

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning _____, and ending _____

B Check if applicable:
 Address change
 Name change
 Initial return
 Termination
 Amended return
 Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization **The Ronald McDonald House of Galveston**
 Doing Business As _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
301 14th Street
 City or town, state or country, and ZIP + 4
Galveston TX 77550

D Employer identification number
76-0114962

E Telephone number
409-762-0609

G Gross receipts \$ **875,020**

F Name and address of principal officer: _____

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (See instructions)

I Tax-exempt status: 501(c) (**3**) t (insert no.) _____ 4947(a)(1) or _____ 527

J Website: **www.rmhg.org/**

K Type of organization: Corporation Trust Association Other **u**

L Year of formation: **1984** **M** State of legal domicile: **TX**

H(c) Group exemption number **u**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: RONALD MCDONALD HOUSE		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	25
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	25
	5 Total number of employees (Part V, line 2a)	5	17
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	347,887	495,769
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	67,530	45,500
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	165,804	141,946
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	71,662	186,059
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	652,883	869,274
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	300,013	367,982
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) u 55,686		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	172,098	158,426
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	472,111	526,408	
19 Revenue less expenses. Subtract line 18 from line 12	180,772	342,866	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 26)	5,579,172	4,919,141
	22 Net assets or fund balances. Subtract line 21 from line 20	4,040	39,014

Part II Signature Block

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

Sign Here

Signature of officer _____ Date _____
 Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature _____ Date **3/20/10** Check if self-employed Preparer's identifying number (see instructions) **P00758150**
 Firm's name (or yours if self-employed), address, and ZIP + 4 **DRDA, P.C. 1011 Tremont Galveston, TX 77550** EIN **u 76-0229852**
 Phone no. **u 281-488-2022**

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

RONALD MCDONALD HOUSE

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 exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ **305,840** including grants of \$) (Revenue \$)

The Organization operates a home away from home for the families of children who come to the medical facilities (Univer. of Tex Medical Branch & Shriners Burn Institute) for diagnosis and treatment of serious and long-term illnesses. The facility offers parents and their children emotional support and residential accommodations. Room rates are de minimis and families are not excluded due to inability to pay. The excess of program expenses over program revenue is funded by contributions.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ **56,566** including grants of \$) (Revenue \$)

4e Total program service expenses u \$ 362,406 (Must equal Part IX, Line 25, column (B).)

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	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	X	
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		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6	Did the organization maintain any donor advised funds or any accounts where 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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a	Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25.		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1a	0		
1b	0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2a	17		
2b	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 this return. (see instructions)		X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
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)?		X
4a	If "Yes," enter the name of the foreign country: u See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		X
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		X
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		X
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	495,769				
	g Noncash contributions included in lines 1a-1f: \$		8,947				
	h Total. Add lines 1a-1f	u	495,769				
Program Service Revenue		Busn. Code					
	2a Room Donations		45,500	45,500			
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f	u	45,500				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	u	136,161			136,161	
	4 Income from investment of tax-exempt bond proceeds	u					
	5 Royalties	u	35,725			35,725	
		(i) Real	(ii) Personal				
	6a Gross Rents						
	b Less: rental exps.						
	c Rental inc. or (loss)						
	d Net rental income or (loss)	u					
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	5,785			
	b Less: cost or other basis & sales exps.						
	c Gain or (loss)			5,785			
	d Net gain or (loss)	u	5,785	5,785			
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events	u					
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities	u					
10a Gross sales of inventory, less returns and allowances	a	2,273					
b Less: cost of goods sold	b	5,746					
c Net income or (loss) from sales of inventory	u	-3,473			-3,473		
	Miscellaneous Revenue	Busn. Code					
11a Spring Event			80,934			80,934	
b Gulf Properties Partnership I			22,697			22,697	
c Insurance Claim Receipts			21,832	21,832			
d All other revenue			28,344			28,344	
e Total. Add lines 11a-11d	u		153,807				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e	u		869,274	73,117	0	300,388	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	72,960	56,566	10,929	5,465
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	202,081	156,653	30,292	15,136
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	68,142	52,830	10,208	5,104
10 Payroll taxes	24,799	19,227	3,715	1,857
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	12,545		12,545	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	42,063	30,133	11,930	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	120	20	100	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	30,275	16,348	13,927	
23 Insurance	20,185	16,131	4,054	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Other Fund Raising Exp A	18,168			18,168
b Loss Due to Hurricane	7,998		7,998	
c Communications Newsletter	5,151			5,151
d Household Supplies	3,149	3,149		
e Family Transportation	2,457	2,457		
f All other expenses	16,315	8,892	2,618	4,805
25 Total functional expenses. Add lines 1 through 24f	526,408	362,406	108,316	55,686
26 Joint Costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest bearing		1	
	2 Savings and temporary cash investments	1,467,904	2	865,832
	3 Pledges and grants receivable, net	249,969	3	176,667
	4 Accounts receivable, net	350	4	7,775
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	1,797	8	1,417
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost basis	10a 1,385,116		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 304,287	10c	1,080,829
	11 Investments—publicly traded securities	3,650,700	11	2,705,024
	12 Investments—other securities. See Part IV, line 11	64,484	12	81,597
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	5,579,172	16	4,919,141	
Liabilities	17 Accounts payable and accrued expenses	4,040	17	39,014
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	4,040	26	39,014
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	818,652	27	1,665,533
	28 Temporarily restricted net assets	4,068,091	28	2,731,049
	29 Permanently restricted net assets	688,389	29	483,545
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	5,575,132	33	4,880,127	
34 Total liabilities and net assets/fund balances	5,579,172	34	4,919,141	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to lines 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?	X	
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?		X
b If "Yes," did the organization undergo the required audit or audits?		

