

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

OMB No 1545-0047

2008Open to Public
Inspection**A For the 2008 calendar year, or tax year beginning** 08/01, 2008, and ending 07/31, 2009

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization THE M.S. HERSHEY FOUNDATION		D Employer identification number
		Doing Business As		23-6242734
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite		E Telephone number
		63 WEST CHOCOLATE AVENUE		(717) 298-2200
		City or town, state or country, and ZIP + 4		
		HERSHEY, PA 17033		G Gross receipts \$ 16,327,503.
		F Name and address of principal officer MR. RAYMOND GOVER		H(a) Is this a group return for affiliates? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
		63 W CHOCOLATE AVENUE HERSHEY, PA 17033		H(b) Are all affiliates included? Yes <input type="checkbox"/> No <input type="checkbox"/>
				If "No," attach a list (see instructions)
I Tax-exempt status		<input checked="" type="checkbox"/> 501(c) (3) (insert no)	<input type="checkbox"/> 4947(a)(1) or	<input type="checkbox"/> 527
J Website: WWW.MSHERSHEYFOUNDATION.ORG				
K Type of organization		<input type="checkbox"/> Corporation	<input checked="" type="checkbox"/> Trust	<input type="checkbox"/> Association <input type="checkbox"/> Other ▶
		L Year of formation 1935		M State of legal domicile PA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities	TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND COMMUNITY VISION AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO THE RESIDENTS OF THE HERSHEY AREA.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets			
	3 Number of voting members of the governing body (Part VI, line 1a)	3	5	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	NONE	
	5 Total number of employees (Part V, line 2a)	5	121	
	6 Total number of volunteers (estimate if necessary)	6	504	
Revenue	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	NONE	
	7b Net unrelated business taxable income from Form 990-T, line 34	7b	NONE	
	8 Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year	
	9 Program service revenue (Part VIII, line 2g)	271,543.	6,727,287.	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,851,640.	5,634,437.	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,472,443.	-21,112.	
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		3,040.	
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	7,595,626.	12,343,652.	
	14 Benefits paid to or for members (Part IX, column (A), line 4)		NONE	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		NONE	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	2,707,223.	3,353,667.	
	16b Total fundraising expenses, Part IX, column (D), line 25 ▶ 50,740.		NONE	
Expenses	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	6,112,735.	6,799,653.	
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	8,819,958.	10,153,320.	
	19 Revenue less expenses Subtract line 18 from line 12	-1,224,332.	2,190,332.	
	Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
		21 Total liabilities (Part X, line 26)	53,601,692.	55,641,035.
		22 Net assets or fund balances Subtract line 21 from line 20	16,755,682.	21,335,877.
			36,846,010.	34,305,158.

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.		
	Signature of officer: DONALD C. PAPSON Executive Director Date: 6-15-10		
Paid Preparer's Use Only	Preparer's signature: [Signature]	Date: 6/15/2010	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP + 4: WTAS LLC 335 COMMERCE DRIVE - SUITE 201 FORT WASHINGTON, PA 19034	Preparer's identifying number (see instructions): 000532555	EIN: 33-1197384
	Phone no: 215-654-1600		

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

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SCANNED JUL 22 2010

Part III Statement of Program Service Accomplishments (see instructions)**1** Briefly describe the organization's mission:

TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND COMMUNITY VISION
AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO THE RESIDENTS
OF THE HERSHEY AREA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☒ Yes ☐ No

If "Yes" describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code _____) (Expenses \$ 4,524,464, including grants of \$ _____) (Revenue \$ 3,974,100.)

THE HERSHEY THEATRE PRESENTS THEATRICAL, MUSICAL AND DANCE
PRODUCTIONS AS WELL AS SPECIAL INTEREST CLASSES AND WORKSHOPS AS A
MEANS OF CULTURAL ENRICHMENT FOR THE COMMUNITY. IN ADDITION, THEY
SPONSOR A SCHOLARSHIP CONTEST FOR AREA HIGH SCHOOL PERFORMERS TO
RECOGNIZE THEIR EFFORTS IN THE AREA OF THE PERFORMING ARTS. NUMBER
OF PERSONS BENEFITED: 103,000.

4b (Code _____) (Expenses \$ 3,091,958, including grants of \$ _____) (Revenue \$ 689,000.)

THE HERSHEY STORY DEPICTS THE STORY OF THE LIFE OF MILTON S
HERSHEY AND HIS COMMUNITY. THE HERSHEY STORY ALSO PROVIDES
EDUCATIONAL PROGRAMMING AS PART OF THE LAB EXPERIENCE AND IN THE
COMMUNITY PARK. ALL DERRY TOWNSHIP SCHOOL STUDENTS ARE ADMITTED
FREE OF CHARGE TO THE PROGRAM AT THE HERSHEY STORY. NUMBER OF
PERSONS BENEFITED: 107,000.

4c (Code _____) (Expenses \$ 1,372,809, including grants of \$ _____) (Revenue \$ 612,000.)

THE HERSHEY GARDENS OFFERS A FLORAL LANDSCAPE AND BOTANICAL
GARDENS AS A MEANS OF EDUCATIONAL AND CULTURAL BENEFIT TO THE
COMMUNITY. EDUCATIONAL OPPORTUNITIES FOR ALL AGES ARE OFFERED IN
THE FORM OF PROGRAMS AND CLASSES HELD IN AND ABOUT THE GARDENS.
ALL DERRY TOWNSHIP SCHOOL STUDENTS ARE ADMITTED FREE OF CHARGE TO
THE HERSHEY GARDENS. NUMBER OF PERSONS BENEFITED: 97,500.

4d Other program services (Describe in Schedule O)

(Expenses \$ 303,204, including grants of \$ _____) (Revenue \$ 359,337.)

4e Total program service expenses ► \$ 9,292,435. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8 X	
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11 X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the U S ?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23 X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K If "No," go to question 25	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
28a		X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
29		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
30		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
31		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
32		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
33		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	
34	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
35		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36		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
37		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable.	1a 34	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b NONE	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 121	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	X
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	X
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	X
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	

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Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	5	
1b	Enter the number of voting members that are independent	NONE	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	X	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	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?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990.	X	
11	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.		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13.	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done.	X	
13	Does the organization have a written whistleblower policy?		X
14	Does the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a	The organization's CEO, Executive Director, or top management official?	X	
b	Other officers or key employees of the organization?	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	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?		

Section C. Disclosure

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

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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization DONALD PAPSON, EXEC. DIRECTOR 63 WEST CHOCOLATE AVE. HERSHEY, PA 17033
717-298-2200

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- 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 the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
RAYMOND L GOVER BD OF MGRS-PRESIDENT/CHAIRMAN	1.	X		X				NONE	99,500.	NONE
JAMES MEAD BOARD OF MANAGERS	1.	X						NONE	125,000.	NONE
VELMA A REDMOND ESQ BOARD OF MANAGERS	3.	X						NONE	116,145.	NONE
ROBERT REESE BOARD OF MANAGERS	2.	X						NONE	125,000.	NONE
LEROY S ZIMMERMAN BOARD OF MANAGERS	1.	X						NONE	271,000.	228,996.
HERSHEY TRUST COMPANY INSTITUTIONAL TRUSTEE	4.		X					1,000.	NONE	NONE
GAYLA BUSH ASST TREASURER/ASST SECRETARY	2.			X				NONE	212,669.	39,983.
KENNETH GALL ASST TREASURER/ASST SECRETARY	1.			X				NONE	134,632.	35,542.
MARTA HOWELL EXECUTIVE DIRECTOR	40.			X				146,810.	NONE	15,211.
VINCENT B RUDISILL TREASURER	2.			X				NONE	2,635,241.	476,065.
JAMES M SHEEHAN ESQ SECRETARY	3.			X				NONE	346,345.	60,972.
DIANE PAUL DIRECTOR - COMMUNITY RELATIONS	40.					X		86,486.	NONE	19,778.
ANTHONY J COLISTRA ED D FORMER-BOARD OF MANAGERS	NONE						X	NONE	91,000.	14,464.
ROBERT C VOWLER FORMER-OFFICER	NONE						X	NONE	1,542,342.	740,742.

