

**PUBLIC INSPECTION COPY**

Form **990**

OMB No. 1545-0047

**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)

**2010**

**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 2010 calendar year, or tax year beginning** 8/01, **2010, and ending** 7/31, **2011**

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

Houston Grand Opera Association, Inc.  
510 Preston  
Houston, TX 77002-1504

**D Employer Identification Number**  
74-6016764

**E Telephone number**  
713-546-0200

**G Gross receipts \$** 23,945,179.

**F Name and address of principal officer:** Rauli Garcia  
Same As C Above

**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)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J Website:** ▶ www.houstongrandopera.org **H(c)** Group exemption number ▶

**K Form of organization:**  Corporation  Trust  Association  Other ▶ **L Year of Formation:** 1955 **M State of legal domicile:** TX

**Part I Summary**

|                                    |  |   |                                  |                     |
|------------------------------------|--|---|----------------------------------|---------------------|
| <b>Activities &amp; Governance</b> | 1 Briefly describe the organization's mission or most significant activities: <u>HGO is recognized nationally and internationally for world-beating artistic standards, excellence, relevance and affordability. HGO enjoys dynamic, proactive and deepening relationships with the stakeholders, constituencies and communities that it serves.</u> |   |                                  |                     |
|                                    | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.  |   |                                  |                     |
|                                    | 3  | Number of voting members of the governing body (Part VI, line 1a)                 | 38                               |                     |
|                                    | 4  | Number of independent voting members of the governing body (Part VI, line 1b)     | 37                               |                     |
|                                    | 5  | Total number of individuals employed in calendar year 2010 (Part V, line 2a)      | 818                              |                     |
|                                    | 6  | Total number of volunteers (estimate if necessary)                                | 489                              |                     |
|                                    | 7a   | Total unrelated business revenue from Part VIII, column (C), line 12              | 175,713.                         |                     |
| 7b                                 | Net unrelated business taxable income from Form 990-T, line 34   | -14,565.  |                                  |                     |
| <b>Revenue</b>                     |  |   | <b>Prior Year</b>                | <b>Current Year</b> |
|                                    | 8  | Contributions and grants (Part VIII, line 1h)                                     | 21,642,924.                      | 18,273,091.         |
|                                    | 9  | Program service revenue (Part VIII, line 2g)                                      | 3,825,372.                       | 4,956,856.          |
|                                    | 10   | Investment income (Part VIII, column (A), lines 3, 4, and 7d)                     | 1,364.                           | 2,543.              |
|                                    | 11   | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)          | 124,863.                         | 147,950.            |
| 12                                 | Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)   | 25,594,523.   | 23,380,440.                      |                     |
| <b>Expenses</b>                    | 13   | Grants and similar amounts paid (Part IX, column (A), lines 1-3)                  | 6,000.                           | 21,000.             |
|                                    | 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) | 13,372,715.                      | 13,801,819.         |
|                                    | 16a  | Professional fundraising fees (Part IX, column (A), line 11e)                     |                                  |                     |
|                                    | b  | Total fundraising expenses (Part IX, column (D), line 25) ▶ 2,567,755.            |                                  |                     |
|                                    | 17   | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)                      | 6,254,896.                       | 8,210,051.          |
| 18                                 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)  | 19,633,611.   | 22,032,870.                      |                     |
| 19                                 | Revenue less expenses. Subtract line 18 from line 12   | 5,960,912.  | 1,347,570.                       |                     |
| <b>Net Assets or Fund Balances</b> |  |   | <b>Beginning of Current Year</b> | <b>End of Year</b>  |
|                                    | 20   | Total assets (Part X, line 16)  | 17,481,006.                      | 15,569,552.         |
|                                    | 21   | Total liabilities (Part X, line 26)   | 5,660,543.                       | 5,051,510.          |
| 22                                 | Net assets or fund balances. Subtract line 21 from line 20   | 11,820,463.   | 10,518,042.                      |                     |

**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**

▶ **PUBLIC INSPECTION COPY**  
Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

▶ Rauli Garcia CFO  
Type or print name and title.

**Paid Preparer Use Only**

Print/Type preparer's name: Jody Blazek  
Preparer's signature: **PUBLIC INSPECTION COPY**  
Date: \_\_\_\_\_  
Check  if self-employed PTIN: N/A

Firm's name: ▶ Blazek & Vetterling  
Firm's address: ▶ 2900 Wesleyan, Suite 200  
Houston, TX 77027-5132  
Firm's EIN: ▶ N/A  
Phone no.: (713) 439-5739

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:

See Schedule O

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 [X] 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 [X] 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 \$ 15,665,780. including grants of \$ [ ]) (Revenue \$ 4,947,554.)

Opera Productions: Since its inception in 1955, Houston Grand Opera has grown from a small regional organization into an internationally renowned opera company. The company has a reputation for commissioning and producing new works, including 39 world premieres and six American premieres since 1973. In addition to producing and performing world-class opera, HGO contributes to the cultural enrichment of Houston and the nation through a diverse, innovative and balanced program of performances, events, community and education projects. HGO has toured extensively, including trips to Europe and Asia, and it is the only opera company to have won a Tony, two Grammy awards, and two Emmy awards. HGO's performances are broadcast nationally and internationally.

4b (Code: [ ]) (Expenses \$ 1,152,341. including grants of \$ 21,000.) (Revenue \$ 149,614.)

HGOco's programs promote observation, participation and creation in the performing and visual arts, and include Teacher workshops, innovative new work and collaborations through Song of Houston, High School Voice Studio, and performances in schools and community centers. Opera tells stories through words and music. Every culture has a musical storytelling tradition, providing the common ground on which HGOco builds new and lasting relationships with the communities we serve.

4c (Code: [ ]) (Expenses \$ 833,973. including grants of \$ [ ]) (Revenue \$ 40,399.)

The Houston Grand Opera Studio is one of the most respected young artist programs in the country. For more than thirty years it has served young singers and pianist/coaches, providing a bridge between full-time training and full-fledged operatic careers. Each year after an exhaustive nationwide search, a hand-selected group of talented individuals is brought here to Houston to work alongside the best in the business at Houston Grand Opera. In main-stage productions and at other less traditional venues, these artists hone their craft as singing actors. During a residency of up to three years, each performer receives customized training from an expert team while gaining invaluable performance experience at the highest level.

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

(Expenses \$ [ ] including grants of \$ [ ]) (Revenue \$ [ ])

4e Total program service expenses ▶ 17,652,094.

**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)? <i>If 'Yes,' complete Schedule A.</i> .....   | X   |    |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions) .....   | X   |    |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I.</i> .....  |     | X  |
| 4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If 'Yes,' complete Schedule C, Part II.</i> .....   |     | X  |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If 'Yes,' complete Schedule C, Part III.</i> .....                         |     |    |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I.</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? <i>If 'Yes,' complete Schedule D, Part II.</i> .....                                       |     | X  |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III.</i> .....   |     | 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? <i>If 'Yes,' complete Schedule D, Part IV.</i> ..... |     | X  |
| 10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V.</i> .....   | X   |    |
| 11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.  |     |    |
| a Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI.</i> .....  | X   |    |
| b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII.</i> .....  |     | X  |
| c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII.</i> .....  |     | X  |
| d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX.</i> .....  |     | X  |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X.</i> .....   | X   |    |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If 'Yes,' complete Schedule D, Part X.</i> .....      |     | X  |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII.</i> .....   |     | X  |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i> .....              | X   |    |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E.</i> .....  |     | X  |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? .....   |     | 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 United States? <i>If 'Yes,' complete Schedule F, Parts I and IV.</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? <i>If 'Yes,' complete Schedule F, Parts II and IV.</i> .....                              |     | 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? <i>If 'Yes,' complete Schedule F, Parts III and IV.</i> .....                                  |     | X  |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I (see instructions).</i> .....                                      |     | X  |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II.</i> .....   | X   |    |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III.</i> .....   |     | X  |
| 20 a Did the organization operate one or more hospitals? <i>If 'Yes,' complete Schedule H.</i> .....  |     | X  |
| b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions) .....                         |     |    |

**Part IV Checklist of Required Schedules (continued)**

|   | Yes | No |
|---|-----|----|
| 21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>   |     | X  |
| 22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>  | X   |    |
| 23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J.</i>                               | 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, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25.</i> |     | 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 <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I.</i>  |     | X  |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I.</i>                 |     | 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? <i>If 'Yes,' complete Schedule L, Part II.</i>   |     | X  |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If 'Yes,' complete Schedule L, Part III.</i>                     |     | X  |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):  |     |    |
| a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>   |     | X  |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>  |     | X  |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV.</i>  |     | X  |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>   | X   |    |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>   |     | X  |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>   |     | X  |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>   |     | 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? <i>If 'Yes,' complete Schedule R, Part I.</i>   |     | X  |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>  | X   |    |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?  | X   |    |
| a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                     |     |    |
| 36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>  |     | 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? <i>If 'Yes,' complete Schedule R, Part VI.</i>  |     | X  |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.  | X   |    |

BAA

Form 990 (2010)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

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

|   |  | Yes         | No |
|---|--|-------------|----|
| <b>1 a</b>  | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. . . . .  |             |    |
|   | <b>1 a</b> 169   |             |    |
| <b>b</b>  | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .  |             |    |
|   | <b>1 b</b> 0   |             |    |
| <b>c</b>  | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .   | X           |    |
| <b>1 c</b>  |  |             |    |
| <b>2 a</b>  | 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. . . . .   |             |    |
|   | <b>2 a</b> 818   |             |    |
| <b>b</b>  | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . .   | X           |    |
| <b>2 b</b>  |  |             |    |
| <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions) |  |             |    |
| <b>3 a</b>  | Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .  | X           |    |
| <b>3 a</b>  |  |             |    |
| <b>b</b>  | If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O. . . . .   | X           |    |
| <b>3 b</b>  |  |             |    |
| <b>4 a</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)? . . . . .                                   |             | X  |
| <b>4 a</b>  |  |             |    |
| <b>b</b>  | If 'Yes,' enter the name of the foreign country: ▶ _____<br>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.   |             |    |
| <b>5 a</b>  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .  |             | X  |
| <b>5 a</b>  |  |             |    |
| <b>b</b>  | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .   |             | X  |
| <b>5 b</b>  |  |             |    |
| <b>c</b>  | If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T? . . . . .   |             |    |
| <b>5 c</b>  |  |             |    |
| <b>6 a</b>  | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .  |             | X  |
| <b>6 a</b>  |  |             |    |
| <b>b</b>  | If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .  |             |    |
| <b>6 b</b>  |  |             |    |
| <b>7 Organizations that may receive deductible contributions under section 170(c).</b>                            |  |             |    |
| <b>a</b>  | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .  | X           |    |
| <b>7 a</b>  |  |             |    |
| <b>b</b>  | If 'Yes,' did the organization notify the donor of the value of the goods or services provided? . . . . .  | X           |    |
| <b>7 b</b>  |  |             |    |
| <b>c</b>  | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .   |             | X  |
| <b>7 c</b>  |  |             |    |
| <b>d</b>  | If 'Yes,' indicate the number of Forms 8282 filed during the year. . . . .   |             |    |
|   | <b>7 d</b>   |             |    |
| <b>e</b>  | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .  |             | X  |
| <b>7 e</b>  |  |             |    |
| <b>f</b>  | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .   |             | X  |
| <b>7 f</b>  |  |             |    |
| <b>g</b>  | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .   |             |    |
| <b>7 g</b>  |  |             |    |
| <b>h</b>  | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .   |             |    |
| <b>7 h</b>  |  |             |    |
| <b>8</b>  | <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . . |             |    |
| <b>8</b>  |  |             |    |
| <b>9</b>  | <b>Sponsoring organizations maintaining donor advised funds.</b>   |             |    |
| <b>a</b>  | Did the organization make any taxable distributions under section 4966? . . . . .  |             |    |
| <b>9 a</b>  |  |             |    |
| <b>b</b>  | Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .   |             |    |
| <b>9 b</b>  |  |             |    |
| <b>10</b>   | <b>Section 501(c)(7) organizations.</b> Enter:   |             |    |
| <b>a</b>  | Initiation fees and capital contributions included on Part VIII, line 12. . . . .  | <b>10 a</b> |    |
| <b>b</b>  | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. . . . .   | <b>10 b</b> |    |
| <b>11</b>   | <b>Section 501(c)(12) organizations.</b> Enter:  |             |    |
| <b>a</b>  | Gross income from members or shareholders. . . . .   | <b>11 a</b> |    |
| <b>b</b>  | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .   | <b>11 b</b> |    |
| <b>12 a</b>   | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .  | <b>12 a</b> |    |
| <b>b</b>  | If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. . . . .   | <b>12 b</b> |    |
| <b>13</b>   | <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>  |             |    |
| <b>a</b>  | Is the organization licensed to issue qualified health plans in more than one state? . . . . .   | <b>13 a</b> |    |
| <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.          |  |             |    |
| <b>b</b>  | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. . . . .   | <b>13 b</b> |    |
| <b>c</b>  | Enter the amount of reserves on hand . . . . .   | <b>13 c</b> |    |
| <b>14 a</b>   | Did the organization receive any payments for indoor tanning services during the tax year? . . . . .   | <b>14 a</b> | X  |
| <b>b</b>  | If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O. . . . .   | <b>14 b</b> |    |

