See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

Amended

NO STATUTE ISSUE

SCANNED OCT 28 2013

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

2005

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning 1/1/2005 , 2005, and ending 12/31/2005 , 20

B Check if applicable.
- [X] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Final return
- [X] Amended return
- [ ] Application pending

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

C Name of organization: COVENANT HEALTH SYSTEMS INC.

Number and street (or P O box if mail is not delivered to street address): 100 AMES POND DRIVE — Room/suite: 102

City or town, state or country, and ZIP + 4: TEWKSBURY, MA 01876-1293

D Employer identification number: 22 2484505

E Telephone number: (781) 862-1634

F Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

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

G Website: ▶ www.covenanths.org

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

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 11,205,604

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? [ ] Yes [ ] No (If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

I Group Exemption Number ▶

M Check ▶ [ ] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

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

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a	14,082	
	b	Indirect public support	1b	0	
	c	Government contributions (grants)	1c	0	
	d	Total (add lines 1a through 1c) (cash $ 14,082 noncash $ 0)			1d 14,082
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2 4,982,378
	3	Membership dues and assessments			3 1,171,653
	4	Interest on savings and temporary cash investments			4 204,051
	5	Dividends and interest from securities			5 499,124
	6a	Gross rents	6a	0	
	b	Less: rental expenses	6b	0	
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c 0
	7	Other investment income (describe ▶ See Statement 1)			7 739,246

	(A) Securities		(B) Other	
8a Gross amount from sales of assets other than inventory	0	8a	40,700	
b Less: cost or other basis and sales expenses	0	8b	57,732	
c Gain or (loss) (attach schedule) Stmt 2	0	8c	-17,032	
d Net gain or (loss) (combine line 8c, columns (A) and (B))				8d -17,032

	9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ [ ]			
	a	Gross revenue (not including $ 0 of contributions reported on line 1a)	9a	0	
	b	Less: direct expenses other than fundraising expenses	9b	0	
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c 0
	10a	Gross sales of inventory, less returns and allowances	10a	0	
	b	Less: cost of goods sold	10b	0	
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c 0
	11	Other revenue (from Part VII, line 103)			11 3,554,370
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12 11,147,872
Expenses	13	Program services (from line 44, column (B))			13 11,212,548
	14	Management and general (from line 44, column (C))			14 0
	15	Fundraising (from line 44, column (D))			15 0
	16	Payments to affiliates (attach schedule)			16 0
	17	Total expenses (add lines 16 and 44, column (A))			17 11,212,548
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18 -64,676
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 13,010,273
	20	Other changes in net assets or fund balances (attach explanation) Stmt 3			20 63,876
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21 13,009,473

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22 Grants and allocations (attach schedule) (cash $ _____ noncash $ _____) If this amount includes foreign grants, check here ▶ ☐	22	0	0			
23 Specific assistance to individuals (attach schedule)	23	0	0			
24 Benefits paid to or for members (attach schedule)	24	0	0			
25 Compensation of officers, directors, etc.	25	1,023,783	1,023,783	0	0	
26 Other salaries and wages	26	1,957,111	1,957,111	0	0	
27 Pension plan contributions	27	5,581,541	5,581,541	0	0	
28 Other employee benefits	28	159,550	159,550	0	0	
29 Payroll taxes	29	131,513	131,513	0	0	
30 Professional fundraising fees	30	0	0	0	0	
31 Accounting fees	31	112,595	112,595	0	0	
32 Legal fees	32	95,905	95,905	0	0	
33 Supplies	33	61,748	61,748	0	0	
34 Telephone	34	34,802	34,802	0	0	
35 Postage and shipping	35	15,926	15,926	0	0	
36 Occupancy	36	234,531	234,531	0	0	
37 Equipment rental and maintenance	37	33,827	33,827	0	0	
38 Printing and publications	38	34,308	34,308	0	0	
39 Travel	39	37,757	37,757	0	0	
40 Conferences, conventions, and meetings	40	276,458	276,458	0	0	
41 Interest	41	543,026	543,026	0	0	
42 Depreciation, depletion, etc. (attach schedule)	42	90,040	90,040	0	0	Stmt 4
43 Other expenses not covered above (Itemize):						
a See Statement 5	43a	788,127	788,127			
b	43b					
c	43c					
d	43d					
e	43e					
f	43f					
g	43g					
44 **Total functional expenses.** Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	44	11,212,548	11,212,548	0	0	

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☑ No

If "Yes," enter (i) the aggregate amount of these joint costs $ _____; (ii) the amount allocated to Program services $ _____; (iii) the amount allocated to Management and general $ _____; and (iv) the amount allocated to Fundraising $ _____

Part III Statement of Program Service Accomplishments *(See the instructions.)*

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

What is the organization's primary exempt purpose? ▶ Healthcare management and resouce organization

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)

a See Statement 6

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

b

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

c

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

d

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

e Other program services (attach schedule)

