

Form **990-EZ**

Short Form Return of Organization Exempt From Income Tax

OMB No. 1545-1150

2007

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

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

▶ Sponsoring organizations, and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year may use this form.

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

A For the 2007 calendar year, or tax year beginning 2007, and ending 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" 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 Operation Military Embrace, Inc. Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 21307 Cypress-Rose Hill City or town, state or country, and ZIP + 4 Tomball, Texas 77377-5928	D Employer identification number 56 2656711 E Telephone number (281) 357-1584 F Group Exemption Number
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: ▶ operationmilitaryembrace.com

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one) — 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 55 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received	1	22,584.78
	2 Program service revenue including government fees and contracts	2	0.00
	3 Membership dues and assessments	3	0.00
	4 Investment income	4	3.20
	5a Gross amount from sale of assets other than inventory	5a	0.00
	b Less: cost or other basis and sales expenses	5b	0.00
	c Gain or (loss) from sale of assets other than inventory. Subtract line 5b from line 5a (attach schedule)	5c	0.00
	6 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ <u>0.00</u> of contributions reported on line 1)	6a	0.00
	b Less: direct expenses other than fundraising expenses	6b	0.00
c Net income or (loss) from special events and activities. Subtract line 6b from line 6a	6c	0.00	
7a Gross sales of inventory, less returns and allowances	7a	0.00	
b Less: cost of goods sold	7b	0.00	
c Gross profit or (loss) from sales of inventory. Subtract line 7b from line 7a	7c	0.00	
8 Other revenue (describe ▶ In-Kind Donations - Gift Cards, Sports Memorabilia & Merchandise)	8	10,069.98	
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8.	9	32,657.96	
Expenses	10 Grants and similar amounts paid (attach schedule)	10	35,507.68
	11 Benefits paid to or for members	11	0.00
	12 Salaries, other compensation, and employee benefits	12	0.00
	13 Professional fees and other payments to independent contractors	13	0.00
	14 Occupancy, rent, utilities, and maintenance	14	613.55
	15 Printing, publications, postage, and shipping	15	46.47
	16 Other expenses (describe ▶ Credit Card fees, Website, Advertising, Office Supplies, etc.)	16	3,663.13
17 Total expenses. Add lines 10 through 16	17	39,830.81	
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 9	18	(7,172.85)
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	0.00
	20 Other changes in net assets or fund balances (attach explanation)	20	0.00
	21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	(7,172.85)

Part II Balance Sheets—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 60 of the instructions.)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	0.00	22 4,034.90
23 Land and buildings	0.00	23 0.00
24 Other assets (describe ▶)	0.00	24 0.00
25 Total assets	0.00	25 4,034.90
26 Total liabilities (describe ▶ Interest free loans from Officers for 2007 start-up)	0.00	26 (11,207.75)
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	0.00	27 (7,172.85)

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

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Form **990-EZ** (2007)

Part III Statement of Program Service Accomplishments (See page 60 of the instructions.)		Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)	
What is the organization's primary exempt purpose? Support of Seriously Injured & Accused Military Personnel			
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.			
28	Legal Fees paid to challenge and overturn a faulty Line of Duty Investigation - Marine LCpl. Benjamin S. Hardgrove, two time Iraqi War Veteran with Traumatic Brain Injury		
	(Grants \$ 10,001.02) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	10,001.02
29	Grants of Assistance for seriously injured military personnel - 1 Air Force Officer, 1 Soldier and 4 Marines		
	(Grants \$ 6,604.00) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	6,604.00
30	Dinners and Outings for seriously injured military personnel recuperating at Brooke Army Medical Center. The cost of the dinners and the outings is paid for directly by Officers of Operation Military Embrace via an "OME" Debit Card. There is no direct payment via a Grant to the supported injured military personnel.		
	(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	926.36
31	Other program services (attach schedule)		
	(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	17,976.28
32	Total program service expenses. Add lines 28a through 31a	32	35,507.66

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 61 of the instructions.)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Jerry P. Reed 21307 Cypress-Rose Hill, Tomball, TX 77377-5928	President - 55 hours/week	0.00	0.00	0.00
Brenda J. Kaiser 22818 Holly Creek, Tomball, TX 77377-5928	V-P - 30 hours/week	0.00	0.00	0.00
Debra H. Reed 21307 Cypress-Rose Hill, Tomball, TX 77377-5928	Sec./Treas - 45 hrs/week	0.00	0.00	0.00
All Directors - See attached schedule	5 hours/week each	0.00	0.00	0.00

Part V Other Information (Note the statement requirement in General Instruction V.)		Yes	No
33	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change		✓
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		✓
35	If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
35a	a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		✓
35b	b If "Yes," has it filed a tax return on Form 990-T for this year?		
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ 37a 0.00		
37b	b Did the organization file Form 1120-POL for this year?		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	✓	
38b	b If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved		11,207.75
39	501(c)(7) organizations. Enter:		
39a	a Initiation fees and capital contributions included on line 9		
39b	b Gross receipts, included on line 9, for public use of club facilities		

Part V Other Information (Note the statement requirement in General Instruction V.) (Continued)

40a 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under:
 section 4911 ▶ 0.00 ; section 4912 ▶ 0.00 ; section 4955 ▶ 0.00

b 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach an explanation . . .

	Yes	No
40b		✓

c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . ▶ 0.00

d Enter amount of tax on line 40c reimbursed by the organization . . . ▶ 0.00

e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?

40e		✓
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41 List the states with which a copy of this return is filed. ▶ Texas

42a The books are in care of ▶ Delira H. Reed, Secretary/Treasurer Telephone no. ▶ (281) 357-1594
 Located at ▶ 21307 Cypress-Rose Hill, Tomball, Texas ZIP + 4 ▶ 77377-5928

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?

	Yes	No
42b		✓

If "Yes," enter the name of the foreign country: ▶ _____

See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**.

c At any time during the calendar year, did the organization maintain an office outside of the U.S.?

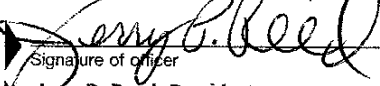
42c		✓
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If "Yes," enter the name of the foreign country: ▶ _____

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43

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.

Please Sign Here



19 January 2008
Date

Signature of officer
Jerry P. Reed, President
 Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶	EIN ▶	Phone no. ▶ ()	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information—(See separate instructions.)

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

OMB No. 1545-0047

2007

Name of the organization Operation Military Embrace, Inc.	Employer identification number 56 : 2656711
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				

Total number of other employees paid over \$50,000 . ▶

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of other contractors receiving over \$50,000 for other services ▶