Part VIII Statement of Revenue

23-6242734

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b	210,921.			
	c	Fundraising events	1c	14,570.			
	d	Related organizations	1d	1,216,036.			
	e	Government grants (contributions) . .	1e	4,589,218.			
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	696,542.			
	g	Noncash contributions included in lines 1a-1f \$		20,227.			
	h	Total. Add lines 1a-1f		6,727,287.			
Program Service Revenue			Business Code				
	2a	ADMISSIONS	713990	4,744,776.	4,744,776.		
	b	EDUCATION SERVICES	611710	121,174.	121,174.		
	c	RENTAL INCOME	532000	243,575.	243,575.		
	d	OTHER INCOME	900099	477,617.	477,617.		
	e	SALE OF MUSEUM COLLECTIONS	900099	47,295.	47,295.		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		5,634,437.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		720,883.			720,883.
	4	Income from investment of tax-exempt bond proceeds . . .		NONE			
	5	Royalties		NONE			
			(i) Real	(ii) Personal			
	6a	Gross Rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		NONE			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	3,237,252.	4,044.			
	b	Less cost or other basis and sales expenses	3,899,690.	83,601.			
	c	Gain or (loss)	-662,438.	-79,557.			
	d	Net gain or (loss)		-741,995.			-741,995.
	8a	Gross income from fundraising events (not including \$ 14,570. of contributions reported on line 1c) See Part IV, line 18	a	3,600.			
	b	Less direct expenses	b	560.			
	c	Net income or (loss) from fundraising events .	STMT 3. ▶	3,040.			3,040.
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		NONE			
	10a	Gross sales of inventory, less returns and allowances	a				
b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory		NONE				
	Miscellaneous Revenue	Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		NONE				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		12,343,652.	5,634,437.		-18,072.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	199,797.	73,486.	126,311.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages	2,221,826.	2,096,967.	124,859.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	345,770.	313,978.	31,792.	
9 Other employee benefits	308,337.	281,652.	26,685.	
10 Payroll taxes	277,937.	257,227.	20,710.	
11 Fees for services (non-employees)				
a Management	228,560.	213,792.	14,768.	
b Legal	92,768.	38,008.	54,760.	
c Accounting	53,788.		53,788.	
d Lobbying	NONE			
e Professional fundraising services. See Part IV, line 17	NONE			
f Investment management fees	NONE			
g Other	NONE			
12 Advertising and promotion	681,832.	677,284.	4,548.	
13 Office expenses	81,301.	73,055.	8,246.	
14 Information technology	84,152.	63,157.	20,995.	
15 Royalties	NONE			
16 Occupancy	722,832.	664,882.	57,950.	
17 Travel	3,088.	2,732.	356.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	5,197.	4,547.	650.	
20 Interest	213,932.		213,932.	
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization . . .	1,424,144.	1,403,063.	21,081.	
23 Insurance	128,597.	113,153.	15,444.	
24 Other expenses. Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a COST OF ATTRACTIONS -----	2,371,294.	2,371,294.		
b COLLECTIONS MANAGEMENT -----	116,479.	116,479.		
c PROGRAM SUPPLIES -----	300,566.	300,566.		
d PURCHASE-MUSEUM COLLECTIONS -----	21,571.	21,571.		
e MISCELLANEOUS -----	269,552.	205,542.	13,270.	50,740.
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	10,153,320.	9,292,435.	810,145.	50,740.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	3,638,440.	2	2,624,036.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	2,309,968.	4	3,017,831.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use		8	
	9 Prepaid expenses and deferred charges	71,625.	9	159,690.
	10a Land, buildings, and equipment cost basis	10a 33,415,058.		
	b Less accumulated depreciation. Complete Part VI of Schedule D.	10b 6,733,414.		
		19,249,265.	10c	26,681,644.
	11 Investments - publicly traded securities. SFMT 4	28,332,394.	11	23,157,834.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	53,601,692.	16	55,641,035.	
Liabilities	17 Accounts payable and accrued expenses	2,414,383.	17	2,337,070.
	18 Grants payable		18	
	19 Deferred revenue	1,771,644.	19	1,481,783.
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	12,569,655.	25	17,517,024.
	26 Total liabilities. Add lines 17 through 25.	16,755,682.	26	21,335,877.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	7,918,575.	27	14,090,970.
	28 Temporarily restricted net assets	28,927,435.	28	20,214,188.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	36,846,010.	33	34,305,158.
	34 Total liabilities and net assets/fund balances.	53,601,692.	34	55,641,035.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
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?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (See instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	583,389.	572,370.	484,284.	485,587.	6,730,327.	8,855,957.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	4,614,431.	4,403,049.	4,806,019.	5,637,596.	5,634,437.	25,095,532.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5	5,197,820.	4,975,419.	5,290,303.	6,123,183.	12,364,764.	33,951,489.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	133,664.	136,636.	176,880.	2,143,794.	1,216,036.	3,807,010.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.	133,664.	136,636.	176,880.	2,143,794.	1,216,036.	3,807,010.
8 Public support. (Subtract line 7c from line 6)						30,144,479.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	5,197,820.	4,975,419.	5,290,303.	6,123,183.	12,364,764.	33,951,489.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	836,435.	773,281.	876,320.	813,389.	720,883.	4,020,308.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	836,435.	773,281.	876,320.	813,389.	720,883.	4,020,308.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						37,971,797.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	79.39%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	83.89%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	10.59%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	13.60%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. ☒

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10, Part II, line 17a or 17b, or Part III, line 12. Provide any other additional information (see instructions)

This image shows a full page of white paper with horizontal dashed lines. The lines are evenly spaced and run across the width of the page, providing a guide for handwriting practice. There are no margins, text, or other markings on the paper.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE M.S. HERSHEY FOUNDATION

Supplemental Financial Statements

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

OMB No 1545-0047

2008

Open to Public Inspection

Employer identification number

23-6242734

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure)	<input type="checkbox"/> Preservation of an historically importantly land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

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

3 Using the organization's 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 d ☐ Loan or exchange programs
 b ☒ Scholarly research e ☐ Other _____
 c ☒ Preservation for future generations

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

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

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

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

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

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

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

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

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

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	28,927,435.				
b Contributions					
c Investment earnings or losses	-3,996,038.				
d Grants or scholarships					
e Other expenditures for facilities and programs	4,717,209.				
f Administrative expenses					
g End of year balance	20,214,188.				

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

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ 100.0000 %

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

- (i) unrelated organizations
 (ii) related organizations

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		1,000.		1,000.
b Buildings		21,917,503.	753,376.	21,164,127.
c Leasehold improvements		8,977,333.	4,734,671.	4,242,662.
d Equipment		2,401,438.	1,232,359.	1,169,079.
e Other		117,784.	13,008.	104,776.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))				26,681,644.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		

Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

Part IX **Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col (B) line 15)	

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

(a) Description of liability	(b) Amount
Federal income taxes	
ACCRUED POST RETIREMENT BEN OB	2,542,417.
LOAN GUARANTEE OBLIGATION	14,811,695.
INTEREST RATE SWAP LIABILITY	162,912.
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ►	17,517,024.

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

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
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	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

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, Part XI, line 8, Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b

SEE PAGE 5

Part XIV Supplemental Information (continued)

COLLECTIONS OF ART, HISTORICAL TREASURES, OR OTHER SIMILAR ASSETS

SCHEDULE D, PART III, LINE 4

THE M.S. HERSHEY FOUNDATION'S COLLECTION INCLUDES THE FOLLOWING:

(1) ARTIFACTS AND HISTORICAL ORAL AND WRITTEN DOCUMENTS RELATED TO THE
LIFE AND LEGACY OF MILTON S. HERSHEY FROM HIS PERSONAL LIFE TO HIS
VARIOUS BUSINESSES TO HIS PHILANTHROPIES

(2) ARTIFACTS AND HISTORICAL ORAL AND WRITTEN DOCUMENTS RELATED TO THE
COMMUNITY OF HERSHEY

(3) ARTIFACTS THAT DOCUMENT PENNSYLVANIA GERMAN CULTURE

(4) ETHNOGRAPHIC MATERIALS RELATED TO INDIGENOUS PEOPLE OF THE UNITED
STATES

(5) PLANTINGS AT THE HERSHEY GARDEN

THE ABOVE COLLECTIONS FURTHER M.S. HERSHEY FOUNDATION'S EXEMPT PURPOSE OF
EDUCATION AND CULTURAL ENRICHMENT TO THE RESIDENTS OF THE HERSHEY AREA BY
BEING DISPLAYED IN AN ACCESSIBLE PUBLIC MUSEUM, PUBLIC ARCHIVE AND
GARDENS.

INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS

SCHEDULE D, PART V, LINE 4

MILTON S. HERSHEY MADE HIS GIFT TO THE M.S. HERSHEY FOUNDATION ON
DECEMBER 5, 1935 WITH THE PURPOSE OF CREATING AND ENDOWING IN PERPETUITY
THIS FOUNDATION FOR EDUCATIONAL PURPOSES. THE TRUST WAS FUNDED FOR
SEVERAL USES, INTENTS AND PURPOSES: FOR THE ESTABLISHMENT AND MAINTENANCE
IN WHOLE OR IN PART OF ONE OR MORE EDUCATIONAL INSTITUTIONS IN DERRY
TOWNSHIP, PENNSYLVANIA, THE SUPPORT OF PUBLIC SCHOOLS OF DERRY TOWNSHIP
AND THE IMPROVEMENT AND ELEVATION OF THE STANDARD OF EDUCATION, AND THE

Part XIV Supplemental Information (continued)

VOCATIONAL, CULTURAL OR PROFESSIONAL EDUCATION OF ANY RESIDENT OF DERRY TOWNSHIP. IN ADDITION, UPON APPROVAL BY THE BOARD OF MANAGERS, THE ENDOWMENT FUNDS CAN BE UTILIZED TO PURCHASE LAND AND ERECT A BUILDING OR BUILDINGS UPON SUCH LAND.