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) u	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) u	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f 15 %

16a 33 1/3 % support test—2008. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33 1/3 % support test—2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

b 10%-facts-and-circumstances test—2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) u	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	332,743	398,061	748,628	347,887	495,769	2,323,088
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	112,995	116,700	100,830	67,530	45,500	443,555
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 1-5	445,738	514,761	849,458	415,417	541,269	2,766,643
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 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000	107,896	110,848	90,570	61,234	38,726	409,274
c Add lines 7a and 7b	107,896	110,848	90,570	61,234	38,726	409,274
8 Public support (Subtract line 7c from line 6.)	337,842	403,913	758,888	354,183	502,543	2,357,369

Section B. Total Support

Calendar year (or fiscal year beginning in) u	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	445,738	514,761	849,458	415,417	541,269	2,766,643
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	64,114	70,472	176,587	214,224	136,161	661,558
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	64,114	70,472	176,587	214,224	136,161	661,558
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)	509,852	585,233	1,026,045	629,641	677,430	3,428,201

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**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	68.7640 %
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	76.0065 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	19.2975 %
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	11.5629 %

19a 33 1/3 % support tests—2008. 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—2007. 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

Schedule B
(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors
u Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

2008

Name of the organization The Ronald McDonald House of Galveston	Employer identification number 76-0114962
--	--

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(**3**) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization The Ronald McDonald House of	Employer identification number 76-0114962
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	BP P.O. Box 401 Texas City TX 77592	\$ 35,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	University of Texas Medical Branch 301 University Blvd. Galveston TX 77555	\$ 35,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	Ronald McDonald House Charities 11875 W. Little York, Suite 406 Houston TX 77041	\$ 65,835	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	United Way State Employee Campaign 2200 Turning Basin Dr. Houston TX 77029	\$ 27,948	Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	Jamail Galveston Foundation PO Box 2296 Galveston TX 77553	\$ 20,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	Gulf Properties PO Box 329 Galveston TX 77550	\$ 18,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization The Ronald McDonald House of	Employer identification number 76-0114962
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	John P. McGovern Foundation 2211 Norfolk, Suite 900 Houston TX 77098	\$ 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	McDonald's Charities PO Box 1480 Jasper TX 75951	\$ 20,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	Mr. and Mrs. Jerry Mohn 4210 Silver Reef - PBW #1 Galveston TX 77554	\$ 28,781	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	Moody Memorial First United Methodist Church 2803 53rd Street Galveston TX 77551	\$ 25,036	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	Technip USA 11700 Old Katy Road, Suite 150 Houston TX 77079	\$ 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

u Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization: The Ronald McDonald House of Galveston; Employer identification number: 76-0114962

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Form for Part II including questions about purpose of easements, total acreage, monitoring, and expenses. Includes a table for 'Held at the End of the Year' with rows 2a-2d.

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

Form for Part III including questions about reporting art, historical treasures, or other similar assets, and amounts related to these items.

