

Return of Organization Exempt From Income Tax

2005

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2005 calendar year, or tax year beginning 10/01, 2005, and ending 9/30, 2006

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

Please use IRS label or print or type. See specific instructions. PARKLAND FOUNDATION 2777 NORTH STEMMONS FRWY, STE 1700 DALLAS, TX 75207

D Employer Identification Number 75-2089180 E Telephone number 214-266-2000 F Accounting method: Cash, Accrual, Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations H (a) Is this a group return for affiliates? H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling? I Group Exemption Number M Check if the organization is not required to attach Schedule B

G Web site: WWW.PARKLANDFOUNDATION.ORG

J Organization type (check only one) [X] 501(c) 3 (insert no) [] 4947(a)(1) or [] 527

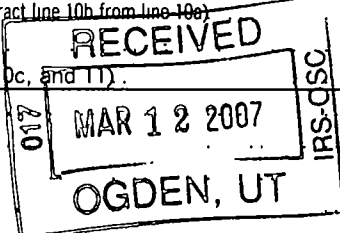
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 11,441,760.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

SCANNED MAR 22 2007

Table with 21 rows and 4 columns: Description, Sub-description, Amount, Total. Includes sections for Revenue (lines 1-12) and Expenses (lines 13-17), and Net Assets (lines 18-21).



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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

<i>Do not include amounts reported on line 6b, 8b, 9b, 40b, or 16 of Part I</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc.	25	496,075.	496,075.	0.	0.
26 Other salaries and wages	26	1,214,472.	445,405.	206,443.	562,624.
27 Pension plan contributions	27				
28 Other employee benefits	28	222,562.	94,251.	34,587.	93,724.
29 Payroll taxes	29				
30 Professional fundraising fees	30				
31 Accounting fees	31	80,602.		80,602.	
32 Legal fees	32				
33 Supplies	33	432,179.	412,425.	8,082.	11,672.
34 Telephone	34				
35 Postage and shipping	35	1,991.		1,309.	682.
36 Occupancy	36	127,188.	1,300.	125,888.	
37 Equipment rental and maintenance	37	761,504.	712,355.	2,150.	46,999.
38 Printing and publications	38	37,937.	37,937.		
39 Travel	39	218,831.	208,027.	2,794.	8,010.
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	28,571.		28,571.	
43 Other expenses not covered above (itemize)					
a ADVERTISING	43a	105,151.	89,037.	4,861.	11,253.
b BANK CHARGES	43b	45,609.	43,475.	347.	1,787.
c CONTRACTUAL SERVICES	43c	325,602.	103,560.	28,657.	193,385.
d MISCELLANEOUS	43d	154,961.	118,565.	10,019.	26,377.
e	43e				
f	43f				
g	43g				
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	4,253,235.	2,762,412.	534,310.	956,513.

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

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Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>SEE STATEMENT 3</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a <u>PATIENT SERVICES- PAYMENTS TO/ON BEHALF OF DCHD, PROVIDING MEDICAL CARE AND PATIENT CARE TO INDIGENT DALLAS COUNTY PATIENTS.</u> ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	22,376.
b <u>PATIENT/PUBLIC EDUCATION- INCLUDES ADVERTISING, BROCHURES, VIDEOTAPES, AND MODELS AS WELL AS SALARIES OF PATIENT EDUCATION PERSONNEL OF DCHD.</u> ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	447,830.
c <u>PATIENT ASSISTANCE-CONSISTS OF ITEMS AND SERVICES THAT ENABLE PATIENTS TO FIND AND BENEFIT FROM HEALTH CARE OR TO BE DISCHARGED SUCCESSFULLY.</u> ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	1,784,597.
d <u>PROFESSIONAL DEVELOPMENT-INCLUDES ADVANCED OR SUPPLEMENTAL TRAINING FOR STAFF OR DCHD TO HELP THEM KEEP ABREAST OF DEVELOPMENTS IN THEIR FIELDS.</u> ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	149,536.
e Other program services <u>SEE STATEMENT 4</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	358,073.
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	2,762,412.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
ASSETS	45 Cash – non-interest-bearing	77,746.	45	74,207.	
	46 Savings and temporary cash investments	8,673,695.	46	12,822,628.	
	47a Accounts receivable				
	b Less allowance for doubtful accounts		47c		
	48a Pledges receivable	7,252,344.			
	b Less allowance for doubtful accounts	206,033.	6,039,803.	48c	7,046,311.
	49 Grants receivable	2,627,601.	49	3,520,519.	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a Other notes & loans receivable (attach sch)				
	b Less: allowance for doubtful accounts		51c		
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54 Investments – securities (attach schedule) SEE ST 5 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	5,689,379.	54	6,155,000.	
	55a Investments – land, buildings, & equipment basis				
	b Less accumulated depreciation (attach schedule)		55c		
	56 Investments – other (attach schedule)		56		
	57a Land, buildings, and equipment basis	200,000.			
	b Less accumulated depreciation (attach schedule) STATEMENT 6	133,331.	95,240.	57c	66,669.
	58 Other assets (describe ► SEE STATEMENT 7)	668,688.	58	1,333,286.	
59 Total assets (must equal line 74) Add lines 45 through 58	23,872,152.	59	31,018,620.		
LIABILITIES	60 Accounts payable and accrued expenses	272,178.	60	788,458.	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule)		64b		
	65 Other liabilities (describe ► SEE STATEMENT 8)	5,502,485.	65	5,356,018.	
66 Total liabilities. Add lines 60 through 65	5,774,663.	66	6,144,476.		
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67 Unrestricted	3,704,374.	67	3,726,754.	
	68 Temporarily restricted	14,393,115.	68	21,147,390.	
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	18,097,489.	73	24,874,144.	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	23,872,152.	74	31,018,620.	