RECONCILIATION OF CHANGE IN NET ASSETS/RECONCILIATION OF REVENUE & EXPENSE
SCHEDULE D, PART XI/XII/XIII

M.S. HERSHEY FOUNDATION DID NOT RECEIVE A SEPARATE AUDITED FINANCIAL STATEMENT FOR THE TAX YEAR-ENDED JULY 31, 2009. THE M.S. HERSHEY FOUNDATION HAS CHANGED ITS FISCAL YEAR FROM JULY 31 TO DECEMBER 31. THE M.S. HERSHEY FOUNDATION WILL RECEIVE AN AUDIT FOR THE PERIOD AUGUST 1, 2008 THROUGH DECEMBER 31, 2009. THE FEDERAL FORM 990 IS REQUIRED TO PRESENT THE FINANCIAL RESULTS FOR THE 12-MONTHS ENDED JULY 31, 2009. BECAUSE THERE ARE NO STANDALONE AUDITED FINANCIALS FOR THE 12-MONTHS ENDED JULY 31, 2009, THE M.S. HERSHEY FOUNDATION IS NOT REQUIRED TO COMPLETE SCHEDULE D, PARTS XI-XIII: RECONCILIATION OF CHANGE IN NET ASSETS, REVENUE AND EXPENSES FORM 990 TO AUDITED FINANCIAL STATEMENTS. HOWEVER, M.S. HERSHEY FOUNDATION IS VOLUNTARILY DISCLOSING SUCH INFORMATION, AS IF IT RECEIVED A STANDALONE AUDITED FINANCIAL STATEMENT FOR THE TAX YEAR-ENDED JULY 31, 2009.

PART XI RECONCILIATION OF CHANGE IN NET ASSETS

1	TOTAL REVENUE (PART VIII, COLUMN (A), LINE 12)	\$ 12,343,652
2	TOTAL EXPENSES (PART IX, COLUMN (A), LINE 25)	\$ 10,153,320
3	EXCESS/(DEFICIT) FOR THE YEAR (LINE 1 LESS LINE 2)	\$ 2,190,332
4	NET UNREALIZED GAINS (LOSSES) ON INVESTMENTS	\$ (4,215,859)
5	DONATED SERVICES AND USE OF FACILITIES	\$

Part XIV Supplemental Information (continued)

6 INVESTMENT EXPENSES \$

7 PRIOR PERIOD ADJUSTMENTS \$

8 OTHER (DESCRIBE IN PART XIV) \$ (515,328)

9 TOTAL ADJUSTMENTS (NET). ADD LINES 4-8 \$ (4,731,187)

10 EXCESS/(DEFICIT) PER FINAN. STMTS. (ADD LINES 3 & 9) \$ (2,540,855)

PART XII RECONCILIATION OF REVENUE

1 TOTAL REVENUE PER AUDITED FINANCIAL STATEMENTS \$ 7,619,806

2 AMOUNTS INCLUDED ON LINE 1 NOT ON PART VIII, LINE 12:

A NET UNREALIZED GAINS ON INVESTMENTS \$ (4,215,859)

B DONATED SERVICES AND USE OF FACILITIES \$ 28,352

C RECOVERIES OF PRIOR YEAR GRANTS \$

D OTHER (DESCRIBE IN PART XIV) \$ (515,328)

E ADD LINES 2A THROUGH 2D \$ (4,702,835)

3 SUBTRACT LINE 2E FROM LINE 1 \$ 12,322,641

4 AMOUNTS INCLUDED ON PART VIII, LINE 12, & NOT ON LINE 1:

A INVESTMENT EXP. NOT INCLUDED ON PART VIII, LINE 7B \$

B OTHER (DESCRIBE IN PART XIV) \$ 21,011

C ADD LINES 4A AND 4B \$ 21,011

5 TOTAL REVENUE. (ADD LINES 3 & 4C) (PART 1, LINE 12) \$ 12,343,652

PART XIII RECONCILIATION OF EXPENSES

1 TOTAL EXPENSES & LOSSES PER FINANCIAL STATEMENTS \$ 10,160,661

2 AMOUNTS INCLUDED ON LINE 1 NOT ON PART IX, LINE 25:

A DONATED SERVICES AND USE OF FACILITIES \$ 28,352

B PRIOR YEAR ADJUSTMENTS \$

C LOSSES REPORTED ON FORM 990, PART IX, LINE 25 \$

Part XIV Supplemental Information (continued)

D. OTHER (DESCRIBE IN PART XIV)	\$	560
E. ADD LINES 2A THROUGH 2D	\$	28,912
3. SUBTRACT LINE 2E FROM LINE 1	\$	10,131,749
4. AMOUNTS INCLUDED ON PART IX, LINE 25, NOT ON LINE 1:		
A. INVESTMENT EXP NOT INCLUDED ON PART VIII, LINE 7B	\$	
B. OTHER (DESCRIBE IN PART XIV)	\$	21,571
C. ADD LINES 4A AND 4B	\$	21,571
5. TOTAL EXPENSES, (ADD LINES 3 & 4C) (PART I, LINE 18)	\$	10,153,320

PART XIV SUPPLEMENTAL INFORMATION

1. PART XI, LINE 8 - OTHER

PENSION/HEALTH & WELFARE BENEFIT ADJS	\$	(536,582)
DEACCESSION ADJUSTMENT	\$	21,254
TOTAL OTHER	\$	(515,328)

2. PART XII, LINE 2D - OTHER

PENSION/HEALTH & WELFARE BENEFIT ADJS	\$	(536,582)
DEACCESSION ADJUSTMENT	\$	21,254
TOTAL OTHER	\$	(515,328)

3. PART XII, LINE 4B - OTHER

RECLASS - MUSEUM PURCHASES	\$	21,571
RECLASS - SPECIAL EVENT EXPENSES	\$	(560)
TOTAL OTHER	\$	21,011

4. PART XIII, LINE 2D - OTHER

RECLASS - SPECIAL EVENT EXPENSES	\$	560
TOTAL OTHER	\$	560

5. PART XIII, LINE 4B - OTHER

RECLASS - MUSEUM PURCHASES	\$	21,571
----------------------------	----	--------

Part XIV Supplemental Information (continued)

TOTAL OTHER \$ 21,571

LOAN GUARANTEE OBLIGATION

SCHEDULE D, PART X, OTHER LIABILITIES

THE M.S. HERSHEY FOUNDATION (FOUNDATION) CONSTRUCTED A BUILDING, WHICH IS THE SITE OF THE HERSHEY STORY MUSEUM. IN ORDER TO PROVIDE FUNDING FOR THE PROJECT, THE FOUNDATION ENTERED INTO AGREEMENTS DATED MARCH 1, 2007, WITH THE TOWNSHIP OF DERRY INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY (AUTHORITY). UNDER THESE AGREEMENTS, THE FOUNDATION WAS RESPONSIBLE FOR THE CONSTRUCTION OF THE BUILDING. UPON COMPLETION, THE FOUNDATION SOLD THE BUILDING TO THE AUTHORITY AT THE COST TO CONSTRUCT AND LEASE IT BACK FOR \$20,000 PER YEAR FOR A PERIOD OF 29 YEARS, AT WHICH TIME THE BUILDING OWNERSHIP WILL REVERT BACK TO THE FOUNDATION. IN ADDITION, THE FOUNDATION GUARANTEED A \$9,000,000 NONRECOURSE LOAN BETWEEN THE AUTHORITY AND PNC BANK, NATIONAL ASSOCIATION (PNC BANK) TO FUND THE CONSTRUCTION OF THE PROJECT. DURING DECEMBER 2007, THE FOUNDATION GUARANTEED A FLOATING-TO-FIXED RATE SWAP IN THE NOTIONAL AMOUNT OF \$8,100,000 BETWEEN THE AUTHORITY AND PNC BANK TO MANAGE THE RISK OF INCREASED DEBT SERVICE COST FROM RISING INTEREST RATES. DURING MAY 2008, THE FOUNDATION GUARANTEED AN ADDITIONAL \$6,000,000 NONRECOURSE LOAN BETWEEN THE AUTHORITY AND PNC TO FURTHER FUND THE CONSTRUCTION OF THE PROJECT.