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

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

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

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

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	3,650,700				
b Contributions					
c Investment earnings or losses	-905,246				
d Grants or scholarships					
e Other expenditures for facilities and programs	15,820				
f Administrative expenses	24,610				
g End of year balance	2,705,024				

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment **u** 82.12 %
- b Permanent endowment **u** 17.88 %
- c Term endowment **u** _____ %

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)		X
3a(ii)		X
3b		

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

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		8,810		8,810
b Buildings				
c Leasehold improvements		242,883	152,790	90,093
d Equipment		1,133,423	151,497	981,926
e Other				

Total. Add lines 1a–1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).) **u** 1,080,829

SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

u Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization **The Ronald McDonald House of Galveston**

Employer identification number
76-0114962

Amended Return Explanation

This return is being amended to properly record the unrealized depreciation on investments. Also, to properly prepare Schedule D.

Form 990, Part III, Line 4d - All Other Achievements

The Organization operates a home away from home for the families of children who come to the medical facilities (Univer. of Tex Medical Branch & Shriners Burn Institute) for diagnosis and treatment of serious and long-term illnesses. The facility offers parents and their children emotional support and residential accommodations. Room rates are de minimis and families are not excluded due to inability to pay. The excess of program expenses over program revenue is funded by contributions.

Form 990, Part VI, Line 10 - Organization's Process Used to Review Form 990

The approval of the form 990 is placed on the agenda issued before the meeting. During the meeting a motion to accept is provided and seconded before signing the form 990 and mailing it in.

Form 990, Part VI, Line 15a - Compensation Process for Top Official

The Executive Director's salary is evaluated every year by the board.

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

Available upon request only.

Form **4562**
 Department of the Treasury
 Internal Revenue Service

Depreciation and Amortization
 (Including Information on Listed Property)

OMB No. 1545-0172

2008

Attachment
 Sequence No. **67**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return The Ronald McDonald House of Galveston	Identifying number 76-0114962
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Business or activity to which this form relates

Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6		

7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	21,625

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2008	17	0
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	21,625
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2008)

Federal Asset Report**Form 990, Page 1**

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Other Depreciation:									
1	Kempner furniture	5/01/93	10,000			10,000	7 MO S/L	10,000	0
2	Washing machines	5/01/94	2,296			2,296	7 MO S/L	2,296	0
3	Refrigerator	8/01/98	4,685			4,685	7 MO S/L	4,685	0
4	Childrens computers	11/01/99	2,178			2,178	5 MO S/L	2,178	0
5	Refrigerator	9/01/99	4,000			4,000	7 MO S/L	4,000	0
6	Refrigerator	9/01/99	4,000			4,000	7 MO S/L	4,000	0
7	Big scree TV	11/01/99	8,000			8,000	5 MO S/L	8,000	0
9	Leasehold Improvements	1/01/88	183,718			183,718	31 MO S/L	109,772	5,832
10	Leasehold Improvements	1/01/89	59,164			59,164	31 MO S/L	34,894	1,878
12	Computers	1/01/95	8,162			8,162	5 MO S/L	8,162	0
13	Misc Other	1/01/95	2,318			2,318	5 MO S/L	2,318	0
14	Computer	12/15/98	27,138			27,138	5 MO S/L	27,138	0
15	Computer	1/01/98	10,227			10,227	5 MO S/L	10,227	0
16	Desk & Credenza	6/01/99	14,340			14,340	10 MO S/L	12,189	1,434
21	Compaq computer	11/06/02	2,496			2,496	5 MO S/L	2,496	0
22	Carpet Cleaning Machine	10/16/02	1,191			1,191	7 MO S/L	879	170
23	Bedroom Furniture	12/01/02	16,447			16,447	7 MO S/L	11,944	2,349
24	Furniture	9/22/03	2,712			2,712	12 MO S/L	961	226
25	Furnishings	11/24/03	2,912			2,912	7 MO S/L	1,699	416
26	Playground/Expansion	7/16/04	8,810			8,810	0 -- Memo	0	0
27	Computers and Equip.	2/02/05	19,430			19,430	5 MO S/L	11,334	3,887
28	Telephone System	10/25/05	15,640			15,640	7 MO S/L	4,841	2,234
29	2006 Minivan	1/05/06	22,218			22,218	5 MO200DB	14,220	3,199
	Total Other Depreciation		<u>432,082</u>			<u>432,082</u>		<u>288,233</u>	<u>21,625</u>
	Total ACRS and Other Depreciation		<u>432,082</u>			<u>432,082</u>		<u>288,233</u>	<u>21,625</u>
	Grand Totals		432,082			432,082		288,233	21,625
	Less: Dispositions		0			0		0	0
	Less: Start-up/Org Expense		0			0		0	0
	Net Grand Totals		<u>432,082</u>			<u>432,082</u>		<u>288,233</u>	<u>21,625</u>