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	11,029,890.
b	Amounts included on line a but not on Part I, line 12:			
	1 Net unrealized gains on investments	b1		462,847.
	2 Donated services and use of facilities	b2		
	3 Recoveries of prior year grants	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	462,847.
c	Subtract line b from line a		c	10,567,043.
d	Amounts included on Part I, line 12, but not on line a :			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____	d2		
	Add lines d1 and d2		d	
e	Total revenue (Part I, line 12). Add lines c and d		e	10,567,043.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements		a	4,253,235.
b	Amounts included on line a but not on Part I, line 17:			
	1 Donated services and use of facilities	b1		
	2 Prior year adjustments reported on Part I, line 20	b2		
	3 Losses reported on Part I, line 20	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	4,253,235.
d	Amounts included on Part I, line 17, but not on line a :			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____	d2		
	Add lines d1 and d2		d	
e	Total expenses (Part I, line 17). Add lines c and d		e	4,253,235.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
SEE ATTACHED EXHIBIT A		0.	0.	0.
DAVID KRAUSE 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	PRESIDENT & CEO 40	203,093.	0.	0.
DENISE MILLER 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	VP-DEVELOPMENT 40	131,416.	0.	0.
JOY CARSON 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	CFO 40	110,857.	0.	0.
BETH BROYLES 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	CFCO 40	18,637.	0.	0.
MARY L. MITCHELL 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	OPERATIONS EXEC 40	32,072.	0.	0.

Part VI Other Information (continued)	Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82 b	
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c Dues, assessments, and similar amounts from members	85 c	N/A
d Section 162(e) lobbying and political expenditures	85 d	N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85 e	N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85 f	N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85 g	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85 h	N/A
86 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86 a	N/A
b Gross receipts, included on line 12, for public use of club facilities	86 b	N/A
87 501(c)(12) organizations. Enter a Gross income from members or shareholders	87 a	N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87 b	N/A
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88	X
89 a 501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under section 4911 ▶ 0. ; section 4912 ▶ 0. , section 4955 ▶ 0.		
b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89 b	X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.		
d Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.		
90 a List the states with which a copy of this return is filed ▶ NONE		
b Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	90 b	11
91 a The books are in care of ▶ MARILYN BARNES Telephone number ▶ 214-266-2000 Located at ▶ 2777 N. STEMMMONS FRWY, STE 1700, DALLAS TX ZIP + 4 ▶ 75207		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ▶	91 b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Statements		
c At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country ▶	91 c	X
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 – Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92	N/A	N/A

Part VII Analysis of Income-Producing Activities (See the instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a PROGRAM SERVICE FEES					1,804,362.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	199,209.	
96 Dividends & interest from securities			14	194,694.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	78,772.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b OTHER REVENUE			1	2,893.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				475,568.	1,804,362.
105 Total (add line 104, columns (B), (D), and (E))					2,279,930.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
9	SEE STATEMENT 9

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

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

Signature of officer: *Lisa C. Potter* Date: *MARCH 03, 2007*

Type or print name and title: *LISA C. POTTER*

Paid Preparer's Use Only

Preparer's signature: *Lisa C. Potter* Date: *2/27/07*

Check if self-employed:

Preparer's SSN or PTIN (See General Instruction W): *N/A*

Firm's name (or yours if self-employed), address, and ZIP + 4: *DAVIS CLARK & COMPANY LLC*
2705 SWISS AVE
DALLAS, TX 75204-5923

EIN: *N/A*

Phone no: *(214) 824-2556*

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No 1545-0047

2005

Name of the organization PARKLAND FOUNDATION	Employer identification number 75-2089180
--------------------------------------------------------	-----------------------------------------------------

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 10		221,666.	0.	0.
Total number of other employees paid over \$50,000 ▶		0		

Part II – A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
CINDY SCHULTEA PO BOX 627 HOUSTON, TX 77001	CONSULTING	57,790.
DANILLER + COMPANY 3724 JEFFERSON, SUITE 302 AUSTIN, TX 78731	CONSULTING	69,019.
HURON CONSULTING SERVICES LLC 4795 PAYSHERE CIRCLE CHICAGO, IL 60674	CONSULTING	55,452.
THE POWELL GROUP 4514 COLE AVENUE, SUITE 1200 DALLAS, TX 75205	PR/MKTG SERVICES	53,178.
Total number of others receiving over \$50,000 for professional services ▶		0

Part II – B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None'. See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶		0

Part III Statements About Activities (See instructions)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions)		
	a Sale, exchange, or leasing of property?		X
	b Lending of money or other extension of credit?		X
	c Furnishing of goods, services, or facilities?		X
	d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <p style="text-align: center;">SEE FORM 990, PART V</p>	X	
	e Transfer of any part of its income or assets?		X
3a	Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)		X
3b	Do you have a section 403(b) annuity plan for your employees?		X
3c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
4b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization **▶** Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above
DALLAS COUNTY HOSPITAL DISTRICT	8

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	N/A				
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11:	<p>a Enter 2% of amount in column (e), line 24 N/A</p> <p>b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.</p> <p>c Total support for section 509(a)(1) test. Enter line 24, column (e)</p> <p>d Add Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____</p> <p>e Public support (line 26c minus line 26d total)</p> <p>f Public support percentage (line 26e (numerator) divided by line 26c (denominator))</p>				<p>26a _____</p> <p>26b _____</p> <p>26c _____</p> <p>26d _____</p> <p>26e _____</p> <p>26f _____ %</p>
27 Organizations described on line 12:	<p>a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____</p> <p>b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____</p> <p>c Add Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____</p> <p>d Add Line 27a total _____ and line 27b total _____</p> <p>e Public support (line 27c total minus line 27d total) ..</p> <p>f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) 27f _____</p> <p>g Public support percentage (line 27e (numerator) divided by line 27f (denominator))</p> <p>h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</p>				<p>27c _____</p> <p>27d _____</p> <p>27e _____</p> <p>27g _____ %</p> <p>27h _____ %</p>
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15	N/A				

Part V Private School Questionnaire (See instructions)
 (To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' and 'limited control' provisions apply

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table –			
If the amount on line 40 is –	The lobbying nontaxable amount is –		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of.

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h.)			

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

**BYLAWS
OF
PARKLAND FOUNDATION**

ARTICLE I- PURPOSES AND OFFICES

1.1 Name. The name of this corporation is Parkland Foundation (hereinafter called the "Foundation").

1.2 Purposes. The Foundation is organized and will be operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The goal of Foundation is to solicit, receive and administer gifts and grants to benefit the Dallas County Hospital District dba Parkland Health and Hospital System. We dedicate ourselves to securing substantial financial resources that advance the clinical, educational and research quests of Parkland Health & Hospital System.

1.3 Offices. The principal office of the Foundation shall be located in Dallas County, Texas. The corporation shall have and continuously maintain a registered office and a registered agent at such office as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical to the principal office of the Foundation. The Foundation may have such other offices as the Board of Directors may determine or as the affairs of the Foundation may require from time to time.

ARTICLE II – BOARD OF DIRECTORS

2.1 General Powers. The business, affairs and property of the Foundation shall be managed by its Board of Directors in a manner consistent with these Bylaws and other applicable law.

