501c3	11c	M KS COMM	Yes	
Mercy Health Foundation Hot Springs 300 Werner Street Hot Springs, AR 71913 71-0804718	Foundation	AR	501c3	11b	MC SRVCS	Yes	
Mercy Health Foundation Independence 800 W Myrtle Independence, KS 67301 48-1079981	Foundation	KS	501c3	11a	M ST FRANCIS	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
Mercy Health Foundation Jefferson 1400 US Highway 61 South Festus, MO 63028 46-2797051	Foundation	MO	501c3	11b	MH E COMM SR	Yes	
Mercy Health Foundation Joplin 100 Mercy Way Joplin, MO 64804 27-0906136	Foundation	MO	501c3	11a	MH SWMK COMM	Yes	
Mercy Health Foundation Lincoln 1000 East Cherry Street Troy, MO 63379 81-1477159	Foundation	MO	501c3	11b	MH EAST COMM	Yes	
Mercy Health Foundation NW Arkansas 2710 Rife Medical Lane Rogers, AR 72758 71-0601687	Foundation	AR	501c3	11c	MH ROGERS	Yes	
Mercy Health Foundation of Oklahoma 4300 W Memorial Road Oklahoma City, OK 73120 45-4732301	Foundation	OK	501c3	11a	MH OK COMM	Yes	
Mercy Health Foundation Oklahoma City 4300 W Memorial Road Oklahoma City, OK 73120 46-3184231	Foundation	OK	501c3	11a	MH OK COMM	Yes	
Mercy Health Foundation Springfield 1235 E Cherokee Street Springfield, MO 65804 32-0195818	Foundation	MO	501c3	11b	MH SF COMM	Yes	
Mercy Health Foundation St Louis 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 56-2410020	Foundation	MO	501c3	11b	MH EAST COMM	Yes	
Mercy Health Foundation Washington 901 E Fifth Street Washington, MO 63090 56-2410022	Foundation	MO	501c3	11b	MH EAST COMM	Yes	
Mercy Health NW Arkansas Communities 2710 Rife Medical Lane Rogers, AR 72758 62-1684203	PHYS GROUP	AR	501c3	9	Mercy Health	Yes	
Mercy Health Oklahoma Communities Inc 4300 W Memorial Road Oklahoma City, OK 73120 73-1453048	HLTH SYSTEM	OK	501c3	11b	Mercy Health	Yes	
Mercy Health Plans of Missouri Inc 3265 S National Avenue Springfield, MO 65807 32-0481419	HMO	MO	501c4	N/A	Mercy Health	Yes	
Mercy Health Plans Inc 3265 S National Avenue Springfield, MO 65807 32-0486150	PPO	MO	501c4	N/A	MH PLANS MO	Yes	
Mercy Health Southwest MOKS Communities 100 Mercy Way Joplin, MO 64804 30-0584463	HLTH SYSTEM	MO	501c3	11b	Mercy Health	Yes	
Mercy Health Springfield Communities 1235 E Cherokee Street Springfield, MO 65804 43-1856028	HLTH SYSTEM	MO	501c3	11b	Mercy Health	Yes	
Mercy Home Health Berryville 804 W Freeman Suite 4 Berryville, AR 72616 87-0781247	HOME HEALTH	AR	501c3	11c	MM LAREDO	Yes	
Mercy Hospital Ada Inc 430 N Monte Vista Street Ada, OK 74820 46-2288155	HOSPITAL	OK	501c3	3	MH OK COMM	Yes	
Mercy Hospital Ardmore Inc 1011 14th Avenue NW Ardmore, OK 73401 73-1500629	HOSPITAL	OK	501c3	3	MH OK COMM	Yes	
Mercy Hospital Aurora 500 Porter Avenue Aurora, MO 65605 43-1936696	HOSPITAL	MO	501c3	3	MH SF COMM	Yes	
Mercy Hospital Berryville 214 Carter Street Berryville, AR 72616 71-0759299	HOSPITAL	AR	501c3	3	MH SF COMM	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
Mercy Hospital Booneville 880 West Main Street Booneville, AR 72927 46-3851119	HOSPITAL	AR	501c3	3	MH FT SMITH	Yes	
Mercy Hospital Carthage 3125 Dr Russell Smith Way Carthage, MO 64836 45-3808607	HOSPITAL	MO	501c3	3	MH SWMK COMM	Yes	
Mercy Hospital Cassville 94 Main Street Cassville, MO 65625 43-1936699	HOSPITAL	MO	501c3	3	MH SF COMM	Yes	
Mercy Hospital Columbus 220 Pennsylvania Avenue Columbus, KS 66725 27-0842031	HOSPITAL	MO	501c3	3	MH SWMK COMM	Yes	
Mercy Hospital El Reno Inc 2115 Parkview Drive El Reno, OK 73036 27-2716065	HOSPITAL	OK	501c3	3	MH OK CITY	Yes	
Mercy Hospital Fort Smith 7301 Rogers Avenue Fort Smith, AR 72917 71-0240352	HOSPITAL	AR	501c3	3	MH NWAR COMM	Yes	
Mercy Hospital Healdton Inc 3462 Hospital Rd Healdton, OK 73438 26-3173902	HOSPITAL	OK	501c3	3	MH ARDMORE	Yes	
Mercy Hospital Jefferson 1400 Highway 61 South Festus, MO 63028 43-0687077	HOSPITAL	MO	501c3	3	MH E COMM SR	Yes	
Mercy Hospital Joplin 100 Mercy Way Joplin, MO 64804 27-0814858	HOSPITAL	MO	501c3	3	MH SWMK COMM	Yes	