State Asset Report
Form 990, Page 1

Asset	Description	Date In Service	Cost	Basis for Depr	State Prior	State Current	Federal Current	Difference Fed - State
Other Depreciation:								
1	Kempner furniture	5/01/93	10,000	10,000	10,000	0	0	0
2	Washing machines	5/01/94	2,296	2,296	2,296	0	0	0
3	Refrigerator	8/01/98	4,685	4,685	4,685	0	0	0
4	Childrens computers	11/01/99	2,178	2,178	2,178	0	0	0
5	Refrigerator	9/01/99	4,000	4,000	4,000	0	0	0
6	Refrigerator	9/01/99	4,000	4,000	4,000	0	0	0
7	Big scree TV	11/01/99	8,000	8,000	8,000	0	0	0
9	Leasehold Improvements	1/01/88	183,718	183,718	108,891	5,832	5,832	0
10	Leasehold Improvements	1/01/89	59,164	59,164	34,894	1,878	1,878	0
12	Computers	1/01/95	8,162	8,162	8,162	0	0	0
13	Misc Other	1/01/95	2,318	2,318	2,318	0	0	0
14	Computer	12/15/98	27,138	27,138	27,138	0	0	0
15	Computer	1/01/98	10,227	10,227	10,227	0	0	0
16	Desk & Credenza	6/01/99	14,340	14,340	12,189	1,434	1,434	0
21	Compaq computer	11/06/02	2,496	2,496	2,496	0	0	0
22	Carpet Cleaning Machine	10/16/02	1,191	1,191	879	170	170	0
23	Bedroom Furniture	12/01/02	16,447	16,447	11,944	2,349	2,349	0
24	Furniture	9/22/03	2,712	2,712	961	226	226	0
25	Furnishings	11/24/03	2,912	2,912	1,699	416	416	0
26	Playground/Expansion	7/16/04	8,810	8,810	0	0	0	0
27	Computers and Equip.	2/02/05	19,430	19,430	11,334	3,887	3,887	0
28	Telephone System	10/25/05	15,640	15,640	4,841	2,234	2,234	0
29	2006 Minivan	1/05/06	22,218	22,218	14,220	3,199	3,199	0
Total Other Depreciation			<u>432,082</u>	<u>432,082</u>	<u>287,352</u>	<u>21,625</u>	<u>21,625</u>	<u>0</u>
Total ACRS and Other Depreciation			<u>432,082</u>	<u>432,082</u>	<u>287,352</u>	<u>21,625</u>	<u>21,625</u>	<u>0</u>
Grand Totals			432,082	432,082	287,352	21,625	21,625	0
Less: Dispositions			0	0	0	0	0	0
Less: Start-up/Org Expense			0	0	0	0	0	0
Net Grand Totals			<u>432,082</u>	<u>432,082</u>	<u>287,352</u>	<u>21,625</u>	<u>21,625</u>	<u>0</u>

Depreciation Adjustment Report

All Business Activities

<u>Form</u>	<u>Unit</u>	<u>Asset</u>	<u>Description</u>	<u>Tax</u>	<u>AMT</u>	<u>AMT Adjustments/ Preferences</u>
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There are no assets that meet the criteria of this report