2.2 Composition of the Board. The Board of the Foundation shall consist of no less than twenty-one (21) no more than thirty-five (35) members as determined by the Foundation Board of Directors (provided, however, that such number shall always be an odd number and the positions available for appointment by the Dallas County Hospital District Board of Managers shall always outnumber the positions elected by the Foundation Board of Directors), comprised as set out below

- (1) the Chair of the Dallas County Hospital District Board of Managers;
- (2) the President and Chief Executive Officer of the Dallas County Hospital District;
- (3) The President and Chief Executive Officer of the Foundation;
- (4) up to eighteen (18) Directors (including (1) and (2) above) appointed by the

Dallas County Hospital District Board of Managers, with at least one (1) appointee to be an active Board of Managers member;

(5) up to seventeen (17) Directors (including (3) above) elected by the Directors of the Foundation.

2.3 Tenure and Vacancies.

(1) The Directors of the Foundation shall serve for two year terms, with the exception of Directors serving under 2.2 (1), (2) and (3) above who serve without terms by virtue of their office. Directors serving a partial term shall be eligible to serve three full terms. Terms shall begin on April 1 of the year appointed or elected and end on March 31 two years subsequent or until such time as a successor can be appointed or elected. The terms of the directors shall be staggered so that no more than one-half of the terms of appointed or elected directors expire in a single year.

(2) Directors may be re-appointed or re-elected for up to two (2) additional terms. Directors who have served three, two-year terms may be eligible for reappointment one year after the expiration of the third two-year term.

(3) If the office of any Director shall become vacant by reason of death, resignation, or disqualification, a replacement for that Director shall be appointed or elected in the manner designated in Article II , to serve for the remainder of the unexpired term.

2.4 Regular Meetings. An annual meeting of the Board of Directors shall be held on the third Tuesday of February, at the hour of two o'clock p.m., or on such other date or time as may be fixed by the Board of Directors, for the purpose of discussing whatever matters the Directors or officers of the Foundation shall present for discussion, and for the purpose of altering, amending or repealing the Bylaws of the Foundation or adopting new Bylaws. Regular meetings shall be held in the months of February, May, August and November. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution. If the Board of Directors does not prescribe the time and place for the holding of the regular meetings, such regular meetings shall be held at the time and place specified by the Chairman in the notice of such regular meeting.

2.5 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board of Directors or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix the time and place for holding any special meetings of the Board called by them.

2.6 Notice. Notice of all special meetings of the Board of Directors shall be given at least seven (7) days prior thereto by written notice delivered personally or sent by mail to each Director at his address as shown by the records of the Foundation. If mailed, such notice shall be

deemed to be delivered when deposited in the United States mail so addressed with postage thereof prepaid. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of, any special meeting of the Board must be specified in the notice or waiver of notice of such meeting.

2.7 Quorum. A majority of the Board of Directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board unless a greater number is required by law, the Articles of Incorporation, or these Bylaws; but, if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting and reset it to another time, giving notice to the absent Directors. At a meeting at which a quorum is present at the commencement of that meeting, the Board may continue to transact business, even if a Director whose presence at the meeting was required to constitute a quorum thereafter leaves the meeting.

2.8 Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or these Bylaws.

2.9 Resignation and Removal. Any Director may resign at any time upon giving written notice to the Foundation. At any meeting of the Board of Managers of Dallas County Hospital District called expressly for the purpose of removing an appointed Director or Directors, any or all appointed Directors of the Foundation may be removed, with or without cause, by a majority of the said Board of Managers of the Dallas County Hospital District. At a meeting of the Board of Directors of the Foundation called expressly for the purpose of removing an elected Director or Directors, any or all elected Directors may be removed, with or without cause, by a majority vote of the Directors.

2.10 Compensation. Directors and Advisory Board Members (as described in Section 2.13 herein) as such shall not receive salaries for their services, but by resolution of the Board of Directors, the expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Foundation in any other capacity and receiving compensation therefor.

2.11 Informal Action by Directors. Any action, which may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all Directors entitled to vote with respect to the subject matter. Such consent shall have the same force and effect as a unanimous vote of the Board, and may be stated as such in any writing or document.

2.12 Meetings by Conference Call. Meetings of the board by means of telephone conference calls are authorized and, therefore, the members of the Board may participate in and

hold a meeting of the Board by means of conference telephone or similar communications equipment provided that all persons participating in the meeting can hear and communicate with each other. Participation in a meeting pursuant to this section shall constitute presence in person at the meeting.

2.13 Advisory Boards. The Board of Directors may appoint one or more additional persons as advisory members of the board to support the board in fund-raising activities, outreach, grants management, or for such other purposes as are necessary to fulfill the mission of the Foundation. Advisory members will hold office at the pleasure of the Board of Directors.