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 or Form 990-EZ.** Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

2008

**Open To Public
Inspection**

THE M.S. HERSHEY FOUNDATION

23-6242734

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

- 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 activities? ☐ 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. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ►						

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

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000

	(a) Event #1 BUSINESS BRKFST (event type)	(b) Event #2 (event type)	(c) Other Events NONE (total number)	(d) Total Events (Add col (a) through col (c))
Revenue				
1 Gross receipts	18,170.			18,170.
2 Less Charitable contributions	14,570.			14,570.
3 Gross revenue (line 1 minus line 2)	3,600.			3,600.
Direct Expenses				
4 Cash prizes				
5 Non-cash prizes				
6 Rent/facility costs				
7 Other direct expenses	560.			560.
8 Direct expense summary Add lines 4 through 7 in column (d)				(560.)
9 Net income summary Combine lines 3 and 8 in column (d)				3,040.

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.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue				
1 Gross revenue				
Direct Expenses				
2 Cash prizes				
3 Non-cash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No	
7 Direct expense summary Add lines 2 through 5 in column (d)				()
8 Net gaming income summary Combine lines 1 and 7 in column (d)				

9 Enter the state(s) in which the organization operates gaming activities _____	Yes	No
a Is the organization licensed to operate gaming activities in each of these states?	9a	
b If "No," Explain _____		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b If "Yes," Explain _____		
11 Does the organization operate gaming activities with nonmembers?	11	
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?	12	

		Yes	No
13	Indicate the percentage of gaming activity operated in		
a	The organization's facility 13a %		
b	An outside facility 13b %		
14	Provide the name and address of the person who prepares the organization's gaming/special event books and records		
	Name ► _____		
	Address ► _____		
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue? 15a		
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		
	Name ► _____		
	Address ► _____		
16	Gaming manager information		
	Name ► _____		
	Gaming manager compensation ► \$ _____		
	Description of services provided ► _____		
	<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> 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? 17a		
b	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

► Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

THE M. S. HERSHEY FOUNDATION

Employer identification number

23-6242734

Part I Questions Regarding Compensation

1a 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 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 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 line 1a is 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 type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input 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:

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

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

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?
- b** Any related organization?
- 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?
- b** Any related organization?
- 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 Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

X

X

X

X

X

X

X

X

X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 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) 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 & incentive compensation	(iii) Other reportable compensation				
LEROY S ZIMMERMAN	(i) NONE (ii) 231,000.	NONE 40,000.	NONE NONE	NONE 213,859.	NONE 15,137.	NONE 499,996.	NONE 150,083.
GAYLA BUSH	(i) NONE (ii) 155,237.	NONE 57,230.	NONE 202.	NONE 29,920.	NONE 10,063.	NONE 252,652.	NONE 149,105.
KENNETH GALL	(i) NONE (ii) 102,112.	NONE 32,520.	NONE NONE	NONE 19,327.	NONE 16,215.	NONE 170,174.	NONE NONE
MARTA HOWELL	(i) 146,810. (ii) NONE	NONE NONE	NONE NONE	4,738. NONE	10,977. NONE	162,525. NONE	NONE NONE
VINCENT B RUDISILL	(i) 329,239. (ii) NONE	479,036. NONE	1,826,966. NONE	469,608. NONE	6,457. NONE	3,111,306. NONE	NONE NONE
JAMES M SHEEHAN ESQ	(i) 317,769. (ii) NONE	NONE NONE	28,576. NONE	32,726. NONE	28,246. NONE	407,317. NONE	NONE 122,862.
ANTHONY J COLISTRA ED D	(i) 51,000. (ii) NONE	40,000. NONE	NONE NONE	NONE NONE	14,464. NONE	105,464. NONE	NONE NONE
ROBERT C VOWLER	(i) 438,762. (ii) NONE	1,001,926. NONE	101,654. NONE	733,572. NONE	7,170. NONE	2,283,084. NONE	NONE NONE
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
	(i) ----- (ii) -----	----- -----	----- -----	----- -----	----- -----	----- -----	----- -----

Schedule J (Form 990) 2008

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.

REPORTABLE COMPENSATIONSCHEDULE J-2

MILTON HERSHEY WAS A VISIONARY IN HIS DESIGN OF AN ORGANIZATIONAL
STRUCTURE WHICH LIMITS THE COSTS OF MANAGING AND ADMINISTERING HIS
CHARITIES, MILTON HERSHEY SCHOOL & SCHOOL TRUST AND THE M.S. HERSHEY
FOUNDATION. MEMBERS OF THE M.S. HERSHEY FOUNDATION BOARD RECEIVE NO
COMPENSATION FOR THEIR EFFORTS OVERSEEING THE CHARITIES.

BOARD MEMBERS SERVING ON THE HERSHEY TRUST COMPANY, HERSHEY ENTERTAINMENT
& RESORTS COMPANY AND THE HERSHEY COMPANY BOARDS ARE COMPENSATED TO
COMMENSURATE WITH THEIR JOB RESPONSIBILITIES WITH THE APPLICABLE
ENTERPRISES.

MR. HERSHEY ALSO SEVERELY LIMITED THE COMPENSATION TO THE HERSHEY TRUST
COMPANY FOR MANAGING AND ADMINISTERING HIS CHARITIES. PER THE DEED OF
TRUST, THE M.S. HERSHEY FOUNDATION'S PAYMENT TO HERSHEY TRUST COMPANY FOR
TRUSTEE SERVICES IS LIMITED TO \$1,000 PER YEAR.

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.

THE FOLLOWING INFORMATION DETAILS BOARD OF MANAGERS' AND OFFICERS' WHO

ARE COMPENSATED BY RELATED ENTITIES, COMPENSATION ARRANGEMENTS:

RAYMOND L. GOVER

COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A
RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE

OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN

23-6242734).

JAMES M. MEAD

COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A
RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE

OF THE COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN

23-6242734).

VELMA A. REDMOND, ESQ.

COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM A
RELATED FOR-PROFIT COMPANY, HERSHEY TRUST COMPANY (EIN 23-0692150). NONE

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.

OF THE COMPENSATION WAS PAID BY THE M.S. HERSEY FOUNDATION (EIN

23-6242734).

ROBERT REESE

COMPENSATION REPORTED CONSISTS ONLY OF AMOUNTS RECEIVED AS A DIRECTOR OF

A RELATED FOR-PROFIT COMPANY, HERSEY TRUST COMPANY (EIN 23-0692150).

NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSEY FOUNDATION (EIN

23-6242734).

LEROY S. ZIMMERMAN

COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM

RELATED FOR-PROFIT COMPANIES: HERSEY TRUST COMPANY (EIN 23-0692150), THE

HERSEY COMPANY (EIN 23-0691590) AND HERSEY ENTERTAINMENT & RESORTS CO

(EIN 23-0691815). NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSEY

FOUNDATION (EIN 23-6242734).

GAYLA BUSH

INDIVIDUAL IS AN OFFICER OF THE MILTON HERSEY SCHOOL & SCHOOL TRUST (EIN

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.

23-1353340) AND AN OFFICER OF A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST

COMPANY (EIN 23-0692150). SHE WAS ELECTED ASSISTANT SECRETARY/ASSISTANT

TREASURER OF THE M.S. HERSHEY FOUNDATION ON JULY 15, 2009. THE

COMPENSATION PAID BY THE RELATED FOR-PROFIT ENTITY IS ESTABLISHED UPON

THE ADVICE OF THIRD PARTY COMPENSATION CONSULTANTS. THE AMOUNT AND

COMPOSITION OF THE INDIVIDUAL'S COMPENSATION IS BASED UPON MARKETPLACE

COMPETITIVE CONSIDERATIONS, FINANCIAL AND BUSINESS OBJECTIVES, AND

RESULTS ACHIEVED. THE COMPENSATION RECEIVED INCLUDES BASE SALARY AND

ANNUAL INCENTIVE PAID FOR SERVICES RENDERED IN CONNECTION WITH THE

FOR-PROFIT COMPANY. THE CONTRIBUTIONS TO BENEFIT PLANS CONSIST OF

HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE AS WELL AS

RETIREMENT AND 401(K) SAVINGS PLAN EXPENSE ASSOCIATED WITH THE

INDIVIDUAL'S SERVICE AS AN OFFICER OF THE FOR-PROFIT ENTITY. NONE OF THE

COMPENSATION WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734).

KENNETH GALL

INDIVIDUAL IS AN OFFICER OF A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST

COMPANY (EIN 23-0692150). THE COMPENSATION PAID BY THE RELATED

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.