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

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

**Section A. Governing Body and Management**

|  |            | Yes | No |
|--|------------|-----|----|
| <b>1 a</b> Enter the number of voting members of the governing body at the end of the tax year. . . . .  | <b>1 a</b> | 38  |    |
| <b>b</b> Enter the number of voting members included in line 1a, above, who are independent . . . . .  | <b>1 b</b> | 37  |    |
| <b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee? . . . . .  | <b>2</b>   |     | X  |
| <b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . . | <b>3</b>   |     | X  |
| <b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .  | <b>4</b>   |     | X  |
| <b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .  | <b>5</b>   |     | X  |
| <b>6</b> Does the organization have members or stockholders? . . . . .   | <b>6</b>   |     | X  |
| <b>7 a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .   | <b>7 a</b> |     | X  |
| <b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .   | <b>7 b</b> |     | X  |
| <b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:   |            |     |    |
| <b>a</b> The governing body? . . . . .   | <b>8 a</b> | X   |    |
| <b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .   | <b>8 b</b> | X   |    |
| <b>9</b> Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O. . . . .       | <b>9</b>   |     | X  |

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

|   | Yes         | No |
|---|-------------|----|
| <b>10 a</b> Does the organization have local chapters, branches, or affiliates? . . . . .   | <b>10 a</b> | X  |
| <b>b</b> If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .   | <b>10 b</b> |    |
| <b>11 a</b> Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .  | <b>11 a</b> | X  |
| <b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O . . . . .   |             |    |
| <b>12 a</b> Does the organization have a written conflict of interest policy? If 'No,' go to line 13. . . . .   | <b>12 a</b> | X  |
| <b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .  | <b>12 b</b> | X  |
| <b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done . . . . . See Schedule O . . . . .  | <b>12 c</b> | X  |
| <b>13</b> Does the organization have a written whistleblower policy? . . . . .  | <b>13</b>   | X  |
| <b>14</b> Does the organization have a written document retention and destruction policy? . . . . .   | <b>14</b>   | X  |
| <b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?  |             |    |
| <b>a</b> The organization's CEO, Executive Director, or top management official. See Schedule O. . . . .  | <b>15 a</b> | X  |
| <b>b</b> Other officers of key employees of the organization. See Schedule O. . . . .   | <b>15 b</b> | X  |
| If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.) . . . . .  |             |    |
| <b>16 a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .   | <b>16 a</b> | X  |
| <b>b</b> If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . . | <b>16 b</b> |    |

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ None
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website     Another's website     Upon request
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:  
 ▶ Tanya Lovetro, Controller 510 Preston Houston TX 77002-1504 713-546-0257

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

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

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

| (A)<br>Name and title                     | (B)<br>Average hours per week (describe hours for related organizations in Schedule O) | (C)<br>Position (check all that apply) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|---|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|   |  | Individual trustee or director         | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| (1) John S. Arnoldy<br>Senior Chairman    | 1  | X                                      |                       | X       |              |                              | 0.     | 0.   | 0.  |   |
| (2) Glen Rosenbaum<br>Chairman            | 1  | X                                      |                       | X       |              |                              | 0.     | 0.   | 0.  |   |
| (3) Lynn Wyatt<br>Vice Chairman           | 1  | X                                      |                       | X       |              |                              | 0.     | 0.   | 0.  |   |
| (4) Mark R. Spradling<br>Gen Couns/Secr   | 1  | X                                      |                       | X       |              |                              | 0.     | 0.   | 0.  |   |
| (5) Robert L. Cavnar<br>Chairman Emerit   | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (6) Shahzad Bashir<br>Director            | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (7) Astley Blair<br>Audit Chair           | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (8) Pat Breen<br>Director                 | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (9) Anne Brown<br>Director                | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (10) Mrs. Robert J. Bruni<br>Events Chair | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (11) Albert Chao<br>Director              | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (12) Neil Chapman<br>Director             | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (13) Mrs. Bobbie-Vee Cooney<br>Director   | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (14) Albert O. Cornelison, J<br>Director  | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (15) Franci Crane<br>Director             | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (16) James W. Crownover<br>Govern. Chair  | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |
| (17) David Duthu<br>Director              | 1  | X                                      |                       |         |              |                              | 0.     | 0.   | 0.  |   |

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

| (A)<br>Name and title  | (B)<br>Average hours per week (describe hours for related organizations in Sch O) | (C)<br>Position (check all that apply) |                       |         |              |                              |            | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|---|--|-----------------------|---------|--------------|------------------------------|------------|--|---|---|
|  |   | Individual trustee or director         | Institutional trustee | Officer | Key employee | Highest compensated employee | Former     |  |   |   |
| (18) Steve Fulgham<br>Director                                 | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (19) Morris Gelb<br>Director                                   | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (20) James T. Hackett<br>Director                              | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (21) Robert C. Hunter<br>Director                              | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (22) Eugene Isenberg<br>Director                               | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (23) Janet Langford Kelly<br>Devel. Chair                      | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (24) Alfred Lasher III<br>Director                             | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (25) Beth Madison<br>Studio Chair                              | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (26) Dr. John Mendelsohn<br>Director                           | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (27) Sara S. Morgan<br>HGOco Committee                         | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (28) Terrylin G. Neale<br>Pres HGO Endow                       | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| (29) Ward Pennebaker<br>Mrktg. Chair                           | 1   | X                                      |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| <b>1 b Sub-total</b>   |   |  |                       |         |              |                              | 0.         | 0.   | 0.  |   |
| <b>c Total from continuation sheets to Part VII, Section A</b> |   |  |                       |         |              |                              | 1,980,980. | 0.   | 141,893.  |   |
| <b>d Total (add lines 1b and 1c)</b>                           |   |  |                       |         |              |                              | 1,980,980. | 0.   | 141,893.  |   |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶ 10

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

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

| (A)<br>Name and business address                                      | (B)<br>Description of services | (C)<br>Compensation |
|---|--------------------------------|---------------------|
| RAVENSWOOD STUDIO INC. 6900 N.CENTRAL PARK AVE LINCOLNWOOD, IL 60712  | Set Design/Building            | 370,751.            |
| ADIRONDACK SCENIC, INC. 439 COUNTY ROUTE 45 ARGYLE, NY 12809          | Set Design/Building            | 187,585.            |
| SD&A TELESERVICES INC. 5757 W. CENTURY BLVD. STE. 300 LOS ANGELES, CA | Telemarketing                  | 255,617.            |
| Events Company 7310A OLD KATY ROAD Houston, TX 77024                  | Catering                       | 173,599.            |
| Jackson and Co. P. O. Box 130260 Houston, TX 77219                    | Catering                       | 146,508.            |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 6



Department of the Treasury  
Internal Revenue Service

Name of the Organization: Houston Grand Opera Association, Inc. Employer Identification number: 74-6016764

**Part VII** Continuation: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

| (A)<br>Name and Title                          | (B)<br>Average hours per week | (C)<br>Position (check all that apply) |                       |         |              |                              |          | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|-------------------------------|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
|  |                               | Individual trustee or director         | Institutional trustee | Officer | Key employee | Highest compensated employee | Former   |  |   |   |
| <u>Cynthia Petrello</u><br>Director            | 1                             | X                                      |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <u>Gloria Portela</u><br>Director              | 1                             | X                                      |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <u>Harlan C. Stai</u><br>Director              | 1                             | X                                      |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <u>John G. Turner</u><br>Director              | 1                             | X                                      |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <u>Margaret Alkek Williams</u><br>Mrktg. Chair | 1                             | X                                      |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| <u>Anthony Freud</u><br>Gen Dir & CEO          | 50                            | X                                      |                       | X       |              |                              | 535,395. | 0.   | 25,230.   |   |
| <u>Ann Owens</u><br>Executive Direc            | 50                            |  |                       | X       |              |                              | 158,682. | 0.   | 21,422.   |   |
| <u>Rauli Garcia</u><br>Chief Fin Ofcr          | 50                            |  |                       | X       |              |                              | 128,784. | 0.   | 10,560.   |   |
| <u>Perryn Leech</u><br>COO                     | 50                            |  |                       |         | X            |                              | 164,637. | 0.   | 10,582.   |   |
| <u>Greg Robertson</u><br>ChiefAdv Ofcr         | 50                            |  |                       |         | X            |                              | 240,436. | 0.   | 26,147.   |   |
| <u>Patrick Summers</u><br>Music Director       | 50                            |  |                       |         | X            |                              | 282,083. | 0.   | 19,767.   |   |
| <u>Elizabeth Bailsey</u><br>Dir of Comm        | 50                            |  |                       |         |              | X                            | 111,713. | 0.   | 5,022.  |   |
| <u>Sandra Bernhard</u><br>Dir of HGoco         | 50                            |  |                       |         |              | X                            | 101,117. | 0.   | 4,929.  |   |
| <u>Bobby Dean</u><br>Dir of Plan Giv           | 50                            |  |                       |         |              | X                            | 106,290. | 0.   | 10,454.   |   |
| <u>Deborah Hirsch</u><br>Sr. Dev Dir           | 50                            |  |                       |         |              | X                            | 151,843. | 0.   | 7,780.  |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |
| -----  |                               |  |                       |         |              |                              |          |  |   |   |