ARTICLE III - OFFICERS

3.1 Officers. The officers of the Foundation shall be a Chairman, President & Chief Executive Officer, a Vice-Chairman, a Secretary, a Treasurer, and such other officers and assistant officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. An Officer may serve as a Director, but need not be a Director.

3.2 Election and Term of Office. The officers of the Foundation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as it conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until the successor of such officer shall have been duly elected and shall have qualified.

3.3 Removal. Any officer elected or appointed by the Board of Directors may be removed by the vote of two-thirds of the Directors present at a meeting at which a quorum is present whenever, in their judgment, the best interests of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

3.4 Vacancies. A vacancy in any office because of death, resignation, disqualification or removal, may be filled by the Board of Directors for the unexpired portion of the term.

3.5 Powers and Duties of the Chairman. The Chairman shall preside at all meetings of the Board of Directors and shall see that all orders and resolutions of the Board are carried into effect. The Chairman shall cause to be called regular and special meetings of the Board in accordance with these Bylaws. The Chairman may sign, with the Secretary or any other proper officer of the Foundation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except

in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws or by some statute to some other officer or agent of the Foundation. In general the Chairman shall perform all duties incident to the office of Chairman and other such duties as may be prescribed by the Board of Directors from time to time.

3.6 Powers and Duties of the Vice Chairman. The Vice Chairman shall generally assist the Chairman and shall have such other powers and perform such other duties as may be prescribed or assigned by the Board. In the absence of the Chairman or in the event of the Chairman's inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice Chairman shall perform such other duties as from time to time may be assigned to said Vice Chairman by the Chairman or Board of Directors.

3.7 Powers and Duties of the President & Chief Executive Officer. The President & Chief Executive Officer shall be the principal executive officer of the Foundation and shall in general supervise and control all of the business and affairs of the Foundation. The President may sign, with the Secretary or any other proper officer of the Foundation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Foundation; and, in general the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

3.8 Powers and Duties of the Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Foundation; receive and give receipts for moneys due and payable to the Foundation from any source whatsoever; deposit all such moneys in the name of the Foundation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws. The Treasurer shall keep at the office of the Foundation full and accurate books of account of all its business and transactions and such other books of account as the Board may require, and shall exhibit the same to any member of the Board upon application therefore. In general, the Treasurer shall perform all the duties incident to the office and such other duties as from time to time may be assigned by the President or by the Board of Directors.

3.9 Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors to be maintained in the permanent records of the Foundation; give all notices in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Foundation, and affix the seal of the Foundation to all documents, the execution of which on behalf of the Foundation under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the address of each Director which shall be furnished to the Secretary by each Director; and, in general,

perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

3.10 Powers and Duties of the Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or Secretary or by the President or Board of Directors.

ARTICLE IV - COMMITTEES

4.1 Standing Committees. The Foundation will maintain the standing committees

- (a) The Executive Committee. The Chairman, Vice Chairmen, President and Chief Executive Officer, Secretary, Treasurer, and such other Directors appointed by the Board shall serve as members of the Executive Committee, which shall have authority to act on behalf of the Foundation between meetings of the Board of Directors. The Executive Committee is charged with the responsibility to review the Foundation's Bylaws and make recommendations on change to the Board of Directors; to review the Foundation's policies and make recommendations for change to the Board of Directors; to appoint a committee to nominate individuals to be elected to the Board of Directors to fill open positions; to review or appoint a committee to review compensation of the professional staff of the Foundation; to design and implement training for new Board members and ongoing education of current board members; and such other duties as will ensure the effective operation of the Foundation. The Executive Committee shall not have the authority to amend, alter or repeal the by-laws; to remove any member of any committee or any director or officer of the Foundation; to amend the Articles of Incorporation; to adopt a plan of merger or of consolidation with another corporation; to authorize a sale, exchange or mortgage of any of the property or assets of the Foundation; to authorize the voluntary dissolution of the Foundation; or to adopt a plan for the distribution of the assets of the Foundation. All actions of the Executive Committee outside the ordinary course of business shall be reported to the full Board of Directors at the next meeting of the Board.
- (b) The Development Committee. The Development Committee shall be comprised of at least three members who will lead the Board's participation in development, fundraising, marketing, public relations and outreach and recommend strategies to the Board. The committee will plan, develop, and monitor the Foundation's development and fund-raising efforts with emphasis on individual and corporate contributions. Membership on this committee need not be limited to Directors.