FOR-PROFIT ENTITY IS ESTABLISHED UPON THE ADVICE OF THIRD PARTY
 COMPENSATION CONSULTANTS. HE WAS ASSISTANT SECRETARY/ASSISTANT TREASURER
 OF THE M.S. HERSEY FOUNDATION UNTIL JULY 15, 2009. THE AMOUNT AND
 COMPOSITION OF THE INDIVIDUAL'S COMPENSATION IS BASED UPON MARKETPLACE
 COMPETITIVE CONSIDERATIONS, FINANCIAL AND BUSINESS OBJECTIVES, AND
 RESULTS ACHIEVED. THE COMPENSATION RECEIVED INCLUDES BASE SALARY AND
 ANNUAL INCENTIVE PAID FOR SERVICES RENDERED IN CONNECTION WITH THE
 FOR-PROFIT COMPANY. THE CONTRIBUTIONS TO BENEFIT PLANS CONSIST OF
 HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE AS WELL AS
 RETIREMENT AND 401(K) SAVINGS PLAN EXPENSE ASSOCIATED WITH THE
 INDIVIDUAL'S SERVICE AS AN OFFICER OF THE FOR-PROFIT ENTITY. NONE OF THE
 COMPENSATION WAS PAID BY THE M.S. HERSEY FOUNDATION (EIN 23-6242734).
 VINCENT B. RUDISILL
 INDIVIDUAL IS AN OFFICER OF A RELATED FOR-PROFIT COMPANY, HERSEY TRUST
 COMPANY (EIN 23-0692150). THE COMPENSATION PAID BY THE RELATED
 FOR-PROFIT ENTITY IS ESTABLISHED UPON THE ADVICE OF THIRD PARTY
 COMPENSATION CONSULTANTS. THE AMOUNT AND COMPOSITION OF THE INDIVIDUAL'S

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.

COMPENSATION IS BASED UPON MARKETPLACE COMPETITIVE CONSIDERATIONS.

FINANCIAL AND BUSINESS OBJECTIVES, AND RESULTS ACHIEVED. THE COMPENSATION

RECEIVED INCLUDES BASE SALARY AND ANNUAL INCENTIVE PAID FOR SERVICES

RENDERED IN CONNECTION WITH THE FOR-PROFIT COMPANY. THE CONTRIBUTIONS TO

BENEFIT PLANS CONSIST OF HEALTH, DENTAL, VISION, LIFE AND DISABILITY

INSURANCE AS WELL AS RETIREMENT AND 401(K) SAVINGS PLAN EXPENSE

ASSOCIATED WITH THE INDIVIDUAL'S SERVICE AS AN OFFICER OF THE FOR-PROFIT

ENTITY. NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSEY FOUNDATION

(EIN 23-6242734).

JAMES M. SHEEHAN, ESQ.

INDIVIDUAL IS AN OFFICER OF THE MILTON HERSEY SCHOOL & SCHOOL TRUST (EIN

23-1353340) AND AN OFFICER OF A RELATED FOR-PROFIT COMPANY, HERSEY TRUST

COMPANY (EIN 23-0692150). THE COMPENSATION PAID BY MILTON HERSEY SCHOOL

& SCHOOL TRUST AND THE RELATED FOR-PROFIT ENTITY IS ESTABLISHED UPON THE

ADVICE OF THIRD PARTY COMPENSATION CONSULTANTS. THE AMOUNT AND

COMPOSITION OF THE INDIVIDUAL'S COMPENSATION IS BASED UPON MARKETPLACE

COMPETITIVE CONSIDERATIONS, FINANCIAL AND BUSINESS OBJECTIVES, AND

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

RESULTS ACHIEVED. THE COMPENSATION REPORTED IN COLUMN (E) INCLUDES BASE

SALARY PAID FOR SERVICES RENDERED TO MILTON HERSHEY SCHOOL & SCHOOL TRUST

AND THE RELATED FOR-PROFIT ENTITY. NONE OF THE COMPENSATION REPORTED IN

COLUMN (E) WAS PAID BY THE M.S. HERSHEY FOUNDATION (EIN 23-6242734).

ANTHONY J. COLISTRA

DR. COLISTRA WAS A DIRECTOR OF A RELATED FOR-PROFIT COMPANY, HERSHEY

TRUST COMPANY (EIN 23-0692150) AND A RELATED NOT-FOR-PROFIT COMPANY, THE

MILTON S. HERSHEY SCHOOL & SCHOOL TRUST (EIN 23-1353340) UNTIL DECEMBER

2007. COMPENSATION REPORTED CONSISTS ONLY OF DIRECTOR FEES RECEIVED FROM

A RELATED FOR-PROFIT COMPANY, HERSHEY ENTERTAINMENT & RESORTS CO (EIN

23-0691815). NONE OF THE COMPENSATION WAS PAID BY MILTON HERSHEY SCHOOL

AND SCHOOL TRUST (EIN 23-1353340) OR THE M.S. HERSHEY FOUNDATION (EIN

23-6242734).

ROBERT C. VOWLER

INDIVIDUAL WAS AN OFFICER OF A RELATED FOR-PROFIT COMPANY, HERSHEY TRUST

COMPANY (EIN 23-0692150) WHO DEVOTED A SUBSTANTIAL AMOUNT OF HIS TIME ON

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

M.S. HERSEY FOUNDATION MATTERS UNTIL APRIL 2008. INDIVIDUAL ALSO WAS A
DIRECTOR OF THE RELATED COMPANIES HERSEY TRUST COMPANY, HERSEY
ENTERTAINMENT & RESORTS COMPANY (EIN 23-0691815) AND THE MILTON S.
HERSEY SCHOOL & SCHOOL TRUST (EIN 23-1353340) UNTIL APRIL 2008. THE
COMPENSATION AND BENEFITS PAID BY THE RELATED FOR-PROFIT ENTITY, HERSEY
TRUST COMPANY, WERE PAID ACCORDING TO AN ADVISOR CONTRACT EXECUTED ON
APRIL 7, 2008. PRIOR TO APRIL 2008, THE COMPENSATION PAID BY THE RELATED
FOR-PROFIT ENTITY WAS ESTABLISHED UPON THE ADVICE OF THIRD PARTY
COMPENSATION CONSULTANTS. HE ALSO RECEIVED DIRECTOR FEES AND NON-TAXABLE
BENEFITS FROM HERSEY ENTERTAINMENT & RESORTS COMPANY DURING THE
REPORTING PERIOD. NONE OF THE COMPENSATION WAS PAID BY THE M.S. HERSEY
FOUNDATION (EIN 23-6242734).

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT

FORM 990, PART III, LINE 2

THE FOUNDATION HAS TWO NEW SIGNIFICANT PROGRAMS FOR THE TAX YEAR ENDED
JULY 31, 2009:

(1) THE HERSHEY STORY TAKES VISITORS ON AN INSPIRATIONAL JOURNEY THROUGH
THE LIFE OF MILTON S. HERSHEY, THE MAN, HIS CHOCOLATE COMPANY, THE TOWN
THAT BEARS HIS NAME, AND HIS GENEROUS LEGACY. THE HERSHEY STORY EXPLORES
THE RAGS TO RICHES ACCOMPLISHMENTS OF AN AMERICAN ENTREPRENEUR WHO USED
HIS PERSONAL WEALTH TO ENRICH THE LIVES OF OTHERS. HEAR
NEVER-BEFORE-SHARED STORIES OF HIS INNOVATION AND DETERMINATION. FIND
OUT HOW MR. HERSHEY REVOLUTIONIZED THE PROCESS OF MAKING MILK CHOCOLATE.
DISCOVER HOW THE HERSHEY INDUSTRIAL SCHOOL'S ORPHAN BOYS BECAME HEIRS TO
HIS FORTUNE. FROM THE INTERACTIVE MUSEUM EXPERIENCE AND ITS CREATIVE
APPRENTICE PROGRAM TO THE CHOCOLATE LAB TO CAFÉ ZOOKA AND THE MUSEUM
SHOP, THE SWEET RESULTS OF MR. HERSHEY'S ENTREPRENEURSHIP, INGENUITY AND
PHILANTHROPY ARE GUARANTEED TO INSPIRE ALL WHO ENTER THE HERSHEY STORY.