**Part VIII Statement of Revenue**

|   |   |  | (A)<br>Total revenue | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from tax<br>under sections<br>512, 513, or 514 |          |
|---|---|--|----------------------|--|---|---|----------|
| <b>CONTRIBUTIONS, GIFTS, GRANTS<br/>AND OTHER SIMILAR AMOUNTS</b> | <b>1 a</b> Federated campaigns .....  | <b>1 a</b>   |                      |  |   |   |          |
|   | <b>b</b> Membership dues .....  | <b>1 b</b>   |                      |  |   |   |          |
|   | <b>c</b> Fundraising events .....   | <b>1 c</b> 1,446,888.  |                      |  |   |   |          |
|   | <b>d</b> Related organizations .....  | <b>1 d</b> 2,091,518.  |                      |  |   |   |          |
|   | <b>e</b> Government grants (contributions) .....  | <b>1 e</b> 113,000.  |                      |  |   |   |          |
|   | <b>f</b> All other contributions, gifts, grants, and<br>similar amounts not included above .....  | <b>1 f</b> 14,621,685.   |                      |  |   |   |          |
|   | <b>g</b> Noncash contributions included in lns 1a-1f: \$  | 1,424,536.   |                      |  |   |   |          |
| <b>h Total.</b> Add lines 1a-1f .....                             |   |  | 18,273,091.          |  |   |   |          |
| <b>PROGRAM SERVICE REVENUE</b>                                    | <b>2 a</b> Ticket Sales   |  |                      |  |   |   |          |
|   |   | Business Code  |                      |  |   |   |          |
|   |   | 711300   | 4,188,199.           | 4,188,199.   |   |   |          |
|   | <b>b</b> Co-production/rentals  | 711300   | 728,989.             | 728,989.   |   |   |          |
|   | <b>c</b> Opera To Go!   | 711300   | 20,888.              | 20,888.  |   |   |          |
|   | <b>d</b> Studio/education   | 611600   | 18,780.              | 18,780.  |   |   |          |
|   | <b>e</b> .....  |  |                      |  |   |   |          |
| <b>f</b> All other program service revenue .....                  |   |  |                      |  |   |   |          |
| <b>g Total.</b> Add lines 2a-2f .....                             |   |  | 4,956,856.           |  |   |   |          |
| <b>OTHER REVENUE</b>  | <b>3</b> Investment income (including dividends, interest and<br>other similar amounts) .....   |  | 2,543.               |  |   | 2,543.  |          |
|   | <b>4</b> Income from investment of tax-exempt bond proceeds .....   |  |                      |  |   |   |          |
|   | <b>5</b> Royalties .....  |  |                      |  |   |   |          |
|   | <b>6 a</b> Gross Rents .....  | (i) Real   | (ii) Personal        |  |   |   |          |
|   |   |  |                      |  |   |   |          |
|   |   | <b>b</b> Less: rental expenses .....                           |                      |  |   |   |          |
|   |   | <b>c</b> Rental income or (loss) .....                         |                      |  |   |   |          |
|   | <b>d</b> Net rental income or (loss) .....  |  |                      |  |   |   |          |
|   | <b>7 a</b> Gross amount from sales of<br>assets other than inventory .....  | (i) Securities   | (ii) Other           |  |   |   |          |
|   |   |  |                      |  |   |   |          |
|   |   | <b>b</b> Less: cost or other basis<br>and sales expenses ..... |                      |  |   |   |          |
|   |   | <b>c</b> Gain or (loss) .....                                  |                      |  |   |   |          |
|   | <b>d</b> Net gain or (loss) .....   |  |                      |  |   |   |          |
|   | <b>8 a</b> Gross income from fundraising events<br>(not including \$ 1,446,888.<br>of contributions reported on line 1c).<br>See Part IV, line 18 ..... | <b>a</b>   | 506,220.             |  |   |   |          |
|   |   | <b>b</b> Less: direct expenses .....                           | <b>b</b> 564,739.    |  |   |   |          |
|   |   | <b>c</b> Net income or (loss) from fundraising events .....    |                      | -58,519.   |   |   | -58,519. |
|   | <b>9 a</b> Gross income from gaming activities.<br>See Part IV, line 19 .....   | <b>a</b>   |                      |  |   |   |          |
|   |   | <b>b</b> Less: direct expenses .....                           | <b>b</b>             |  |   |   |          |
|   |   | <b>c</b> Net income or (loss) from gaming activities .....     |                      |  |   |   |          |
|   | <b>10 a</b> Gross sales of inventory, less returns<br>and allowances .....  | <b>a</b>   |                      |  |   |   |          |
| <b>b</b> Less: cost of goods sold .....                           |   | <b>b</b>   |                      |  |   |   |          |
| <b>c</b> Net income or (loss) from sales of inventory .....       |   |  |                      |  |   |   |          |
| Miscellaneous Revenue   |   | Business Code  |                      |  |   |   |          |
| <b>11 a</b> Advertising   | 541800  | 136,579.   |                      | 136,579.   |   |   |          |
| <b>b</b> Travel tour income                                       | 900099  | 39,134.  |                      | 39,134.  |   |   |          |
| <b>c</b> Gain on def. comp accts                                  | 900099  | 25,758.  |                      |  | 25,758.                                 |   |          |
| <b>d</b> All other revenue .....                                  |   | 4,998.   | 4,998.               |  |   |   |          |
| <b>e Total.</b> Add lines 11a-11d .....                           |   |  | 206,469.             |  |   |   |          |
| <b>12 Total revenue.</b> See instructions .....                   |   |  | 23,380,440.          | 4,961,854.   | 175,713.                                | -30,218.  |          |

**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).

| <b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>  | <b>(A)</b><br>Total expenses | <b>(B)</b><br>Program service expenses | <b>(C)</b><br>Management and general expenses | <b>(D)</b><br>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  | 21,000.                      | 21,000.                                |   |                                    |
| 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   | 1,579,923.                   | 646,820.                               | 417,017.                                      | 516,086.                           |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)  | 0.                           | 0.                                     | 0.  | 0.                                 |
| 7 Other salaries and wages   | 9,449,971.                   | 7,833,413.                             | 706,160.                                      | 910,398.                           |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)  | 305,492.                     | 273,158.                               | 15,087.                                       | 17,247.                            |
| 9 Other employee benefits  | 1,548,800.                   | 1,282,260.                             | 133,318.                                      | 133,222.                           |
| 10 Payroll taxes   | 917,633.                     | 720,058.                               | 96,732.                                       | 100,843.                           |
| 11 Fees for services (non-employees):  |                              |  |   |                                    |
| a Management   |                              |  |   |                                    |
| b Legal  | 51,164.                      | 51,164.                                |   |                                    |
| c Accounting   | 43,592.                      |  | 43,592.                                       |                                    |
| d Lobbying   |                              |  |   |                                    |
| e Professional fundraising services. See Part IV, line 17  |                              |  |   |                                    |
| f Investment management fees   |                              |  |   |                                    |
| g Other  | 2,673,870.                   | 2,611,272.                             | 33,940.                                       | 28,658.                            |
| 12 Advertising and promotion   | 936,324.                     | 750,933.                               | 5,518.  | 179,873.                           |
| 13 Office expenses   | 536,345.                     | 350,122.                               | 68,525.                                       | 117,698.                           |
| 14 Information technology  | 75,732.                      | 38,673.                                | 12,033.                                       | 25,026.                            |
| 15 Royalties   | 176,596.                     | 176,596.                               |   |                                    |
| 16 Occupancy   | 710,156.                     | 643,514.                               | 18,269.                                       | 48,373.                            |
| 17 Travel  | 475,538.                     | 202,545.                               | 104,340.                                      | 168,653.                           |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials  |                              |  |   |                                    |
| 19 Conferences, conventions, and meetings  | 255,351.                     | 16,088.                                | 21,356.                                       | 217,907.                           |
| 20 Interest  | 68,492.                      |  | 68,492.                                       |                                    |
| 21 Payments to affiliates  |                              |  |   |                                    |
| 22 Depreciation, depletion, and amortization   | 237,980.                     | 181,129.                               | 32,650.                                       | 24,201.                            |
| 23 Insurance   | 127,693.                     | 93,475.                                | 15,264.                                       | 18,954.                            |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)                                       |                              |  |   |                                    |
| a <u>Production materials/rental</u>   | 1,516,661.                   | 1,516,661.                             |   |                                    |
| b <u>Credit card/bank fees</u>   | 177,862.                     | 113,438.                               | 11,002.                                       | 53,422.                            |
| c <u>Equipment</u>   | 129,327.                     | 112,407.                               | 9,726.  | 7,194.                             |
| d <u>Other expenses</u>  | 17,368.                      | 17,368.                                |   |                                    |
| e  |                              |  |   |                                    |
| f All other expenses   |                              |  |   |                                    |
| 25 Total functional expenses. Add lines 1 through 24f  | 22,032,870.                  | 17,652,094.                            | 1,813,021.                                    | 2,567,755.                         |
| 26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). 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)                   |             | (B)         |             |
|--|---|-----------------------|-------------|-------------|-------------|
|  |   | Beginning of year     |             | End of year |             |
| ASSETS   | <b>1</b> Cash — non-interest-bearing.....   | 435,000.              | <b>1</b>    | 253,516.    |             |
|  | <b>2</b> Savings and temporary cash investments.....  | 148,232.              | <b>2</b>    | 183,204.    |             |
|  | <b>3</b> Pledges and grants receivable, net.....  | 13,868,359.           | <b>3</b>    | 12,166,849. |             |
|  | <b>4</b> Accounts receivable, net.....  | 147,502.              | <b>4</b>    | 216,033.    |             |
|  | <b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.....   |                       | <b>5</b>    |             |             |
|  | <b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)..... |                       | <b>6</b>    |             |             |
|  | <b>7</b> Notes and loans receivable, net.....   |                       | <b>7</b>    |             |             |
|  | <b>8</b> Inventories for sale or use.....   | 40,665.               | <b>8</b>    | 41,367.     |             |
|  | <b>9</b> Prepaid expenses and deferred charges.....   | 1,846,312.            | <b>9</b>    | 1,557,596.  |             |
|  | <b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.....   | <b>10a</b> 3,780,869. |             |             |             |
|  | <b>b</b> Less: accumulated depreciation.....  | <b>10b</b> 2,629,882. | 994,936.    | <b>10c</b>  | 1,150,987.  |
|  | <b>11</b> Investments — publicly traded securities.....   |                       | <b>11</b>   |             |             |
|  | <b>12</b> Investments — other securities. See Part IV, line 11.....   |                       | <b>12</b>   |             |             |
|  | <b>13</b> Investments — program-related. See Part IV, line 11.....  |                       | <b>13</b>   |             |             |
|  | <b>14</b> Intangible assets.....  |                       | <b>14</b>   |             |             |
|  | <b>15</b> Other assets. See Part IV, line 11.....   |                       | <b>15</b>   |             |             |
| <b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)..... |   | 17,481,006.           | <b>16</b>   | 15,569,552. |             |
| LIABILITIES  | <b>17</b> Accounts payable and accrued expenses.....  | 586,278.              | <b>17</b>   | 776,902.    |             |
|  | <b>18</b> Grants payable.....   |                       | <b>18</b>   |             |             |
|  | <b>19</b> Deferred revenue.....   | 2,555,328.            | <b>19</b>   | 2,583,484.  |             |
|  | <b>20</b> Tax-exempt bond liabilities.....  |                       | <b>20</b>   |             |             |
|  | <b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D.....  |                       | <b>21</b>   |             |             |
|  | <b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.....   |                       | <b>22</b>   |             |             |
|  | <b>23</b> Secured mortgages and notes payable to unrelated third parties.....   |                       | <b>23</b>   |             |             |
|  | <b>24</b> Unsecured notes and loans payable to unrelated third parties.....   | 1,465,000.            | <b>24</b>   | 585,000.    |             |
|  | <b>25</b> Other liabilities. Complete Part X of Schedule D.....   | 1,053,937.            | <b>25</b>   | 1,106,124.  |             |
|  | <b>26 Total liabilities.</b> Add lines 17 through 25.....   |                       | 5,660,543.  | <b>26</b>   | 5,051,510.  |
| NET ASSETS OR FUND BALANCES  | <b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29 and lines 33 and 34.</b>  |                       |             |             |             |
|  | <b>27</b> Unrestricted net assets.....  | -1,777,074.           | <b>27</b>   | -1,583,273. |             |
|  | <b>28</b> Temporarily restricted net assets.....  | 13,597,537.           | <b>28</b>   | 12,101,315. |             |
|  | <b>29</b> Permanently restricted net assets.....  |                       | <b>29</b>   |             |             |
|  | <b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>  |                       |             |             |             |
|  | <b>30</b> Capital stock or trust principal, or current funds.....   |                       | <b>30</b>   |             |             |
|  | <b>31</b> Paid-in or capital surplus, or land, building, or equipment fund.....   |                       | <b>31</b>   |             |             |
|  | <b>32</b> Retained earnings, endowment, accumulated income, or other funds.....   |                       | <b>32</b>   |             |             |
|  | <b>33</b> Total net assets or fund balances.....  |                       | 11,820,463. | <b>33</b>   | 10,518,042. |
| <b>34</b> Total liabilities and net assets/fund balances.....            |   | 17,481,006.           | <b>34</b>   | 15,569,552. |             |