- (c) The Finance Committee. The Finance Committee shall be comprised of at least three members who will coordinate the Board's financial oversight responsibilities by recommending fiscal policy to the Board and monitoring its implementation. The committee will review the annual budget and recommend it to the full Board for approval; it will monitor budget implementation and financial procedures; it will approve distributions from discretionary funds; and will review financial reports. Membership on the finance committee need not be limited to Directors.
- (d) Government Grants Committee. The Government Grants Committee shall be comprised of at least three members who have the following responsibilities: 1) oversee public grants fiscal processes; 2) develop guidelines for funding initiatives through case development; 3) develop a process for reviewing proposals; 4) consider funding requests and make recommendations to the Board; 5) propose to the Board areas of special interest where initiatives will be focused; and 6) make recommendations to the Board on priorities and programs. Members on this committee need not be limited to Directors.

(e) Audit Committee. The Audit Committee shall be comprised of at least three members, one of whom is a Director appointed by the Dallas County Hospital District Board of Managers, and shall be appointed by and report to the Board of Directors. Working with the financial staff, the Audit Committee shall order the annual financial audit of the Foundation; review the audit when completed; and submit the audit to the Board. The Audit Committee shall work with staff to engage the audit firm. The Standing Committees will be appointed annually by the Board of Directors upon the joint recommendation of the Chairman and the President & CEO.

4.2 Other Committees. Upon recommendation of the Chairman, other committees may be designated and appointed by a majority the Directors present at a meeting at which a quorum is present. Membership on any such committee may, but need not be, limited to Directors.

4.3 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors and until such member's successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committees, or unless such member shall cease to qualify as a member thereof.

4.4 Chairman. One (1) member of each committee shall be appointed chairman by the person or persons authorized to appoint the members of such committee.

4.5 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

4.6 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act

of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

4.7 Rules. Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE V - CONTRACTS, CHECKS, DEPOSITS AND FUNDS

5.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Foundation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation. Such authority may be general or confined to specific interests.

5.2 Checks and Drafts. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall be signed by such officer or officers, agent or agents of the Foundation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President.

5.3 Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Board of Directors may select.

5.4 Gifts. The Board of Directors may accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Foundation.

ARTICLE VI - BOOKS AND RECORDS

6.1 The Treasurer of the Foundation shall keep correct and complete books and records of account and the Secretary shall keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE VII - FISCAL YEAR

7.1 The fiscal year of the Foundation shall be determined by the Board of Directors from time to time in the exercise of its discretion.

ARTICLE VIII - WAIVER OF NOTICE

8.1 Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Foundation, a waiver thereof in writing signed by all persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE IX - MISCELLANEOUS

9.1 Exempt Activities. Notwithstanding any other provision of these Bylaws, no director, officer, employee or representative of the Foundation shall take any action or carry on any activity by or on behalf of the Foundation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") or the corresponding provision of any future United States Internal Revenue Law and Treasury Regulations promulgated pursuant thereto as they now exist or may hereafter be amended, or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or may hereafter be amended.

9.2 Conflict of Interest. Whenever a Director or Officer has a financial or personal interest in any matter coming before the Board of Directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the foundation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval. The Board of Directors will adopt policies and procedures to support identification and reporting of conflicts of interest and compliance with federal and state conflict of interest laws.

ARTICLE X - AMENDMENTS TO BYLAWS

10.1 These Bylaws may be altered, amended or repealed or new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least seven (7) days prior thereto written notice is given of an intention to alter, amend, or repeal these Bylaws or to adopt new Bylaws at such meeting and such proposal, accompanied by a copy of such proposed changes, is furnished to the Directors with such notice. All Bylaws changes must be approved by the Board of Managers of the Dallas County Hospital District before they may become effective.

ARTICLE XI - INDEMNIFICATION

11.1 Policy of Indemnification and Advancement of Expenses. To the full extent permitted by the Texas Non-Profit Corporation Act, as amended from time to time, the Foundation shall indemnify any Representative against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including court costs and attorneys' fees) actually incurred by any such person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the person is or was a Representative and shall advance to such person such reasonable expenses as are incurred by such person in connection therewith.

11.2 Definitions. For purposes of this Article XI:

- i. "Representative" means any person who is or was a director and any person who, while a director, is or was serving at the request of the Foundation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of the Foundation or of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise or any person who is or was an officer and any person who, while an officer, is or was serving at the request of the Foundation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of the Foundation or of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.
- ii. "Proceeding" means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

11.3 Non-Exclusive; Continuation. The indemnification provided by this Article XI shall not be deemed exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of disinterested Directors or otherwise, both as to any action in his or her official capacity and as to any action in another capacity while holding such office, and shall continue as to a person who shall have ceased to be a Representative engaged in any other enterprise at the request of the Foundation and shall inure to the benefit of the heirs, executors, and administrators of such person.