(2) THE HERSHEY THEATRE APOLLO AWARDS WERE DEVELOPED BY THE M.S. HERSHEY
FOUNDATION'S EDUCATION DEPARTMENT TO HONOR OUTSTANDING ACHIEVEMENTS BY
LOCAL HIGH SCHOOL STUDENTS IN MUSICAL AND PLAY PRODUCTIONS. THE SHOW IS
PRODUCED BY THE HERSHEY THEATRE EDUCATION DEPARTMENT AND IS MODELED AFTER
THE TONY AWARDS®. HIGH SCHOOLS IN CUMBERLAND, DAUPHIN AND LEBANON
COUNTIES, AS WELL AS ELIZABETHTOWN AREA SCHOOL DISTRICT WERE INVITED TO
PARTICIPATE.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

GOVERNING BODY & MANAGEMENTFORM 990, PART VI, LINE 3

THE M.S. HERSHEY FOUNDATION HAS SEVERAL OPERATIONS IN HERSHEY,
PENNSYLVANIA, INCLUDING THE HERSHEY GARDENS, THE HERSHEY COMMUNITY
ARCHIVES, THE HERSHEY THEATRE, THE HERSHEY STORY, AND CHOCOLATETOWN
SQUARE, COLLECTIVELY REFERRED TO AS "FOUNDATION OPERATIONS". THESE
OPERATIONS EXIST TO PRESERVE AND ENHANCE MILTON HERSHEY'S LEGACY AND
COMMUNITY VISION AND TO PROVIDE EDUCATIONAL AND CULTURAL ENRICHMENT TO
RESIDENTS AND VISITORS OF HERSHEY, PA.

HERSHEY ENTERTAINMENT & RESORTS COMPANY (HE&R), A RELATED FOR PROFIT
OPERATION, HAS ESTABLISHED A REPUTATION FOR PROVIDING HIGH QUALITY
SERVICES, AND HAS EXTENSIVE EXPERIENCE PROVIDING LIVE PERFORMANCE
ENTERTAINMENT, RETAIL, CATERING, FOOD AND BEVERAGE AND ASSOCIATES
SERVICES. HE&R OWNS AND OPERATES NUMEROUS ENTERTAINMENT AND HOSPITALITY
VENUES IN HERSHEY, PENNSYLVANIA. FOUNDED IN 1927, BY MILTON HERSHEY,
HE&R'S MISSION AND GOALS INCLUDE DEMONSTRATING SENSITIVITY ABOUT THE
QUALITY OF LIFE FOR THE COMMUNITY AND USING ITS RESERVOIR OF TALENT AND
EXPERIENCE TO MAKE A POSITIVE DIFFERENCE WITH THE M.S. HERSHEY
FOUNDATION.

IN ORDER TO ENHANCE FOUNDATION OPERATIONS AND FURTHER ITS MISSION, THE
M.S. HERSHEY FOUNDATION ENTERED INTO A CONTRACT WITH HE&R TO PROVIDE
VARIOUS SERVICES INCLUDING THE FOLLOWING:

1. WEDDING, PARTY AND EVENT CATERINGS

2. RETAIL OPERATIONS SUPPORT

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

3. THEATRE OPERATIONS MANAGEMENT

4. IT, COMMUNICATIONS AND SECURITY SERVICES

PRIOR TO THE COMMENCEMENT OF SERVICES, THE M.S. HERSHEY FOUNDATION,
ASSISTED BY INDEPENDENT OUTSIDE COUNSEL, EVALUATED THE PROPOSED SERVICES
TO ENSURE COMPLIANCE WITH INTERMEDIATE SANCTIONS RULES PURSUANT TO IRC
SECTION 4958 AND PRIVATE INUREMENT RULES PURSUANT TO TREASURY REGULATIONS
53.4958-4. THESE SERVICES ARE REVIEWED AND APPROVED BY THE BOARD OF
MANAGERS ON AN ANNUAL BASIS.

THE M.S. HERSHEY FOUNDATION HAS ESTABLISHED AN INDEPENDENT COMMITTEE TO
PERIODICALLY REVIEW THE SERVICES BEING PERFORMED AND THE CONTRACTUAL
RELATIONSHIP WITH HE&R TO ENSURE IT IS IN THE BEST INTEREST OF THE M.S.
HERSHEY FOUNDATION TO CONTINUE USING THE SERVICES OF HE&R AND TO ENSURE
COMPLIANCE WITH THE IRC SECTION AND TREASURY REGULATION NOTED ABOVE.

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION A, LINE 10

THE FORM 990 IS PREPARED UNDER THE DIRECTION OF THE DIRECTOR OF FINANCE

OF THE M.S. HERSHEY FOUNDATION. THE FORM 990 IS REVIEWED BY ADDITIONAL

MEMBERS OF THE M.S. HERSHEY FOUNDATION, OUTSIDE COUNSEL AND ITS

INDEPENDENT TAX ADVISORS WHO SIGN THE RETURN AS "PAID PREPARERS."

THE BOARD OF MANAGERS OF THE M.S. HERSHEY FOUNDATION REVIEWS AND

DISCUSSES THE FORM 990 AT ONE OF ITS SCHEDULED MEETINGS PRIOR TO FILING

THE RETURN WITH THE INTERNAL REVENUE SERVICE. ADDITIONALLY, THE FORM 990

IS PROVIDED TO THE FULL BOARD OF MANAGERS, NOTING KEY DISCLOSURES, PRIOR

TO THE FILING OF THE FORM 990 WITH THE INTERNAL REVENUE SERVICE. DUE TO

THE SIGNIFICANT CHANGES MADE IN THE CURRENT FORM 990, BOTH MANAGEMENT AND

TAX ADVISORS REVIEWED THE CHANGES WITH THE BOARD OF MANAGERS AND THE FULL

BOARD ON SEVERAL OCCASIONS OVER THE LAST TWO YEARS.

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

COMPENSATION PROCESSFORM 990, PART VI, SECTION B, LINES 15A AND 15B

THE M.S. HERSHEY FOUNDATION'S BOARD OF MANAGERS (THE GOVERNING BODY OF
THE M.S. HERSHEY FOUNDATION) CONTROLS THE PROCESS IN DETERMINING WHETHER
THE TOTAL COMPENSATION OF THE EXECUTIVE DIRECTOR IS FAIR AND REASONABLE.
THIS PROCESS OCCURS AT THE INITIAL HIRE OF THE EXECUTIVE DIRECTOR AND AT
REGULAR INTERVALS THEREAFTER. THE REVIEW OF THE TOTAL COMPENSATION OF
THE EXECUTIVE DIRECTOR, INCLUDES BUT IS NOT LIMITED TO, A REVIEW OF
COMPARABLE EXECUTIVE DIRECTOR TOTAL COMPENSATION AS DISCLOSED IN THE
FORMS 990 OF SIMILAR-SIZED EXEMPT ORGANIZATIONS. AS PART OF THIS
PROCESS, THE COMPENSATION INFORMATION IS REVIEWED AND APPROVED BY THE
BOARD OF MANAGERS FOR THE EXECUTIVE DIRECTOR. THOSE BOARD OF MANAGERS
WITH A CONFLICT IN REGARD TO THE EXECUTIVE DIRECTOR'S COMPENSATION REVIEW
PROCESS ABSTAIN FROM THE DELIBERATIONS.

THE BOARD OF MANAGERS AND OFFICERS, EXCEPT FOR THE EXECUTIVE DIRECTOR, DO
NOT RECEIVE ANY COMPENSATION FROM M.S. HERSHEY FOUNDATION. THE BOARD OF
MANAGERS AND OFFICERS, EXCLUDING THE EXECUTIVE DIRECTOR, RECEIVE
COMPENSATION FROM HERSHEY TRUST COMPANY AS DIRECTORS OF THE TRUST COMPANY
IN ACCORDANCE WITH SECTION 16 OF ITS BYLAWS. THE COMPENSATION IS
PERIODICALLY REVIEWED BY THIRD PARTY COMPENSATION CONSULTANTS.

THE COMPENSATION OF THE M.S. HERSHEY FOUNDATION'S BOARD OF MANAGERS AND
OFFICERS, WHO ARE DIRECTORS OR EMPLOYEES OF THE HERSHEY TRUST COMPANY
(TRUSTEE OF M.S. HERSHEY FOUNDATION), IS DETERMINED BY PERIODIC REVIEW
(GENERALLY PERFORMED AT LEAST EVERY 3 YEARS) BY THIRD PARTY COMPENSATION
CONSULTANTS TO DETERMINE THAT IT IS FAIR AND REASONABLE AS PART OF THE

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

HERSHEY TRUST COMPANY'S COMPENSATION REVIEW PROCESS. THE COMPENSATION OF
THE STATUTORY OFFICERS, THE MANAGING DIRECTOR AND COMPLIANCE OFFICER IS
FIXED BY THE BOARD OF DIRECTORS OF HERSHEY TRUST COMPANY IN ACCORDANCE
WITH SECTION 5 OF ITS BYLAWS. THE PRESIDENT AND MANAGING DIRECTOR OF
HERSHEY TRUST COMPANY APPROVES COMPENSATION OF THE OTHER OFFICERS AND KEY
EMPLOYEES AND REPORTS THIS COMPENSATION TO THE BOARD OF DIRECTORS OR A
DESIGNATED COMMITTEE OF THE BOARD OF DIRECTORS AS ANY CHANGES ARE MADE.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