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**Part XI Reconciliation of Net Assets**

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

|   |  |   |             |
|---|--|---|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12)  | 1 | 23,380,440. |
| 2 | Total expenses (must equal Part IX, column (A), line 25)   | 2 | 22,032,870. |
| 3 | Revenue less expenses. Subtract line 2 from line 1   | 3 | 1,347,570.  |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                      | 4 | 11,820,463. |
| 5 | Other changes in net assets or fund balances (explain in Schedule O). See Schedule O                           | 5 | -2,649,991. |
| 6 | Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) | 6 | 10,518,042. |

**Part XII Financial Statements and Reporting**

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

|    |   | Yes | No |
|----|---|-----|----|
| 1  | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____<br>If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.   |     |    |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant?   |     | X  |
| 2b | Were the organization's financial statements audited by an independent accountant?  | X   |    |
| 2c | If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X   |    |
| 2d | If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                  |     |    |
| 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  |
| 3b | If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.   |     |    |

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Form 990 (2010)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

|  |   |
|--|---|
| <b>Name of the organization</b><br>Houston Grand Opera Association, Inc. | <b>Employer identification number</b><br>74-6016764 |
|--|---|

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

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

- 1  A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I
  - b  Type II
  - c  Type III – Functionally integrated
  - d  Type III – Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

|   | Yes | No |
|---|-----|----|
| (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?..... |     |    |
| (ii) A family member of a person described in (i) above?.....   |     |    |
| (iii) A 35% controlled entity of a person described in (i) or (ii) above?.....  |     |    |

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in column (i) listed in your governing document? |    | (v) Did you notify the organization in column (i) of your support? |    | (vi) Is the organization in column (i) organized in the U.S.? |    | (vii) Amount of support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
|                                    |          |   | Yes   | No | Yes  | No | Yes   | No |                         |
| (A)                                |          |   |   |    |  |    |   |    |                         |
| (B)                                |          |   |   |    |  |    |   |    |                         |
| (C)                                |          |   |   |    |  |    |   |    |                         |
| (D)                                |          |   |   |    |  |    |   |    |                         |
| (E)                                |          |   |   |    |  |    |   |    |                         |
| <b>Total</b>                       |          |   |   |    |  |    |   |    |                         |

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.** Schedule A (Form 990 or 990-EZ) 2010

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

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

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2006  | (b) 2007  | (c) 2008  | (d) 2009  | (e) 2010  | (f) Total   |
|--|-----------|-----------|-----------|-----------|-----------|-------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include 'unusual grants'.)   | 16728056. | 18782734. | 15463139. | 21642924. | 18273091. | 90,889,944. |
| 2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.  |           |           |           |           |           | 0.          |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge.   |           |           |           |           |           | 0.          |
| 4 <b>Total.</b> Add lines 1 through 3.   | 16728056. | 18782734. | 15463139. | 21642924. | 18273091. | 90,889,944. |
| 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). |           |           |           |           |           | 25,374,083. |
| 6 <b>Public support.</b> Subtract line 5 from line 4.  |           |           |           |           |           | 65,515,861. |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2006  | (b) 2007  | (c) 2008  | (d) 2009  | (e) 2010  | (f) Total                |
|--|-----------|-----------|-----------|-----------|-----------|--------------------------|
| 7 Amounts from line 4.   | 16728056. | 18782734. | 15463139. | 21642924. | 18273091. | 90,889,944.              |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.  | 840.      | 2,862.    | 3,067.    | 1,364.    | 2,543.    | 10,676.                  |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on.  |           |           |           |           |           | 0.                       |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)   |           |           |           |           |           | 0.                       |
| 11 <b>Total support.</b> Add lines 7 through 10.   |           |           |           |           |           | 90,900,620.              |
| 12 Gross receipts from related activities, etc (see instructions).   |           |           |           |           | 12        | 24,687,819.              |
| 13 <b>First five years.</b> 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 <b>stop here</b> . |           |           |           |           |           | <input type="checkbox"/> |

**Section C. Computation of Public Support Percentage**

|   |                                     |       |
|---|-------------------------------------|-------|
| 14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)).  | 14                                  | 72.1% |
| 15 Public support percentage from 2009 Schedule A, Part II, line 14.  | 15                                  | 72.4% |
| 16a <b>33-1/3% support test – 2010.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization.   | <input checked="" type="checkbox"/> |       |
| b <b>33-1/3% support test – 2009.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization.  | <input type="checkbox"/>            |       |
| 17a <b>10%-facts-and-circumstances test – 2010.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.    | <input type="checkbox"/>            |       |
| b <b>10%-facts-and-circumstances test – 2009.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. | <input type="checkbox"/>            |       |
| 18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.   | <input type="checkbox"/>            |       |

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

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

**Section A. Public Support**

| Calendar year (or fiscal yr beginning in) ▶  | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)   |          |          |          |          |          |           |
| <b>2</b> 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. |          |          |          |          |          |           |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513.   |          |          |          |          |          |           |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.  |          |          |          |          |          |           |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge.  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5.   |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons.  |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.           |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b.  |          |          |          |          |          |           |
| <b>8 Public support</b> (Subtract line 7c from line 6.)  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal yr beginning in) ▶  | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| <b>9</b> Amounts from line 6.  |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.                          |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b.  |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.     |          |          |          |          |          |           |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)                                  |          |          |          |          |          |           |
| <b>13 Total support.</b> (Add lns 9, 10c, 11, and 12.)   |          |          |          |          |          |           |

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

**Section C. Computation of Public Support Percentage**

|   |           |   |
|---|-----------|---|
| <b>15</b> Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)). | <b>15</b> | % |
| <b>16</b> Public support percentage from 2009 Schedule A, Part III, line 15.                      | <b>16</b> | % |

**Section D. Computation of Investment Income Percentage**

|   |           |   |
|---|-----------|---|
| <b>17</b> Investment income percentage for <b>2010</b> (line 10c, column (f) divided by line 13, column (f)). | <b>17</b> | % |
| <b>18</b> Investment income percentage from <b>2009</b> Schedule A, Part III, line 17.                        | <b>18</b> | % |

**19a 33-1/3% support tests – 2010.** 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 – 2009.** 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

PUBLIC DISCLOSURE COPY

**Schedule of Contributors**

▶ **Attach to Form 990, 990-EZ, or 990-PF**

OMB No. 1545-0047

**2010**

**Name of the organization**

Houston Grand Opera Association, Inc.

**Employer identification number**

74-6016764

**Organization type** (check one):

**Filers of:**

Form 990 or 990-EZ

**Section:**

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 an organization 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 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 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 (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, aggregate contributions 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 990-EZ, that received from any one contributor, during the year, 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:** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.**

**Schedule B** (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

Houston Grand Opera Association, Inc.

74-6016764

**Part I** Contributors (see instructions.)

| (a)<br>Number | (b)<br>Name, address, and ZIP + 4 | (c)<br>Aggregate<br>contributions | (d)<br>Type of contribution   |
|---------------|-----------------------------------|-----------------------------------|---|
| 1             | -----<br>-----<br>-----           | \$ 1,007,000.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| 2             | -----<br>-----<br>-----           | \$ 1,000,000.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| 3             | -----<br>-----<br>-----           | \$ 1,134,270.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| 4             | -----<br>-----<br>-----           | \$ 1,270,854.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input checked="" type="checkbox"/><br>(Complete Part II if there is a noncash contribution.) |
| 5             | -----<br>-----<br>-----           | \$ 2,800,000.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| 6             | -----<br>-----<br>-----           | \$ 2,066,000.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |

Name of organization

Employer identification number

Houston Grand Opera Association, Inc.

74-6016764

**Part I** Contributors (see instructions.)

| (a)<br>Number | (b)<br>Name, address, and ZIP + 4 | (c)<br>Aggregate<br>contributions | (d)<br>Type of contribution  |
|---------------|-----------------------------------|-----------------------------------|--|
| 7             | -----<br>-----<br>-----           | \$ 1,107,500.                     | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.) |
| -----         | -----<br>-----<br>-----           | \$ -----                          | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| -----         | -----<br>-----<br>-----           | \$ -----                          | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| -----         | -----<br>-----<br>-----           | \$ -----                          | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| -----         | -----<br>-----<br>-----           | \$ -----                          | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |
| -----         | -----<br>-----<br>-----           | \$ -----                          | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II if there is a noncash contribution.)            |

Name of organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Part II** Noncash Property (see instructions.)

| (a)<br>No. from<br>Part I | (b)<br>Description of noncash property given                   | (c)<br>FMV (or estimate)<br>(see instructions) | (d)<br>Date received |
|---------------------------|--|--|----------------------|
| 4                         | Publicly-traded securities of \$1,104,634<br>Cash of \$166,220 | \$ 1,104,634.                                  | Various              |
|                           |  | \$   |                      |
|                           |  | \$   |                      |
|                           |  | \$   |                      |
|                           |  | \$   |                      |
|                           |  | \$   |                      |

BAA

Name of organization

Employer identification number

Houston Grand Opera Association, Inc.

74-6016764

**Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year.** Complete cols (a) through (e) and the following line entry.