11.4 Insurance or Other Arrangement. The Foundation shall have the power to purchase and maintain insurance or to the extent permitted by applicable law another arrangement on behalf of any person who is or was a Representative, employee, or agent of the Foundation, or who is or was serving at the request of the Foundation as a director, officer, employee, or agent or any other capacity in another association, or a partnership, joint venture, trust, or other enterprise against any liability asserted against such person and incurred by such person in such capacity, arising out of such person's status as such, whether or not such person is indemnified against such liability by the provisions of this Article XI.

11.5 Indemnification of Employees or Agents. The Foundation may indemnify and advance expenses to an employee or agent who is not a Director or officer to such further extent, consistent with law, as may be provided by general or specific action of the Board of Directors, by contract, or as permitted or required by common law.

ARTICLE XII – PARLIAMENTARY AUTHORITY

12.1 Parliamentary Authority. The most recent revised edition of Roberts Rules of Order shall govern all meetings of the Board unless otherwise expressly provided by law, by the Articles of Incorporation or by these Bylaws.

ADOPTED BY THE BOARD OF DIRECTORS AT A MEETING HELD ON THE 21ST DAY OF FEBRUARY, 2006.

Robert H. Thomas

Robert H. Thomas, Esq.
Chairman

Nancy E. Judy

Nancy Judy
Secretary



Board of Directors
October 1, 2005- September 30, 2006

Veletta Forsythe Lill
Chairwoman, Parkland Foundation Board of Directors
Average hours devoted weekly to the board: between 9-10 hours

David E. Krause
President & CEO, Parkland Foundation
*Paid employee

Bill Montgomery
Vice Chair, Parkland Foundation Board of Directors
Average hours devoted weekly to the board: between 8-9 hours

Robert H. Thomas, Esq.
Vice Chair, Finance, Parkland Foundation
Average hours devoted weekly to the board: between 2-3 hours

Nancy Judy
Secretary, Parkland Foundation Board of Directors
Average hours devoted weekly to the board: between 2-3 hours

W. Lamar Lovvorn
Treasurer, Parkland Foundation Board of Directors
Average hours devoted weekly to the board: between 2-3 hours

Barbara Lord Watkins
President Emeritus, Parkland Foundation
Average hours devoted weekly to the board: less than an hour

Ron J. Anderson, M.D.
Member
*Paid employee
Average hours devoted weekly to the board: 8-9 hours

Cliff P. Boyd
Member
Average hours devoted weekly to the board: less than an hour

William E. Cooper
Member
Average hours devoted weekly to the board: less than an hour

**Cont'd Parkland Foundation Board of Directors
2005-2006**

Nancy Strauss Halbreich

Member

Average hours devoted weekly to the board: between 1-2 hours

Betsy Healy

Member

Average hours devoted weekly to the board: between 1-2 hours

Barry Henry

Member

Average hours devoted weekly to the board: between 3-4 hours

Dalton Lott

Member

Average hours devoted weekly to the board: less than an hour

Lauren McDonald, M.D.

Member

Average hours devoted weekly to the board: less than an hour

Regina Montoya

Member

Average hours devoted weekly to the board: less than an hour

Jeanne Murphy

Member

Average hours devoted weekly to the board: less than an hour

Mike A. Myers

Member

Average hours devoted weekly to the board: between 1-2 hours

Marcos Ronquillo, Esq.

Member

Average hours devoted weekly to the board: less than an hour

Vicky C. Teherani

Member

Average hours devoted weekly to the board: less than an hour

Ann Frances Jury

Ex-Officio

Average hours devoted weekly to the board: less than an hour

Elizabeth Gillette

Ex-Officio

Average hours devoted weekly to the board: less than an hour

Note: Board Members are not compensated (*except where noted), nor are they entitled to employee benefits and/or expenses

PARKLAND FOUNDATION

75-2089180

STATEMENT 1
FORM 990, PART I, LINE 8
NET GAIN (LOSS) FROM NONINVENTORY SALES

PUBLICLY TRADED SECURITIES

GROSS SALES PRICE: 953,489.
 COST OR OTHER BASIS: 874,717.

TOTAL GAIN (LOSS) PUBLICLY TRADED SECURITIES \$ 78,772.