Asset	Description	Date In Service	Cost	Tax	AMT
Other Depreciation:					
1	Kempner furniture	5/01/93	10,000	0	0
2	Washing machines	5/01/94	2,296	0	0
3	Refrigerator	8/01/98	4,685	0	0
4	Childrens computers	11/01/99	2,178	0	0
5	Refrigerator	9/01/99	4,000	0	0
6	Refrigerator	9/01/99	4,000	0	0
7	Big scree TV	11/01/99	8,000	0	0
9	Leasehold Improvements	1/01/88	183,718	5,832	0
10	Leasehold Improvements	1/01/89	59,164	1,878	0
12	Computers	1/01/95	8,162	0	0
13	Misc Other	1/01/95	2,318	0	0
14	Computer	12/15/98	27,138	0	0
15	Computer	1/01/98	10,227	0	0
16	Desk & Credenza	6/01/99	14,340	717	0
21	Compaq computer	11/06/02	2,496	0	0
22	Carpet Cleaning Machine	10/16/02	1,191	142	0
23	Bedroom Furniture	12/01/02	16,447	2,154	0
24	Furniture	9/22/03	2,712	226	0
25	Furnishings	11/24/03	2,912	416	0
26	Playground/Expansion	7/16/04	8,810	0	0
27	Computers and Equip.	2/02/05	19,430	3,886	0
28	Telephone System	10/25/05	15,640	2,235	0
29	2006 Minivan	1/05/06	22,218	2,399	0
	Total Other Depreciation		<u>432,082</u>	<u>19,885</u>	<u>0</u>
	Total ACRS and Other Depreciation		<u>432,082</u>	<u>19,885</u>	<u>0</u>
	Grand Totals		<u>432,082</u>	<u>19,885</u>	<u>0</u>

<u>Asset</u>	<u>Description</u>	<u>Date In Service</u>	<u>Cost</u>	<u>State</u>
Other Depreciation:				
1	Kempner furniture	5/01/93	10,000	0
2	Washing machines	5/01/94	2,296	0
3	Refrigerator	8/01/98	4,685	0
4	Childrens computers	11/01/99	2,178	0
5	Refrigerator	9/01/99	4,000	0
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9	Leasehold Improvements	1/01/88	183,718	5,832
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	Total ACRS and Other Depreciation		<u>432,082</u>	<u>19,885</u>
	Grand Totals		<u>432,082</u>	<u>19,885</u>

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Taxable Interest on Investments

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
Endowment Income on 6 CD's at	\$ 30,649		14	
Interest Income	3,283		14	
Total	<u>\$ 33,932</u>			

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
MNB Endowment Income	\$ 32,300		14	
Joan B. Kroc Endowment Income	27,360		14	
Frost Endowment Income	67,179		14	
MNB Endow Maintenance Fee	-8,057		14	
Joan B. Kroc Endow Mnt Fee	-4,794		14	
Frost-Endowment Fund Maint Fe	-11,759		14	
Total	<u>\$ 102,229</u>			

Federal Statements

Form 990, Part IX, Line 24f - All Other Expenses

<u>Description</u>	<u>Total Expenses</u>	<u>Program Service</u>	<u>Management & General</u>	<u>Fund Raising</u>
President's Fund	\$ 2,455	\$		\$ 2,455
Copier lease	1,901	889	1,012	
Hurricane Ike	1,849	1,849		
Food Supplies	1,808	1,808		
Purchases from Wade's Fun	883			883
Mailing Expense - House	813	813		
Credit Card System	775		775	
Pop Tab Expense	756			756
Miscellaneous Expense - H	734	734		
Office Supplies - House	672	672		
Contract Labor	655	655		
Kempner Human Relief expe	500	500		
Printing Expense - House	475	475		
Gift Shop	461			461
Office Supplies - Admin	375		375	
Volunteer Support	267	267		
Mailing Expense - Admin	248		248	
Club Dues & Memberships	230	230		
Executive Director's Fund	169			169
Printing Expense - Admin	119		119	
Bank Charges	89		89	
Canister	81			81
Total	\$ <u>16,315</u>	\$ <u>8,892</u>	\$ <u>2,618</u>	\$ <u>4,805</u>

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Schedule A, Part III, Line 7b - Excess Gross Receipts

<u>Donor Name</u>	<u>Total</u>	<u>Excess</u>
Various	\$	\$
2008	45,500	38,726
2007	67,530	61,234
2006	100,830	90,570
2005	116,700	110,848
2004	112,995	107,896
Total	<u>\$ 443,555</u>	<u>\$ 409,274</u>

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Special Events Direct Expenses

<u>Description</u>	<u>Amount</u>
Column A	\$
Spring Event	
Other Expenses	<u>62,501</u>
SubTotal	<u>62,501</u>
Column B	
Lights of Love	
Other Expenses	<u>3,029</u>
SubTotal	<u>3,029</u>
Column C	
Other Fundraising Events	
Other Expenses	<u>2,696</u>
SubTotal	<u>2,696</u>
Total	<u><u>68,226</u></u>

Direct expenses other than fundraising expenses
reported on Form 990, page 1, line 9b.