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ..... \$ N/A

| (a)<br>No. from Part I | (b)<br>Purpose of gift | (c)<br>Use of gift | (d)<br>Description of how gift is held |
|------------------------|------------------------|--------------------|--|
|                        | N/A                    |                    |  |
|                        |                        |                    |  |
|                        |                        |                    |  |

| (e)<br>Transfer of gift                 |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |
|   |  |
|   |  |

| (a)<br>No. from Part I | (b)<br>Purpose of gift | (c)<br>Use of gift | (d)<br>Description of how gift is held |
|------------------------|------------------------|--------------------|--|
|                        |                        |                    |  |
|                        |                        |                    |  |
|                        |                        |                    |  |

| (e)<br>Transfer of gift                 |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |
|   |  |
|   |  |

| (a)<br>No. from Part I | (b)<br>Purpose of gift | (c)<br>Use of gift | (d)<br>Description of how gift is held |
|------------------------|------------------------|--------------------|--|
|                        |                        |                    |  |
|                        |                        |                    |  |
|                        |                        |                    |  |

| (e)<br>Transfer of gift                 |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |
|   |  |
|   |  |

| (a)<br>No. from Part I | (b)<br>Purpose of gift | (c)<br>Use of gift | (d)<br>Description of how gift is held |
|------------------------|------------------------|--------------------|--|
|                        |                        |                    |  |
|                        |                        |                    |  |
|                        |                        |                    |  |

| (e)<br>Transfer of gift                 |  |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|   |  |
|   |  |
|   |  |

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

Employer identification number

Houston Grand Opera Association, Inc.

74-6016764

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

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

Table with 3 columns: Question, Held at the End of the Tax Year. Rows include purpose(s) of conservation easements, total number of easements, total acreage, and various monitoring and reporting questions.

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.

Table with 3 columns: Question, Amount. Rows include questions about reporting art and historical treasures, and amounts for revenues and assets.

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

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

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

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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 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 the organization answered 'Yes' to Form 990, Part IV, line 10.

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     | 37,171,108.      | 36,258,064.    | 43,267,477.        |                      |                     |
| b Contributions                                  | 6,951,990.       | 1,203,952.     | 609,366.           |                      |                     |
| c Net investment earnings, gains, and losses     | 5,082,533.       | 3,425,926.     | -4,552,524.        |                      |                     |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs | 2,066,000.       | 3,699,200.     | 3,065,455.         |                      |                     |
| f Administrative expenses                        | 11,990.          | 17,634.        | 800.               |                      |                     |
| g End of year balance                            | 47,127,641.      | 37,171,108.    | 36,258,064.        |                      |                     |

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

- a Board designated or quasi-endowment ▶ 6.76 %
- b Permanent endowment ▶ 76.73 %
- c Term endowment ▶ 16.51 %

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

|   | Yes    | No |
|---|--------|----|
| (i) unrelated organizations   | 3a(i)  | X  |
| (ii) related organizations  | 3a(ii) | X  |
| b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R? | 3b     | X  |

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

**Part VI 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) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land   |                                      |                                 |                              |                |
| b Buildings   |                                      |                                 |                              |                |
| c Leasehold improvements  |                                      | 1,918,141.                      | 1,405,519.                   | 512,622.       |
| d Equipment   |                                      | 1,725,265.                      | 1,111,843.                   | 613,422.       |
| e Other   |                                      | 137,463.                        | 112,520.                     | 24,943.        |
| <b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) |                                      |                                 |                              | 1,150,987.     |

BAA



**Part VII Investments—Other Securities.** See Form 990, Part X, line 12. N/A

| (a) Description of security or category<br>(including name of security)    | (b) Book value | (c) Method of valuation:<br>Cost or end-of-year market value |
|--|----------------|--|
| (1) Financial derivatives  |                |  |
| (2) Closely-held equity interests  |                |  |
| (3) Other  |                |  |
| (A) -----  |                |  |
| (B) -----  |                |  |
| (C) -----  |                |  |
| (D) -----  |                |  |
| (E) -----  |                |  |
| (F) -----  |                |  |
| (G) -----  |                |  |
| (H) -----  |                |  |
| (I) -----  |                |  |
| <b>Total.</b> (Column (b) must equal Form 990 Part X, column (B) line 12.) |                |  |

**Part VIII Investments—Program Related.** (See Form 990, Part X, line 13) N/A

| (a) Description of investment type  | (b) Book value | (c) Method of valuation:<br>Cost or end-of-year market value |
|---|----------------|--|
| (1)   |                |  |
| (2)   |                |  |
| (3)   |                |  |
| (4)   |                |  |
| (5)   |                |  |
| (6)   |                |  |
| (7)   |                |  |
| (8)   |                |  |
| (9)   |                |  |
| (10)  |                |  |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 13.) |                |  |

**Part IX Other Assets.** (See Form 990, Part X, line 15) N/A

| (a) Description  | (b) Book value |
|--|----------------|
| (1)  |                |
| (2)  |                |
| (3)  |                |
| (4)  |                |
| (5)  |                |
| (6)  |                |
| (7)  |                |
| (8)  |                |
| (9)  |                |
| (10)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, column(B), line 15) |                |

**Part X Other Liabilities.** (See Form 990, Part X, line 25)

| (a) Description of liability   | (b) Amount |
|--|------------|
| (1) Federal income taxes   |            |
| (2) Due to affiliates  | 1,106,124. |
| (3)  |            |
| (4)  |            |
| (5)  |            |
| (6)  |            |
| (7)  |            |
| (8)  |            |
| (9)  |            |
| (10)   |            |
| (11)   |            |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 25) | 1,106,124. |

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

| <b>Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements</b> |             |
|---|-------------|
| 1 Total revenue (Form 990, Part VIII, column (A), line 12)  | 23,380,440. |
| 2 Total expenses (Form 990, Part IX, column (A), line 25)   | 22,032,870. |
| 3 Excess or (deficit) for the year. Subtract line 2 from line 1                                     | 1,347,570.  |
| 4 Net unrealized gains (losses) on investments  |             |
| 5 Donated services and use of facilities  |             |
| 6 Investment expenses   |             |
| 7 Prior period adjustments  |             |
| 8 Other (Describe in Part XIV). See Part XIV  | 7,331,383.  |
| 9 Total adjustments (net). Add lines 4 through 8  | 7,331,383.  |
| 10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9         | 8,678,953.  |

| <b>Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b> |               |
|--|---------------|
| 1 Total revenue, gains, and other support per audited financial statements                         | 1 31,253,213. |
| 2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:                              |               |
| a Net unrealized gains on investments  | 2a            |
| b Donated services and use of facilities   | 2b 425,411.   |
| c Recoveries of prior year grants  | 2c            |
| d Other (Describe in Part XIV). See Part XIV   | 2d 9,538,880. |
| e Add lines 2a through 2d  | 2e 9,964,291. |
| 3 Subtract line 2e from line 1   | 3 21,288,922. |
| 4 Amounts included on Form 990, Part VIII, line 12, but not on line 1:                             |               |
| a Investments expenses not included on Form 990, Part VIII, line 7b                                | 4a            |
| b Other (Describe in Part XIV). See Part XIV   | 4b 2,091,518. |
| c Add lines 4a and 4b  | 4c 2,091,518. |
| 5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)                  | 5 23,380,440. |

| <b>Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b> |               |
|---|---------------|
| 1 Total expenses and losses per audited financial statements  | 1 22,574,260. |
| 2 Amounts included on line 1 but not on Form 990, Part IX, line 25:                                   |               |
| a Donated services and use of facilities  | 2a 425,411.   |
| b Prior year adjustments  | 2b            |
| c Other losses  | 2c            |
| d Other (Describe in Part XIV). See Part XIV  | 2d 115,979.   |
| e Add lines 2a through 2d   | 2e 541,390.   |
| 3 Subtract line 2e from line 1  | 3 22,032,870. |
| 4 Amounts included on Form 990, Part IX, line 25, but not on line 1:                                  |               |
| a Investments expenses not included on Form 990, Part VIII, line 7b                                   | 4a            |
| b Other (Describe in Part XIV)  | 4b            |
| c Add lines 4a and 4b   | 4c            |
| 5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)                    | 5 22,032,870. |

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

--- **Part V, Line 4 - Intended Uses Of Endowment Fund** ---

--- The organization's endowment funds are held solely by Houston Grand Opera Endowment, ---

--- Inc. The funds are held to support the following activities: general operating, ---

--- studio, electronic media, music director chair, new productions, Concert of Arias, ---

--- education, Spring Opera Festival, new productions with artistic merit, and Wagner ---

--- opera performances. ---



Houston Grand Opera Association, Inc.

74-6016764

**Schedule D, Part XI, Line 8**  
**Other Changes In Net Assets Or Fund Balances**

|   |       |                      |
|---|-------|----------------------|
| Change in net assets of affiliates.....         | \$    | 9,981,374.           |
| Transfer of bequest intended for Endowment..... |       | -2,649,991.          |
|   | Total | <u>\$ 7,331,383.</u> |

**Schedule D, Part XII, Line 2d**  
**Other Revenue Included In F/S But Not Included On Form 990**

|  |       |                      |
|--|-------|----------------------|
| Consol. audit - revenue of affiliates..... | \$    | 9,538,880.           |
|  | Total | <u>\$ 9,538,880.</u> |

**Schedule D, Part XII, Line 4b**  
**Other Revenue Included On Form 990 But Not Included In F/S**

|                                    |       |                      |
|------------------------------------|-------|----------------------|
| Contributions from affiliates..... | \$    | 2,091,518.           |
|                                    | Total | <u>\$ 2,091,518.</u> |

**Schedule D, Part XIII, Line 2d**  
**Other Expenses And Losses Per Audited F/S**

|   |       |                    |
|---|-------|--------------------|
| Consol. audit - expenses of affiliates..... | \$    | 115,979.           |
|   | Total | <u>\$ 115,979.</u> |

SCHEDULE G  
(Form 990 or 990-EZ)

Supplemental Information Regarding  
Fundraising or Gaming Activities

OMB No. 1545-0047

2010

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18,  
or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Part I Fundraising Activities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 17.  
Form 990-EZ filers are not required to complete this part.

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

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

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No

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

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

Total 0.

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

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**Part II Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6a. List events with gross receipts greater than \$5,000.

| REVENUE         |   | (a) Event #1<br><u>Opera Ball</u><br>(event type)                  | (b) Event #2<br><u>Arias</u><br>(event type) | (c) Other events<br><u>2</u><br>(total number) | (d) Total events<br>(add column (a)<br>through column (c)) |            |
|-----------------|---|--|--|--|--|------------|
|                 | 1   | Gross receipts .....   | 1,054,248.                                   | 493,322.                                       | 405,538.   | 1,953,108. |
| 2               | Less: Charitable contributions .....                              | 737,673.   | 425,572.                                     | 283,643.                                       | 1,446,888.   |            |
| 3               | Gross income (line 1 minus line 2) .....                          | 316,575.   | 67,750.                                      | 121,895.                                       | 506,220.   |            |
| DIRECT EXPENSES | 4   | Cash prizes .....  |  |  |  |            |
|                 | 5   | Noncash prizes .....   |  |  |  |            |
|                 | 6   | Rent/facility costs .....  | 450.   | 530.   | 832.   | 1,812.     |
|                 | 7   | Food and beverages .....   | 116,761.                                     | 57,935.  | 165,976.   | 340,672.   |
|                 | 8   | Entertainment .....  | 21,323.                                      |  | 1,586.   | 22,909.    |
|                 | 9   | Other direct expenses .....  | 111,860.                                     | 20,992.  | 66,494.  | 199,346.   |
|                 | 10  | Direct expense summary. Add lines 4- through 9 in column (d) ..... |  |  |  | 564,739.   |
| 11              | Net income summary. Combine line 3, column (d), and line 10 ..... |  |  |  | -58,519.   |            |