TOTAL NET GAIN (LOSS) FROM NONINVENTORY SALES \$ 78,772.

STATEMENT 2
FORM 990, PART I, LINE 20
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

UNREALIZED GAIN ON INVESTMENTS

TOTAL \$ 462,847.
 \$ 462,847.

STATEMENT 3
FORM 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

TO SUPPORT DALLAS COUNTY HOSPITAL DISTRICT.

STATEMENT 4
FORM 990, PART III, LINE E
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
GRANT MANAGEMENT- AS AGENT FOR DCHD THE FOUNDATION MAINTAINS A RECORDINGKEEPING SYSTEM FOR ONGOING GRANTS OF DCHD AND COORDINATES EXTERNAL AND INTERNAL FINANCIAL AUDITS OF GRANTS ACCOUNTED FOR ON THE BOOKS OF THE FOUNDATION AS DCHD MANAGED FUNDS (AGENCY). INCLUDES FOREIGN GRANTS: NO		358,073.
TOTAL	\$ <u>0.</u>	\$ <u>358,073.</u>

PARKLAND FOUNDATION

75-2089180

STATEMENT 5
FORM 990, PART IV, LINE 54
INVESTMENTS - SECURITIES

CORPORATE STOCKS	VALUATION METHOD	AMOUNT
EQUITES	MARKET VALUE	\$ 3,996,266.
	TOTAL	\$ 3,996,266.
OTHER SECURITIES	VALUATION METHOD	AMOUNT
FIXED INCOME FUNDS	MARKET VALUE	2,158,734.
	TOTAL	\$ 2,158,734.
TOTAL INVESTMENTS - SECURITIES		\$ 6,155,000.

STATEMENT 6
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
IMPROVEMENTS	\$ 200,000.	\$ 133,331.	\$ 66,669.
TOTAL	\$ 200,000.	\$ 133,331.	\$ 66,669.

STATEMENT 7
FORM 990, PART IV, LINE 58
OTHER ASSETS

OTHER RECEIVABLE	\$ 1,333,286.
TOTAL	\$ 1,333,286.

STATEMENT 8
FORM 990, PART IV, LINE 65
OTHER LIABILITIES

DUE TO DCHD	\$ 5,356,018.
TOTAL	\$ 5,356,018.

PARKLAND FOUNDATION

75-2089180

**STATEMENT 9
FORM 990, PART VIII
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES**

<u>LINE #</u>	<u>EXPLANATION OF ACTIVITIES</u>
93A	THE FOUNDATION RECEIVES INDIRECT COSTS, MANAGEMENT FEES, SEMINAR AND OTHER FEES FOR ADMINISTRATION OF DCHD GRANTS IN RETURN FOR FISCAL PROGRAMMATIC OVERSIGHT, AS WELL AS ACCOUNTING AND AUDIT RELATED SERVICES FOR SPECIFIC GRANT PROGRAMS AND AGENCY RESTRICTED FOR DCHD ACTIVITIES. THE FUNDS ARE DERIVED SOLELY TO ACCOMPLISH THE FOUNDATION'S EXEMPT PURPOSE, TO PROVIDE CHARITABLE SUPPORT FOR DCHD AND ARE EXPENDED IN ACCORDANCE WITH THEIR RESTRICTIONS FOR PATIENT AND OTHER CARE FOR INDIGENTS.

**STATEMENT 10
SCHEDULE A, PART I
COMPENSATION OF FIVE HIGHEST PAID EMPLOYEES**

<u>NAME AND ADDRESS</u>	<u>TITLE & AVERAGE HOURS WORKED</u>	<u>COMPEN- SATION</u>	<u>CONTRIBUTIO EBP & DC</u>	<u>EXPENSE ACCOUNT</u>
MARILYN BARNES 2777 N. STEMMONS FRWY STE 1700 DALLAS, TX 75207	GEN. LEDGER MGR 40	50,510.	0.	0.
TEMEKA CASS 2777 N. STEMMONS FRWY, STE 1700 DALLAS, TX 75207	MGO 40	55,722.	0.	0.
MAMIE MCMILLIAN 2777 N. STEMMONS FRWY, STE 1700 DALLAS, TX 75207	EXEC. ASSISTANT 40	62,034.	0.	0.
EDWARD DAVILA 2777 STEMMONS FRWY, STE 1700 DALLAS, TX 75207	GRANT SPECIALIS 40	53,400.	0.	0.
	TOTAL	<u>\$ 221,666.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>