PUBLIC AVAILABILITY OF GOVERNING DOCUMENTS

FORM 990, PART VI, SECTION C, LINE 19

THE FOUNDATION MAKES THE DEED OF TRUST AVAILABLE TO THE PUBLIC ON ITS

WEBSITE. THE FOUNDATION'S CONFLICT OF INTEREST POLICY AND ITS AUDITED

FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

CONFLICT OF INTERESTFORM 990, PART VI, SECTION B, LINE 12C

THE BOARD OF MANAGERS, OFFICERS AND KEY EMPLOYEES OF THE M.S. HERSHEY
FOUNDATION HAVE A FIDUCIARY RELATIONSHIP WITH THE M.S. HERSHEY FOUNDATION
WHICH REQUIRES THAT THEY ACT IN GOOD FAITH WITH REGARD TO THE M.S.
HERSHEY FOUNDATION'S BEST INTERESTS. IT IS ESSENTIAL IN FULFILLING THEIR
DUTIES THAT THEY APPLY THE HIGHEST MORAL, LEGAL, AND ETHICAL STANDARDS IN
THEIR CONDUCT AND BUSINESS RELATIONSHIPS. THE HERSHEY TRUST COMPANY,
TRUSTEE FOR THE M.S. HERSHEY FOUNDATION, HAS WRITTEN CONFLICT OF INTEREST
POLICES WHICH ARE INTENDED TO PERMIT THE M.S. HERSHEY FOUNDATION AND ITS
MANAGERS, OFFICERS AND OTHER KEY EMPLOYEES TO IDENTIFY, EVALUATE AND
ADDRESS ANY CONFLICT OF INTEREST THAT MIGHT CALL INTO QUESTION THIS
FIDUCIARY DUTY TO THE M.S. HERSHEY FOUNDATION.

THE CONFLICT OF INTEREST POLICY COVERING THE MANAGERS IS DOCUMENTED IN
THE CONFLICT OF INTEREST SECTION OF THEIR GOVERNANCE GUIDELINES. THE
CONFLICT OF INTEREST POLICY COVERING OFFICERS AND OTHER KEY EMPLOYEES OF
HERSHEY TRUST COMPANY, TRUSTEE FOR THE M.S. HERSHEY FOUNDATION IS
DOCUMENTED IN POLICY 1.3 ETHICAL STANDARDS AND POLICY 1.5 CONFLICT OF
INTEREST OF ITS EMPLOYEE POLICY MANUAL AND POLICY 1.02 CODE OF CONDUCT OF
ITS POLICY MANUAL.

EACH MANAGER, OFFICER AND KEY EMPLOYEE IS REQUIRED TO AVOID ALL ACTIVITY
THAT COULD CREATE A CONFLICT OF INTEREST OR EVEN GIVE AN APPEARANCE OF A
CONFLICT OF INTEREST. ANY CONFLICTS OF INTEREST ARE TO BE REPORTED AS
SOON AS PRACTICAL AFTER THEY BECOME AWARE OF SUCH A CONFLICT.
ANNUALLY EACH MANAGER (IN EFFECT FOR THE TAX YEAR ENDING 7/31/2009),

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

OFFICER AND KEY EMPLOYEE (IN EFFECT FOR THE TAX YEAR BEGINNING 8/1/2009)
IS REQUIRED TO COMPLETE AN ANNUAL STATEMENT OF DISCLOSURE. THE FORMS
IDENTIFY VENDORS, INVESTMENTS, OTHER BOARD MEMBERSHIPS, AND FAMILY
MEMBERS THAT COULD GIVE RISE TO CONFLICTS OF INTEREST. THE STATEMENTS
ARE REVIEWED BY THE FOUNDATION'S EXECUTIVE DIRECTOR AND THE DIRECTOR OF
FINANCE IN ORDER FOR THEM TO BE AWARE OF ACTIVITIES THAT COULD GIVE RISE
TO CONFLICTS OF INTEREST.

POTENTIAL CONFLICTS OF INTEREST RELATED TO MANAGERS, OFFICERS AND KEY
EMPLOYEES ARE BROUGHT TO THE ATTENTION OF THE PRESIDENT OF THE BOARD OF
MANAGERS OF THE M.S. HERSHEY FOUNDATION. THE PRESIDENT (OR HIS DESIGNEE)
DETERMINES THE CORRECTIVE MEASURE, IF ANY, TO BE TAKEN TO RESOLVE THE
CONFLICT, OR WILL IMPOSE APPROPRIATE RESTRICTIONS, IF ANY ON THE PERSON
WITH THE CONFLICT. FOR CONFLICTS OF INTEREST INVOLVING THE PRESIDENT,
THE MATTER WOULD BE DISCUSSED WITH THE CHAIR OF THE AUDIT COMMITTEE AND
THE CHAIR OF THE BOARD OF THE HERSHEY TRUST COMPANY. THE TWO CHAIR
PERSONS, IN CONSULTATION WITH THE OTHER BOARD MEMBERS, EXCLUDING SUCH
CONFLICTED PERSON, HAVE THE FINAL APPROVAL OF ANY RECOMMENDED CORRECTIVE
MEASURES OR IMPOSED RESTRICTIONS.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

SUMMARYFORM 990, PART I, LINE 6 - VOLUNTEER INFORMATIONVOLUNTEERS ARE A VITAL PART OF THE M.S. HERSHEY FOUNDATION. MANY OF OURVOLUNTEERS HAVE INTRODUCED A CHILD TO HISTORY, NATURE OR LIVE THEATRE.OTHERS HAVE HELPED BEAUTIFY HERSHEY GARDENS, USHERED A SHOW AT THEHERSHEY THEATRE OR PROUDLY ANSWERED QUESTIONS ABOUT OUR COMMUNITY'S RICHHISTORY AT THE MUSEUM: THE HERSHEY STORY.

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

EXECUTIVE COMPENSATION

PART VII

DUE TO THE CHANGE IN REPORTING COMPENSATION FROM THE FISCAL YEAR TO THE
CALENDAR YEAR, THIS FORM 990 INCLUDES COMPENSATION FROM THE PERIOD
JANUARY 1, 2008 - JULY 31, 2008 THAT WAS ALSO REPORTED ON THE FORM 990
FOR THE TAX YEAR ENDED JULY 31, 2008.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

HOURS SPENT ON RELATED ORGANIZATIONS

SCHEDULE J

THE FOLLOWING TABLE DETAILS M.S. HERSHEY FOUNDATION BOARD OF MANAGERS

MEMBERS AND OFFICERS WHO ARE ALSO BOARD OF MANAGERS MEMBERS AND OFFICERS

OF RELATED ORGANIZATIONS AND THE HOURS SPENT PER WEEK ON DUTIES FOR THESE

RELATED ORGANIZATIONS:

	HERSHEY		MILTON	
	ENTERTAIN	HERSHEY	HERSHEY	HERSHEY
	& RESORTS	CO	SCHOOL &	TRUST CO
			SCHOOL TRUST	
RAYMOND GOVER	-	-	5	FOOTNOTE 1
JAMES MEAD	-	-	4	FOOTNOTE 1
VELMA A. REDMOND	-	-	5	FOOTNOTE 1
ROBERT REESE	-	-	55	FOOTNOTE 1
LEROY S. ZIMMERMAN	2	2	6	FOOTNOTE 1
GAYLA M. BUSH	-	-	40	10
KENNETH GALL	-	-	54	-
VINCENT B. RUDISILL	-	-	29	10
JAMES SHEEHAN	-	-	57	FOOTNOTE 1
ANTHONY J. COLISTRA	1.50	-	-	-
ROBERT C. VOWLER	-	-	-	FOOTNOTE 1

FOOTNOTE 1: TIME SPENT ON HERSHEY TRUST COMPANY MATTERS IS INCLUDED IN

THE AVERAGE HOURS WORKED PER WEEK UNDER THE COLUMN FOR THE MILTON HERSHEY

SCHOOL & SCHOOL TRUST.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

FINANCIAL STATEMENTS AUDITED BY INDEPENDENT ACCOUNTANT

PART XI, LINE 2B

THE M.S. HERSHEY FOUNDATION IS CHANGING ITS TAX YEAR END FROM JULY 31 TO
DECEMBER 31. AS A RESULT OF THIS CHANGE, THE M.S. HERSHEY FOUNDATION
DECIDED TO HAVE ITS INDEPENDENT ACCOUNTANTS CONDUCT AN AUDIT AND PRODUCE
FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD: AUGUST 1, 2008 THROUGH
DECEMBER 31, 2009.