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

| REVENUE         |   | (a) Bingo                   | (b) Pull tabs/Instant<br>bingo/progressive<br>bingo                 | (c) Other gaming  | (d) Total gaming<br>(add column (a)<br>through column (c))          |
|-----------------|---|-----------------------------|---|---|---|
|                 | 1   | Gross revenue .....         |   |   |   |
| DIRECT EXPENSES | 2   | Cash prizes .....           |   |   |   |
|                 | 3   | Non-cash prizes .....       |   |   |   |
|                 | 4   | Rent/facility costs .....   |   |   |   |
|                 | 5   | Other direct expenses ..... |   |   |   |
|                 | 6   | Volunteer labor .....       | <input type="checkbox"/> Yes _____ %<br><input type="checkbox"/> No | <input type="checkbox"/> Yes _____ %<br><input type="checkbox"/> No | <input type="checkbox"/> Yes _____ %<br><input type="checkbox"/> No |
| 7               | Direct expense summary. Add lines 2 through 5 in column (d) .....       |                             |   |   |   |
| 8               | Net gaming income summary. Combine lines 1, column (d) and line 7 ..... |                             |   |   |   |

9 Enter the state(s) in which the organization operates gaming activities: \_\_\_\_\_  
 a Is the organization licensed to operate gaming activities in each of these states?  Yes  No  
 b If 'No,' explain: \_\_\_\_\_

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
 b If 'Yes,' explain: \_\_\_\_\_

11 Does the organization operate gaming activities with nonmembers?  Yes  No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

13 Indicate the percentage of gaming activity operated in:

|                               |     |   |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility         | 13b | % |

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

15a Does the organization have a contact with a third party from whom the organization receives gaming revenue?  Yes  No

b If 'Yes,' enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.

c If 'Yes,' enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

Director/officer       Employee       Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
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**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States**

Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 21 or 22.  
▶ Attach to Form 990.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. See Part IV

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

| 1 (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|--|---------|-------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| (1) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (2) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (3) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (4) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (5) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (6) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (7) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |
| (8) -----<br>-----<br>-----                          |         |                               |                          |                                   |   |  |                                    |

2 Enter total number of section 501(c)(3) and government organizations ..... ▶ 0

3 Enter total number of other organizations ..... ▶ 0



**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| 1 Scholarships                  | 17                       | 21,000.                  |                                   |   |  |
| 2                               |                          |                          |                                   |   |  |
| 3                               |                          |                          |                                   |   |  |
| 4                               |                          |                          |                                   |   |  |
| 5                               |                          |                          |                                   |   |  |
| 6                               |                          |                          |                                   |   |  |
| 7                               |                          |                          |                                   |   |  |

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

**Part I, Line 2 - Procedures for Monitoring Use of Grants Funds in U.S.**

Scholarships are awarded by two selected adjudicators at the public Graduation Recital. Scholarship award checks are made directly to the award recipient's university for use toward education expenses. If funds are not so used, the university will refund any unused portions back to HGO Association.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**2010**

▶ **Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Part I Questions Regarding Compensation**

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

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

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

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

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

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

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

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?..... **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?..... **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement?..... **4c**
- If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization?..... **5a**
- b** Any related organization?..... **5b**
- If 'Yes' to line 5a or 5b, describe in Part III.

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

- a** The organization?..... **6a**
- b** Any related organization?..... **6b**
- If 'Yes' to line 6a or 6b, describe in Part III.

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

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III.....

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

|           | Yes | No |
|-----------|-----|----|
| <b>1b</b> | X   |    |
| <b>2</b>  | X   |    |
| <b>4a</b> |     | X  |
| <b>4b</b> |     | X  |
| <b>4c</b> |     | X  |
| <b>5a</b> |     | X  |
| <b>5b</b> |     | X  |
| <b>6a</b> |     | X  |
| <b>6b</b> |     | X  |
| <b>7</b>  |     | X  |
| <b>8</b>  |     | X  |
| <b>9</b>  |     |    |

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2010

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

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

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

| (A) Name         |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                       |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|------------------|------|--|---------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|--|
|                  |      | (i) Base compensation                              | (ii) Bonus and incentive compensation | (iii) Other reportable compensation |  |                         |                                 |  |
| 1 Perryn Leech   | (i)  | 164,637.   | 0.                                    | 0.                                  | 0.   | 10,582.                 | 175,219.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 2 Greg Robertson | (i)  | 240,436.   | 0.                                    | 0.                                  | 15,500.  | 10,647.                 | 266,583.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 3 Patrick Summer | (i)  | 90,000.  | 0.                                    | 192,083.                            | 15,000.  | 4,767.                  | 301,850.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 4 Deborah Hirsch | (i)  | 151,843.   | 0.                                    | 0.                                  | 0.   | 7,780.                  | 159,623.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 5 Ann Owens      | (i)  | 158,682.   | 0.                                    | 0.                                  | 15,500.  | 5,922.                  | 180,104.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 6 Anthony Freud  | (i)  | 442,715.   | 92,680.                               | 0.                                  | 20,000.  | 5,230.                  | 560,625.                        | 0.   |
|                  | (ii) | 0.   | 0.                                    | 0.                                  | 0.   | 0.                      | 0.                              | 0.   |
| 7                | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 8                | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 9                | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 10               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 11               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 12               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 13               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 14               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 15               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |
| 16               | (i)  |  |                                       |                                     |  |                         |                                 |  |
|                  | (ii) |  |                                       |                                     |  |                         |                                 |  |

**Part III Supplemental Information**

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

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**SCHEDULE M  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

▶ **Complete if the organizations answered 'Yes'**  
**on Form 990, Part IV, lines 29 or 30.**

▶ **Attach to Form 990.**

OMB No. 1545-0047

**2010**

**Open To Public  
Inspection**

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Part I Types of Property**

|  | (a)<br>Check if<br>applicable | (b)<br>Number of<br>contributions or<br>items contributed | (c)<br>Noncash contribution<br>amounts reported on<br>Form 990,<br>Part VIII, line 1g | (d)<br>Method of determining<br>noncash contribution amounts |
|--|-------------------------------|---|---|--|
| 1 Art—Works of art .....   |                               |   |   |  |
| 2 Art—Historical treasures .....                                     |                               |   |   |  |
| 3 Art—Fractional interests .....                                     |                               |   |   |  |
| 4 Books and publications .....                                       |                               |   |   |  |
| 5 Clothing and household goods .....                                 |                               |   |   |  |
| 6 Cars and other vehicles .....                                      |                               |   |   |  |
| 7 Boats and planes .....   |                               |   |   |  |
| 8 Intellectual property .....  |                               |   |   |  |
| 9 Securities—Publicly traded .....                                   | X                             | 13  | 1,424,536.  | Fair mkt. val.   |
| 10 Securities—Closely held stock .....                               |                               |   |   |  |
| 11 Securities—Partnership, LLC, or trust interests .....             |                               |   |   |  |
| 12 Securities—Miscellaneous .....                                    |                               |   |   |  |
| 13 Qualified conservation contribution—<br>Historic structures ..... |                               |   |   |  |
| 14 Qualified conservation contribution—Other .....                   |                               |   |   |  |
| 15 Real estate—Residential .....                                     |                               |   |   |  |
| 16 Real estate—Commercial .....                                      |                               |   |   |  |
| 17 Real estate—Other .....   |                               |   |   |  |
| 18 Collectibles .....  |                               |   |   |  |
| 19 Food inventory .....  |                               |   |   |  |
| 20 Drugs and medical supplies .....                                  |                               |   |   |  |
| 21 Taxidermy .....   |                               |   |   |  |
| 22 Historical artifacts .....  |                               |   |   |  |
| 23 Scientific specimens .....  |                               |   |   |  |
| 24 Archeological artifacts .....                                     |                               |   |   |  |
| 25 Other ▶ ( _____ ) .....   |                               |   |   |  |
| 26 Other ▶ ( _____ ) .....   |                               |   |   |  |
| 27 Other ▶ ( _____ ) .....   |                               |   |   |  |
| 28 Other ▶ ( _____ ) .....   |                               |   |   |  |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement .....

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? .....

|     | Yes | No |
|-----|-----|----|
| 30a |     | X  |
| 31  | X   |    |
| 32a |     | X  |
| 33  |     |    |

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? .....

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? .....

b If 'Yes,' describe in Part II.

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule M (Form 990) 2010

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Dashed lines for supplemental information.

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ **Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.**  
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

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

| (a)<br>Name, address, and EIN of disregarded entity | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling entity |
|---|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (1) -----   |                         |  |                     |                           |                                  |
| (2) -----   |                         |  |                     |                           |                                  |
| (3) -----   |                         |  |                     |                           |                                  |
| (4) -----   |                         |  |                     |                           |                                  |
| (5) -----   |                         |  |                     |                           |                                  |
| (6) -----   |                         |  |                     |                           |                                  |

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

| (a)<br>Name, address, and EIN of related organization                      | (b)<br>Primary activity         | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity | (g)<br>Sec 512(b)(13) controlled entity? |    |
|--|---------------------------------|--|----------------------------|---|----------------------------------|--|----|
|  |                                 |  |                            |   |                                  | Yes                                      | No |
| (1) <u>Houston Grand Opera Endowment, Inc</u><br><u>510 Preston Street</u> | Hold, manage<br>Endowment funds |  |                            |   | Houston Grand<br>Opera           |  |    |
| (2) <u>Houston, TX 77002</u><br><u>76-0038314</u>                          | for the benefit<br>of HGO       | TX   | 501 (c) (3)                | 509 (a) (3)   | Association,<br>Inc.             | X  |    |
| (3) <u>Houston Grand Opera Guild, Inc.</u><br><u>510 Preston Street</u>    | Provide<br>financial and        |  |                            |   | Houston Grand<br>Opera           |  |    |
| (4) <u>Houston, TX 77002</u><br><u>74-0016764</u>                          | volunteer<br>support for HGO    | TX   | 501 (c) (3)                | 509 (a) (2)   | Association,<br>Inc.             | X  |    |
| (5) -----  |                                 |  |                            |   |                                  |  |    |
| (6) -----  |                                 |  |                            |   |                                  |  |    |
| (7) -----  |                                 |  |                            |   |                                  |  |    |

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

| (a)<br>Name, address, and EIN of related organization | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Direct controlling entity | (e)<br>Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f)<br>Share of total income | (g)<br>Share of end-of-year assets | (h)<br>Disproportionate allocations? |    | (i)<br>Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j)<br>General or managing partner? |    | (k)<br>Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|-----------------------------|
|   |                         |  |                                  |  |                              |                                    | Yes                                  | No |  | Yes                                 | No |                             |
| (1) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |    |                             |
| (2) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |    |                             |
| (3) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |    |                             |

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

| (a)<br>Name, address, and EIN of related organization | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Direct controlling entity | (e)<br>Type of entity (C corp, S corp, or trust) | (f)<br>Share of total income | (g)<br>Share of end-of-year assets | (h)<br>Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|
| (1) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                             |
| (2) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                             |
| (3) -----<br>-----<br>-----                           |                         |  |                                  |  |                              |                                    |                             |