Mercy Hospital Kingfisher Inc 1000 Kingfisher Regional Hosp Kingfisher, OK 73750 46-3433074	HOSPITAL	OK	501c3	3	MH OK CITY	Yes	
Mercy Hospital Lebanon 100 Hospital Drive Lebanon, MO 65536 43-1767432	HOSPITAL	MO	501c3	3	MH SF COMM	Yes	
Mercy Hospital Lincoln 1000 East Cherry Street Troy, MO 63379 47-2219204	HOSPITAL	MO	501c3	3	MH EAST COMM	Yes	
Mercy Hospital Logan County Inc 200 South Academy Guthrie, OK 73044 45-2998842	HOSPITAL	OK	501c3	3	MH OK CITY	Yes	
Mercy Hospital Oklahoma City Inc 4300 W Memorial Road Oklahoma City, OK 73120 73-0579285	HOSPITAL	OK	501c3	3	MH OK COMM	Yes	
Mercy Hospital Ozark 801 W River Street Ozark, AR 72949 71-0689680	HOSPITAL	AR	501c3	3	MH FT SMITH	Yes	
Mercy Hospital Paris 500 E Academy Paris, AR 72855 71-0655753	HOSPITAL	AR	501c3	3	MH FT SMITH	Yes	
Mercy Hospital Rogers 2710 Rife Medical Lane Rogers, AR 72758 71-0294390	HOSPITAL	AR	501c3	3	MH NWAR COMM	Yes	
Mercy Hospital Springfield 1235 E Cherokee Street Springfield, MO 65804 44-0552485	HOSPITAL	MO	501c3	3	MH SF COMM	Yes	
Mercy Hospital Tishomingo Inc 1000 South Byrd Tishomingo, OK 73460 27-4433830	HOSPITAL	OK	501c3	3	MH ARDMORE	Yes	
Mercy Hospital Waldron 1341 W 6th Street Waldron, AR 72958 71-0557895	HOSPITAL	AR	501c3	3	MH FT SMITH	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
Mercy Hospital Watonga Inc 500 Clarence Nash Blvd Watonga, OK 73772 45-5199762	HOSPITAL	OK	501c3	3	MH OK CITY	Yes	
Mercy Hospitals East Communities 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 43-0653493	HOSPITAL	MO	501c3	3	MH EAST COMM	Yes	
Mercy Kansas Communities Inc 401 Woodland Hills Blvd Ft Scott, KS 66701 48-0956045	HOSPITAL	KS	501c3	3	MH SWMK COMM	Yes	
Mercy Research 1235 E Cherokee Street Springfield, MO 65804 87-0796305	HOSPITAL	MO	501c3	4	MH SF COMM	Yes	
Mercy St Francis Hopsital 100 W Highway 60 Mountain View, MO 65548 44-0607149	HOSPITAL	MO	501c3	3	MH SF COMM	Yes	
MHM Support Services 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 20-2553101	CTRL SYS FUNC	MO	501c3	11b	Mercy Health	Yes	
Mission Clinical Services 300 Werner Street Hot Springs, AR 71913 13-4239691	CHILD ADVOC	AR	501c3	9	Mercy Health	Yes	
St Edward Mercy Foundation 7301 Rogers Avenue Fort Smith, AR 72917 23-7330425	Foundation	AR	501c3	7	MH FT SMITH	Yes	
St Mary's Hospital of Enid Oklahoma 14528 S Outer Forty Ste 100 Chesterfield, MO 63017 73-0614655	Inactive	OK	501c3	3	MH OK COMM	Yes	
The Sister M Cornelia Blasko Foundation 100 W Highway 60 Mountain View, MO 65548 43-1873914	Foundation	MO	501c3	11a	M ST FRANCIS	Yes	

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(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) Frontenac Properties Inc 14528 S Outer Forty Suite 100 Chesterfield, MO 63017 52-1914421	Holding company	DE	NA	C-Corp					
(1) Inveno Health Inc 1235 E Cherokee Street Springfield, MO 65804 26-4509571	PRODUCT COMMER	MO	NA	C-Corp					
(2) Mercy Commercial Services Inc 14528 South Outer Forty Suite 100 Chesterfield, MO 63017 46-4953543	PARENT OF VCC	MO	NA	C-Corp					
(3) Mercy Community Services Inc 401 Woodland Hills Blvd Fort Scott, KS 66701 48-1078101	Retail pharmacy	KS	NA	C-Corp					
(4) Mercy Health Center Condominium Inc 4300 W Memorial Rd Oklahoma City, OK 73120 68-0640970	Real estate	OK	NA	C-Corp					
(5) Mercy Health Network of the Southern Reg 1011 14th Avenue NW Ardmore, OK 73401 73-1580607	Holding company	OK	NA	C-Corp					
(6) Mercy Health Network Inc 4300 W Memorial Road Oklahoma City, OK 73120 73-1381689	Holding company	OK	NA	C-Corp					
(7) Mercy Managed Care Corporation 4300 W Memorial Road Oklahoma City, OK 73120 73-1441665	Holding company	OK	NA	C-Corp					
(8) UHL Corp Inc 645 Maryville Centre Drive Suite 1 St Louis, MO 63141 74-2499535	Holding company	MO	NA	C-Corp					
(9) Unity Support Services Inc 645 Maryville Centre Drive Suite 1 St Louis, MO 63141 43-1797042	INACTIVE	MO	NA	C-Corp					