THE M.S. HERSHEY FOUNDATION DOES NOT HAVE STANDALONE AUDITED FINANCIAL
STATEMENTS FOR THE 12-MONTH PERIOD: AUGUST 1, 2008 THROUGH JULY 31, 2009;
HOWEVER, THE FINANCIAL INFORMATION FOR THE 12-MONTH PERIOD ENDED JULY 31,
2009, AS PRESENTED ON THIS FEDERAL FORM 990, WILL BE AUDITED FINANCIAL
INFORMATION UPON THE COMPLETION OF THE 17-MONTH PERIOD AUDIT.

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

POLICIES; WHISTLEBLOWER/DOCUMENT RETENTION & DESTRUCTION

FORM 990, PART VI, SECTION B, LINES 13 & 14

SUBSEQUENT TO JULY 31, 2009, THE M.S. HERSHEY FOUNDATION DEVELOPED AND

PLACED INTO EFFECT A WHISTLEBLOWER POLICY AND A DOCUMENT RETENTION AND

DESTRUCTION POLICY.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

SCHEDULE R - SUPPLEMENTAL DISCLOSURE

SCHEDULE R, PART V, TRANSACTIONS WITH RELATED ORGANIZATIONS

ACCORDING TO THE INSTRUCTIONS TO SCHEDULE R, PART V, TRANSACTIONS WITH
RELATED ORGANIZATIONS, THE FOLLOWING TRANSACTIONS ARE TO BE REPORTED IN
LINE 2:

(1) (A) ALL RECEIPTS OR ACCRUALS, REGARDLESS OF THE AMOUNT, OF INTEREST,
ANNUITIES, ROYALTIES, OR RENT FROM A CONTROLLED ENTITY; (B) A LOAN MADE
TO A CONTROLLED ENTITY*; OR (C) ANY OTHER TRANSFER OF FUNDS BETWEEN THE
ORGANIZATION AND THE CONTROLLED ENTITY*

(2) TRANSACTIONS WITH RELATED TAX-EXEMPT ORGANIZATIONS NOT DESCRIBED IN
SECTION 501(C)(3)*

* THESE TRANSACTIONS ARE TO BE DISREGARDED WHERE THE TOTAL AMOUNTS
INVOLVED DO NOT EXCEED \$50,000

ALTHOUGH THE M.S. HERSHEY FOUNDATION IS NOT REQUIRED TO DISCLOSE ITS
RELATED PARTY TRANSACTIONS IN SCHEDULE R, PART V, LINE 2 ACCORDING TO THE
INSTRUCTIONS ABOVE, THE M.S. HERSHEY FOUNDATION IS ELECTING TO DISCLOSE
ALL TRANSACTIONS WITH ITS RELATED PARTIES AS FOLLOWS:

SCHEDULE R, PART V, LINE 1C

GIFT, GRANT OR CAPITAL CONTRIBUTION FROM OTHER ORGANIZATIONS:

HERSHEY ENTERTAINMENT & RESORTS COMPANY \$553,061

MILTON HERSHEY SCHOOL & SCHOOL TRUST \$380,075

THE HERSHEY COMPANY \$230,075

HERSHEY TRUST COMPANY \$52,825

SCHEDULE R, PART V, LINE 1I

Name of the organization

THE M.S. HERSHEY FOUNDATION

Employer identification number

23-6242734

LEASE OF FACILITIES, EQUIPMENT OR OTHER ASSETS TO OTHER ORGANIZATION:

HERSHEY TRUST COMPANY \$2,196 (STORAGE OF THE ARCHIVES)

SCHEDULE R, PART V, LINE 1J

LEASE OF FACILITIES, EQUIPMENT OR OTHER ASSETS FROM OTHER ORGANIZATION:

MILTON HERSHEY SCHOOL & SCHOOL TRUST \$49,110 (STORAGE OF MUSEUM ITEMS AND
LEASING OF OFFICE SPACE)

SCHEDULE R, PART V, LINE 1K

PERFORMANCE OF SERVICES OR MEMBERSHIP OR FUNDRAISING SOLICITATIONS FOR
OTHER ORGANIZATIONS:

HERSHEY TRUST COMPANY \$6,496 (PLAYBILL ADVERTISING)

SCHEDULE R, PART V, LINE 1L

PERFORMANCE OF SERVICES OR MEMBERSHIP OR FUNDRAISING SOLICITATIONS BY
OTHER ORGANIZATIONS:

THE HERSHEY COMPANY \$14,043 (PRINTING SERVICES)

HERSHEY ENTERTAINMENT & RESORTS COMPANY \$206,776 (IT SERVICES, MUSEUM
RELATED SERVICES, MANAGEMENT FEE)

HERSHEY TRUST COMPANY \$1,000 (TRUSTEE FEE)

SCHEDULE R, PART V, LINE 1O

REIMBURSEMENT PAID TO OTHER ORGANIZATION FOR EXPENSES:

HERSHEY TRUST COMPANY \$496 (CLEANING AND TRADEMARK)

HERSHEY ENTERTAINMENT & RESORTS COMPANY \$62,206 (TAXES, SECURITY,
INSURANCE RESERVE)

► Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

► See separate instructions.

Name of the organization

Employer identification number

THE M.S. HERSHEY FOUNDATION

23-6242734

Part I

[illegible]

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
THE MILTON HERSHEY SCHOOL & SCHOOL TRUST 23-1353340 PO BOX 445 HERSHEY, PA 17033	SCHOOL	PA	501(C)(3)	2	N/A
DEARDEN HOUSE ADVISORY BOARD 20-2579678 PO BOX 830 HERSHEY, PA 17033	SVCS TO ALUM	PA	501(C)(3)	7	N/A
HERSHEY CEMETERY TRUST 20-6629638 PO BOX 445 HERSHEY, PA 17033	CMTRY FUNDS	PA	501(C)(13)		N/A
HERSHEY CEMETERY COMPANY 23-1973529 PO BOX 445 HERSHEY, PA 17033	CEMETERY	PA	501(C)(13)		N/A

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008

Part V Transactions With Related Organizations

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

1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	1a X	X
b Gift, grant, or capital contribution to other organization(s)	1b X	X
c Gift, grant, or capital contribution from other organization(s)	1c X	X
d Loans or loan guarantees to or for other organization(s)	1d X	X
e Loans or loan guarantees by other organization(s)	1e X	X
f Sale of assets to other organization(s)	1f X	X
g Purchase of assets from other organization(s)	1g X	X
h Exchange of assets	1h X	X
i Lease of facilities, equipment, or other assets to other organization(s)	1i X	X
j Lease of facilities, equipment, or other assets from other organization(s)	1j X	X
k Performance of services or membership or fundraising solicitations for other organization(s)	1k X	X
l Performance of services or membership or fundraising solicitations by other organization(s)	1l X	X
m Sharing of facilities, equipment, mailing lists, or other assets	1m X	X
n Sharing of paid employees	1n X	X
o Reimbursement paid to other organization for expenses	1o X	X
p Reimbursement paid by other organization for expenses	1p X	X
q Other transfer of cash or property to other organization(s)	1q X	X
r Other transfer of cash or property from other organization(s)	1r X	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) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2008

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
=====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES -----	COMPENSATION -----
THE WHITING TURNER CONTRACTING COMPANY 300 EAST JOPPA ROAD BALTIMORE, MD 21286	CONSTRCTN/ENGINEER	5,809,689.
EXPLUS INC 44156 MERCURE CIRCLE DULLES, VA 20166	MUSEUM EXHIBIT SVCS	1,546,662.
BOSTON PRODUCTIONS INC 100 MORSE STREET NORWOOD, MA 02062	MEDIA DESIGN	760,581.
STORAGETEK INC 8130 ADAMS DRIVE HUMMELSTOWN, PA 17036	CONSTRUCTION SVCS	155,883.
HERSHEY ENTERTAINMENT RESORTS INC 75 EAST DERRY ROAD HERSHEY, PA 17033	TECHNOLOGY/CONSTRUCT	154,001.
TOTAL COMPENSATION		----- 8,426,816. =====

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS
=====DESCRIPTION
-----AMOUNT

ANNUAL BUSINESS BREAKFAST

14,570.

TOTAL

14,570.
=====

FORM 990, PART VIII - FUNDRAISING EVENTS
=====

DESCRIPTION -----	GROSS INCOME -----	DIRECT EXPENSES -----	NET INCOME -----
ANNUAL BUSINESS BREAKFAST	3,600.	560.	3,040.
TOTALS	3,600.	560.	3,040.
	=====	=====	=====

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

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DESCRIPTION -----	ENDING BOOK VALUE -----	COST OR FMV -----
COMMON & PREFERRED STOCKS	18,749,513.	FMV
CORPORATE BONDS	1,697,793.	FMV
TREASURY BONDS AND NOTES	1,906,405.	FMV
AGENCY BONDS	183,586.	FMV
CAPITAL GUARDIAN NON-US EQ FD	620,537.	FMV

TOTALS	23,157,834.	
	=====	