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

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

|   | Yes | No |
|---|-----|----|
| <b>1</b> During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? |     |    |
| <b>a</b> Receipt of <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties <b>(iv)</b> rent from a controlled entity.....                         |     | X  |
| <b>b</b> Gift, grant, or capital contribution to other organization(s).....   |     | X  |
| <b>c</b> Gift, grant, or capital contribution from other organization(s).....   | X   |    |
| <b>d</b> Loans or loan guarantees to or for other organization(s).....  |     | X  |
| <b>e</b> Loans or loan guarantees by other organization(s).....   | X   |    |
| <b>f</b> Sale of assets to other organization(s).....   |     | X  |
| <b>g</b> Purchase of assets from other organization(s).....   |     | X  |
| <b>h</b> Exchange of assets.....  | X   |    |
| <b>i</b> Lease of facilities, equipment, or other assets to other organization(s).....  |     | X  |
| <b>j</b> Lease of facilities, equipment, or other assets from other organization(s).....  |     | X  |
| <b>k</b> Performance of services or membership or fundraising solicitations for other organization(s).....  | X   |    |
| <b>l</b> Performance of services or membership or fundraising solicitations by other organization(s).....   | X   |    |
| <b>m</b> Sharing of facilities, equipment, mailing lists, or other assets.....  | X   |    |
| <b>n</b> Sharing of paid employees.....   | X   |    |
| <b>o</b> Reimbursement paid to other organization for expenses.....   | X   |    |
| <b>p</b> Reimbursement paid by other organization for expenses.....   | X   |    |
| <b>q</b> Other transfer of cash or property to other organization(s).....   |     | X  |
| <b>r</b> Other transfer of cash or property from other organization(s).....   |     | X  |

**2** If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| (a)<br>Name of other organization       | (b)<br>Transaction type (a-r) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|---|-------------------------------|------------------------|--|
| (1) Houston Grand Opera Endowment, Inc. | c                             | 2,066,000.             | Cash   |
| (2) Houston Grand Opera Guild, Inc.     | c                             | 25,518.                | Cash   |
| (3)                                     |                               |                        |  |
| (4)                                     |                               |                        |  |
| (5)                                     |                               |                        |  |
| (6)                                     |                               |                        |  |

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

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

| (a)<br>Name, address, and EIN of entity | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Are all partners section 501(c)(3) organizations? |    | (e)<br>Share of end-of-year assets | (f)<br>Disproportionate allocations? |    | (g)<br>Code V-UBI amount in box 20 of Schedule K-1 Form (1065) | (h)<br>General or managing partner? |    |
|---|-------------------------|--|--|----|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|
|   |                         |  | Yes  | No |                                    | Yes                                  | No |  | Yes                                 | No |
| (1) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (2) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (3) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (4) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (5) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (6) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (7) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |
| (8) _____<br>_____<br>_____             |                         |  |  |    |                                    |                                      |    |  |                                     |    |



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

Name of the organization

Houston Grand Opera Association, Inc.

Employer identification number

74-6016764

**Form 990, Part III, Line 1 - Organization Mission**

Houston Grand Opera exists to contribute to the cultural enrichment of the city of Houston and the nation by producing and performing world-class opera and creating a diverse, innovative and balanced program of performances, events, community and education projects that reaches the widest possible public. Houston Grand Opera is committed to excellence, relevance and affordability.

**Form 990, Part VI, Line 11b - Form 990 Review Process**

Management reviews the 990 and provides a copy to the board of directors via email before filing with the IRS.

**Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts**

After the board is elected for the upcoming fiscal year, each member is emailed a copy of the conflict of interest statement for review. At the first board of directors meeting of the year, the conflict of interest statement is handed out and a request is made to fill it out and return it. Shortly thereafter, the returned statements are compiled and reviewed. Members who have not completed it are contacted and requested to complete it again. A similar procedure is followed for key employees.

**Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgmtment**

Comparative data was compiled by the Human Resource Director. The executive committee for HGO meets to discuss employee performance and compensation details and perform a compensation review.

**Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees**

See above for process followed for individuals described in question 15b.

**Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available**

The financial statements are available on [www.houstongrandopera.org](http://www.houstongrandopera.org), and the other documents are available upon request.

Form 990, Part XI, Line 5  
Other Changes in Net Assets or Fund Balances

|   |                       |
|---|-----------------------|
| Transfer of bequest intended for Endowment..... | \$ -2,649,991.        |
| Total   | <u>\$ -2,649,991.</u> |

**Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

For calendar year **2010** or other tax year beginning 8/01, 2010,  
and ending 7/31, 2011

**2010**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.

Open to Public Inspection for  
501(c)(3) Organizations Only

|  |                             |   |  |
|--|-----------------------------|---|--|
| <p><b>A</b> <input type="checkbox"/> Check box if address changed</p> <p><b>B</b> Exempt under section</p> <p><input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 220(e)</p> <p><input type="checkbox"/> 408(e) <input type="checkbox"/> 530(a)</p> <p><input type="checkbox"/> 408A <input type="checkbox"/> 529(a)</p> <p><b>C</b> Book value of all assets at end of year<br/><u>15,569,552.</u></p> | <p><b>Print or Type</b></p> | <p>( <input type="checkbox"/> Check box if name changed and see instructions.)</p> <p>Houston Grand Opera Association, Inc.<br/>510 Preston<br/>Houston, TX 77002-1504</p>  | <p><b>D</b> Employer identification number (Employees' trust, see instructions.)<br/><u>74-6016764</u></p> <p><b>E</b> Unrelated business activity codes (See instructions.)<br/><u>541800</u></p> |
| <p><b>F</b> Group exemption number (See instructions.) . . . ▶</p>   |                             | <p><b>G</b> Check organization type . . . . ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p> |  |

**H** Describe the organization's primary unrelated business activity.  
▶ **Advertising**

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . . . ▶  Yes  No  
If 'Yes,' enter the name and identifying number of the parent corporation . . . ▶

**J** The books are in care of. ▶ Tanya Lovetro, Controller Telephone number. ▶ 713-546-0257

| <b>Part I</b> Unrelated Trade or Business Income  |            | (A) Income | (B) Expenses | (C) Net  |
|---|------------|------------|--------------|----------|
| <b>1 a</b> Gross receipts or sales . . . . .  |            |            |              |          |
| <b>b</b> Less returns and allowances . . . . . <b>c</b> Balance. ▶                                      | <b>1 c</b> |            |              |          |
| <b>2</b> Cost of goods sold (Schedule A, line 7) . . . . .  | <b>2</b>   |            |              |          |
| <b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .   | <b>3</b>   |            |              |          |
| <b>4 a</b> Capital gain net income (attach Schedule D) . . . . .  | <b>4 a</b> |            |              |          |
| <b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) . . . . .                     | <b>4 b</b> |            |              |          |
| <b>c</b> Capital loss deduction for trusts . . . . .  | <b>4 c</b> |            |              |          |
| <b>5</b> Income (loss) from partnerships and S corporations (attach statement) . . . . .                | <b>5</b>   |            |              |          |
| <b>6</b> Rent income (Schedule C) . . . . .   | <b>6</b>   |            |              |          |
| <b>7</b> Unrelated debt-financed income (Schedule E) . . . . .  | <b>7</b>   |            |              |          |
| <b>8</b> Interest, annuities, royalties, and rents from controlled organizations (Schedule F) . . . . . | <b>8</b>   |            |              |          |
| <b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Sch G) . . . . .          | <b>9</b>   |            |              |          |
| <b>10</b> Exploited exempt activity income (Schedule I) . . . . .                                       | <b>10</b>  |            |              |          |
| <b>11</b> Advertising income (Schedule J) . . . . .   | <b>11</b>  | 136,579.   | 24,634.      | 111,945. |
| <b>12</b> Other income (See instructions; attach schedule.) . . . . .                                   | <b>12</b>  |            |              |          |
| See Statement 1   |            | 39,134.    |              | 39,134.  |
| <b>13 Total.</b> Combine lines 3 through 12 . . . . .   | <b>13</b>  | 175,713.   | 24,634.      | 151,079. |

| <b>Part II</b> Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)<br>(Except for contributions, deductions must be directly connected with the unrelated business income.) |             |  |  |             |
|--|-------------|--|--|-------------|
| <b>14</b> Compensation of officers, directors, and trustees (Schedule K) . . . . .   | <b>14</b>   |  |  |             |
| <b>15</b> Salaries and wages . . . . .   | <b>15</b>   |  |  |             |
| <b>16</b> Repairs and maintenance . . . . .  | <b>16</b>   |  |  |             |
| <b>17</b> Bad debts . . . . .  | <b>17</b>   |  |  |             |
| <b>18</b> Interest (attach schedule) . . . . .   | <b>18</b>   |  |  |             |
| <b>19</b> Taxes and licenses . . . . .   | <b>19</b>   |  |  |             |
| <b>20</b> Charitable contributions (See instructions for limitation rules.) . . . . .  | <b>20</b>   |  |  |             |
| <b>21</b> Depreciation (attach Form 4562) . . . . .  | <b>21</b>   |  |  |             |
| <b>22</b> Less depreciation claimed on Schedule A and elsewhere on return . . . . .  | <b>22 a</b> |  |  | <b>22 b</b> |
| <b>23</b> Depletion . . . . .  | <b>23</b>   |  |  |             |
| <b>24</b> Contributions to deferred compensation plans . . . . .   | <b>24</b>   |  |  |             |
| <b>25</b> Employee benefit programs . . . . .  | <b>25</b>   |  |  |             |
| <b>26</b> Excess exempt expenses (Schedule I) . . . . .  | <b>26</b>   |  |  |             |
| <b>27</b> Excess readership costs (Schedule J) . . . . .   | <b>27</b>   |  |  | 111,945.    |
| <b>28</b> Other deductions (attach schedule) . . . . . See Statement 2   | <b>28</b>   |  |  | 53,699.     |
| <b>29 Total deductions.</b> Add lines 14 through 28 . . . . .  | <b>29</b>   |  |  | 165,644.    |
| <b>30</b> Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 . . . . .   | <b>30</b>   |  |  | -14,565.    |
| <b>31</b> Net operating loss deduction (limited to the amount on line 30) . . . . . See Statement 3  | <b>31</b>   |  |  |             |
| <b>32</b> Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 . . . . .   | <b>32</b>   |  |  | -14,565.    |
| <b>33</b> Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions) . . . . .  | <b>33</b>   |  |  |             |
| <b>34 Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 . . . . .   | <b>34</b>   |  |  | -14,565.    |

**Part III Tax Computation**

|   |  |
|---|--|
| <b>35 Organizations Taxable as Corporations.</b> See instructions for tax computation.<br>Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> . See instructions and:<br><b>a</b> Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):<br>(1) \$ _____ (2) \$ _____ (3) \$ _____<br><b>b</b> Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) ..... \$ _____<br>(2) Additional 3% tax (not more than \$100,000) ..... \$ _____<br><b>c</b> Income tax on the amount on line 34 ..... ▶ <b>35c</b> 0. |  |
| <b>36 Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) ..... ▶ <b>36</b>  |  |
| <b>37 Proxy tax.</b> See instructions ..... ▶ <b>37</b>   |  |
| <b>38 Alternative minimum tax</b> ..... <b>38</b>   |  |
| <b>39 Total.</b> Add lines 37 and 38 to line 35c or 36, whichever applies ..... <b>39</b> 0.  |  |

**Part IV Tax and Payments**

|  |  |
|--|--|
| <b>40 a</b> Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) .... <b>40 a</b>   |  |
| <b>b</b> Other credits (see instructions) ..... <b>40 b</b>  |  |
| <b>c</b> General business credit. Attach Form 3800 ..... <b>40 c</b>   |  |
| <b>d</b> Credit for prior year minimum tax (attach Form 8801 or 8827) ..... <b>40 d</b>  |  |
| <b>e Total credits.</b> Add lines 40a through 40d ..... <b>40 e</b> 0.   |  |
| <b>41</b> Subtract line 40e from line 39 ..... <b>41</b> 0.  |  |
| <b>42</b> Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 .. <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866<br><input type="checkbox"/> Other (attach schedule) ..... <b>42</b> |  |
| <b>43 Total tax.</b> Add lines 41 and 42 ..... <b>43</b> 0.  |  |
| <b>44 a Payments:</b> A 2009 overpayment credited to 2010 ..... <b>44 a</b>  |  |
| <b>b</b> 2010 estimated tax payments ..... <b>44 b</b>   |  |
| <b>c</b> Tax deposited with Form 8868 ..... <b>44 c</b>  |  |
| <b>d</b> Foreign organizations: Tax paid or withheld at source (see instructions) ..... <b>44 d</b>  |  |
| <b>e</b> Backup withholding (see instructions) ..... <b>44 e</b>   |  |
| <b>f</b> Credit for small employer health insurance premiums (Attach Form 8941) ..... <b>44 f</b>  |  |
| <b>g</b> Other credits and payments: <input type="checkbox"/> Form 2439 _____<br><input type="checkbox"/> Form 4136 _____ <input type="checkbox"/> Other _____ Total ... ▶ <b>44 g</b>   |  |
| <b>45 Total payments.</b> Add lines 44a through 44g ..... <b>45</b> 0.   |  |
| <b>46</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached ..... ▶ <input type="checkbox"/> <b>46</b>  |  |
| <b>47 Tax due.</b> If line 45 is less than the total of lines 43 and 46, enter amount owed ..... ▶ <b>47</b>   |  |
| <b>48 Overpayment.</b> If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ..... ▶ <b>48</b>   |  |
| <b>49</b> Enter the amount of line 48 you want: <b>Credited to 2011 estimated tax</b> ▶ _____ <b>Refunded</b> ▶ <b>49</b>  |  |

**Part V Statements Regarding Certain Activities and Other Information** (see instructions)

|   |     |    |
|---|-----|----|
| <b>1</b> At any time during the 2010 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here. .... ▶ _____ | Yes | No |
| <b>2</b> During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? .. If YES, see instructions for other forms the organization may have to file.   |     | X  |
| <b>3</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ 0.  |     |    |

**Schedule A – Cost of Goods Sold.** Enter method of inventory valuation ▶

|   |  |  |        |
|---|--|--|--------|
| <b>1</b> Inventory at beginning of year ..... <b>1</b>                      |  | <b>6</b> Inventory at end of year ..... <b>6</b>   |        |
| <b>2</b> Purchases ..... <b>2</b>   |  | <b>7 Cost of goods sold.</b> Subtract line 6 from line 5. Enter here and in Part I, line 2 ..... <b>7</b>                      |        |
| <b>3</b> Cost of labor ..... <b>3</b>                                       |  |  |        |
| <b>4 a</b> Additional section 263A costs (attach schedule) ..... <b>4 a</b> |  |  |        |
| <b>b</b> Other costs (attach sch) ..... <b>4 b</b>                          |  | <b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? .. | Yes No |
| <b>5 Total.</b> Add lines 1 through 4b ..... <b>5</b>                       |  |  | X      |

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

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ CFO \_\_\_\_\_ Title \_\_\_\_\_

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

**Paid Preparer Use Only**

Print/Type preparer's name: Jody Blazek  
Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Check  if self-employed PTIN: P00072674  
Firm's name: Blazek & Vetterling Firm's EIN: 76-0269860  
Firm's address: 2900 Wesleyan, Suite 200 Houston, TX 77027-5132 Phone no. (713) 439-5739

**Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property)** (see instructions)

|   |   |   |
|---|---|---|
| 1 Description of property   |   |   |
| (1)   |   |   |
| (2)   |   |   |
| (3)   |   |   |
| (4)   |   |   |
| 2 Rent received or accrued  |   | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)     | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) |   |
| (1)   |   | (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) . . . . . ▶        |
| (2)   |   |   |
| (3)   |   |   |
| (4)   |   |   |
| Total   |   |   |
| (c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) . . . . . ▶ |   |   |

**Schedule E – Unrelated Debt-Financed Income** (see instructions)

|  |  |   |   |  |
|--|--|---|---|--|
| 1 Description of debt-financed property  | 2 Gross income from or allocable to debt-financed property                           | 3 Deductions directly connected with or allocable to debt-financed property |   |  |
|  |  | (a) Straight line depreciation (attach sch)                                 | (b) Other deductions (attach schedule)          |  |
| (1)  |  |   |   |  |
| (2)  |  |   |   |  |
| (3)  |  |   |   |  |
| (4)  |  |   |   |  |
| 4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5 Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6 Column 4 divided by column 5  | 7 Gross income reportable (column 2 x column 6) | 8 Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1)  |  | %   |   |  |
| (2)  |  | %   |   |  |
| (3)  |  | %   |   |  |
| (4)  |  | %   |   |  |
| Totals . . . . . ▶   |  | Enter here and on page 1, Part I, line 7, column (A).                       |   | Enter here and on page 1, Part I, line 7, column (B).              |
| Total dividends-received deductions included in column 8 . . . . . ▶                             |  |   |   |  |

**Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

|                                    |  |  |   |  |   |
|------------------------------------|--|--|---|--|---|
| 1 Name of Controlled Organization  | 2 Employer Identification Number                 | Exempt Controlled Organizations                  |   |  |   |
|                                    |  | 3 Net unrelated income (loss) (see instructions) | 4 Total of specified payments made  | 5 Part of column 4 that is included in the controlling organization's gross income | 6 Deductions directly connected with income in column 5 |
| (1)                                |  |  |   |  |   |
| (2)                                |  |  |   |  |   |
| (3)                                |  |  |   |  |   |
| (4)                                |  |  |   |  |   |
| Nonexempt Controlled Organizations |  |  |   |  |   |
| 7 Taxable Income                   | 8 Net unrelated income (loss) (see instructions) | 9 Total of specified payments made               | 10 Part of column 9 that is included in the controlling organization's gross income | 11 Deductions directly connected with income in column 10                          |   |
| (1)                                |  |  |   |  |   |
| (2)                                |  |  |   |  |   |
| (3)                                |  |  |   |  |   |
| (4)                                |  |  |   |  |   |
| Totals . . . . . ▶                 |  |  | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).         | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).        |   |



**Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

| 1 Description of income | 2 Amount of income                                    | 3 Deductions directly connected (attach schedule) | 4 Set-asides (attach schedule) | 5 Total deductions and set-asides (column 3 plus column 4) |
|-------------------------|---|---|--------------------------------|--|
| (1)                     |   |   |                                |  |
| (2)                     |   |   |                                |  |
| (3)                     |   |   |                                |  |
| (4)                     |   |   |                                |  |
| <b>Totals</b> .....     | Enter here and on page 1, Part I, line 9, column (A). |   |                                | Enter here and on page 1, Part I, line 9, column (B).      |

**Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

| 1 Description of exploited activity | 2 Gross unrelated business income from trade or business | 3 Expenses directly connected with production of unrelated business income | 4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7. | 5 Gross income from activity that is not unrelated business income | 6 Expenses attributable to column 5 | 7 Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|-------------------------------------|--|--|---|--|-------------------------------------|---|
| (1)                                 |  |  |   |  |                                     |   |
| (2)                                 |  |  |   |  |                                     |   |
| (3)                                 |  |  |   |  |                                     |   |
| (4)                                 |  |  |   |  |                                     |   |
| <b>Totals</b> .....                 | Enter here and on page 1, Part I, line 10, column (A).   | Enter here and on page 1, Part I, line 10, column (B).                     |   |  |                                     | Enter here and on page 1, Part II, line 26.                                     |

**Schedule J – Advertising Income** (See instructions.)

**Part I Income From Periodicals Reported on a Consolidated Basis**

| 1 Name of periodical                             | 2 Gross advertising income | 3 Direct advertising costs | 4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7. | 5 Circulation income | 6 Readership costs | 7 Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|----------------------------|----------------------------|---|----------------------|--------------------|--|
| (1) Opera Cues                                   | 136,579.                   | 24,634.                    |   | 45,786.              | 216,233.           |  |
| (2)  |                            |                            |   |                      |                    |  |
| (3)  |                            |                            |   |                      |                    |  |
| (4)  |                            |                            |   |                      |                    |  |
| <b>Totals</b> (carry to Part II, line (5)) ..... | 136,579.                   | 24,634.                    | 111,945.  | 45,786.              | 216,233.           | 111,945.   |

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1 Name of periodical                     | 2 Gross advertising income                             | 3 Direct advertising costs                             | 4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7. | 5 Circulation income | 6 Readership costs | 7 Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|--|--|---|----------------------|--------------------|--|
| (1)                                      |  |  |   |                      |                    |  |
| (2)                                      |  |  |   |                      |                    |  |
| (3)                                      |  |  |   |                      |                    |  |
| (4)                                      |  |  |   |                      |                    |  |
| (5) <b>Totals from Part I</b> .....      | 136,579.   | 24,634.  |   |                      |                    | 111,945.   |
| <b>Totals, Part II</b> (lines 1-5) ..... | Enter here and on page 1, Part I, line 11, column (A). | Enter here and on page 1, Part I, line 11, column (B). |   |                      |                    | Enter here and on page 1, Part II, line 27.                                      |
| <b>Totals, Part II</b> (lines 1-5) ..... | 136,579.   | 24,634.  |   |                      |                    | 111,945.   |

**Schedule K – Compensation of Officers, Directors, and Trustees** (see instructions)

| 1 Name | 2 Title | 3 Percent of time devoted to business | 4 Compensation attributable to unrelated business |
|--------|---------|---------------------------------------|---|
|        |         | 0%                                    |   |
|        |         | 0%                                    |   |
|        |         | 0%                                    |   |
|        |         | 0%                                    |   |

**Total.** Enter here and on page 1, Part II, line 14 .....

Houston Grand Opera Association, Inc.

74-6016764

**Statement 1**  
**Form 990-T, Part I, Line 12**  
**Other Income**

|                         |       |                   |
|-------------------------|-------|-------------------|
| Travel tour income..... | \$    | 39,134.           |
|                         | Total | <u>\$ 39,134.</u> |

**Statement 2**  
**Form 990-T, Part II, Line 28**  
**Other Deductions**

|                                   |       |                   |
|-----------------------------------|-------|-------------------|
| Travel tour meeting expenses..... | \$    | 5,712.            |
| Travel tour travel costs.....     |       | 47,987.           |
|                                   | Total | <u>\$ 53,699.</u> |

**Statement 3**  
**Form 990-T, Part II, Line 31**  
**Net Operating Loss Deduction**

| <u>Loss Year</u><br><u>Ending</u>                             | <u>Original</u><br><u>Loss</u> | <u>Loss</u><br><u>Previously</u><br><u>Used</u> | <u>Loss</u><br><u>Available</u> |
|---|--------------------------------|---|---------------------------------|
| 7/31/02   | \$ 103,218.                    | \$ 1,199.                                       | \$ 102,019.                     |
| 7/31/03   | 90,198.                        | 0.  | 90,198.                         |
| 7/31/04   | 6,277.                         | 0.  | 6,277.                          |
| Net Operating Loss Available.....                             |                                |   | <u>\$ 198,494.</u>              |
| Taxable Income.....   |                                |   | \$ -14,565.                     |
| Net Operating Loss Deduction (Limited to Taxable Income)..... |                                |   | <u>\$ 0.</u>                    |