(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐

f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . ▶ 11,212,548

Part IV Balance Sheets *(See the instructions.)*

	Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing			1,234,049	45	4,457,273
	46 Savings and temporary cash investments			0	46	0
	47a Accounts receivable	47a	2,850,908			
	b Less: allowance for doubtful accounts	47b	0	322,047	47c	2,850,908
	48a Pledges receivable	48a	0			
	b Less: allowance for doubtful accounts	48b	0	0	48c	0
	49 Grants receivable			0	49	0
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			0	50	0
	51a Other notes and loans receivable (attach schedule) See Statement 7	51a	1,888,534			
	b Less: allowance for doubtful accounts	51b	0	2,106,356	51c	1,888,534
	52 Inventories for sale or use			0	52	0
	53 Prepaid expenses and deferred charges			184,797	53	171,251
	54 Investments—securities (attach schedule) ▶ ☐ Cost ☐ FMV			0	54	0
	55a Investments—land, buildings, and equipment: basis	55a	0			
	b Less. accumulated depreciation (attach schedule)	55b	0	0	55c	0
	56 Investments—other (attach schedule) Stmt 8			18,089,734	56	18,374,036
	57a Land, buildings, and equipment: basis	57a	845,299			
	b Less: accumulated depreciation (attach schedule) Stmt 9	57b	608,799	252,907	57c	236,500
	58 Other assets (describe ▶ See Statement 10)			1,415,945	58	927,600
	59 **Total assets** (must equal line 74). Add lines 45 through 58.			23,605,835	59	28,906,102
Liabilities	60 Accounts payable and accrued expenses			903,435	60	5,620,602
	61 Grants payable			0	61	0
	62 Deferred revenue			0	62	674,485
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			0	63	0
	64a Tax-exempt bond liabilities (attach schedule)			0	64a	0
	b Mortgages and other notes payable (attach schedule)			0	64b	0
	65 Other liabilities (describe ▶ See Statement 11)			9,692,127	65	9,601,543
	66 **Total liabilities.** Add lines 60 through 65			10,595,562	66	15,896,630
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ ☑ and complete lines 67 through 69 and lines 73 and 74.					
	67 Unrestricted			13,010,273	67	13,009,473
	68 Temporarily restricted			0	68	0
	69 Permanently restricted			0	69	0
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72; column (A) **must** equal line 19; column (B) **must** equal line 21)			13,010,273	73	13,009,473
	74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73			23,605,835	74	28,906,103

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

a	Total revenue, gains, and other support per audited financial statements			a	11,211,748
b	Amounts included on line a but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	63,876		
2	Donated services and use of facilities	b2	0		
3	Recoveries of prior year grants	b3	0		
4	Other (specify):	b4	0		
	Add lines b1 through b4			b	63,876
c	Subtract line b from line a			c	11,147,872
d	Amounts included on Part I, line 12, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1	0		
2	Other (specify):	d2	0		
	Add lines d1 and d2			d	0
e	**Total revenue** (Part I, line 12). Add lines c and d ▶			e	11,147,872

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

a	Total expenses and losses per audited financial statements			a	11,212,548
b	Amounts included on line a but not on Part I, line 17:				
1	Donated services and use of facilities	b1	0		
2	Prior year adjustments reported on Part I, line 20	b2	0		
3	Losses reported on Part I, line 20	b3	0		
4	Other (specify).	b4	0		
	Add lines b1 through b4			b	0
c	Subtract line b from line a			c	11,212,548
d	Amounts included on Part I, line 17, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1	0		
2	Other (specify):	d2	0		
	Add lines d1 and d2			d	0
e	**Total expenses** (Part I, line 17). Add lines c and d ▶			e	11,212,548

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
See Statement 12				

Part V-A **Current Officers, Directors, Trustees, and Key Employees** *(continued)*

		Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 12		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) 75b		✔
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? **Note.** Related organizations include section 509(a)(3) supporting organizations. 75c	✔	
	If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization. **See Statement 13**		
d	Does the organization have a written conflict of interest policy? 75d	✔	

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part VI **Other Information** *(See the instructions.)*

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity 76		✔
77	Were any changes made in the organizing or governing documents but not reported to the IRS? 77		✔
	If "Yes," attach a conformed copy of the changes		
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? 78a		✔
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? 78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement 79		✔
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? 80a	✔	
b	If "Yes," enter the name of the organization ▶ **See Statement 14** and check whether it is ☐ exempt **or** ☐ nonexempt		
81a	Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0		
b	Did the organization file **Form 1120-POL** for this year? 81b		✔

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		✓
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✓	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter: a Initiation fees and capital contributions included on line 12 86a			
b	Gross receipts, included on line 12, for public use of club facilities 86b			
87	*501(c)(12) orgs.* Enter: a Gross income from members or shareholders 87a 0			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b 0			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	✓	
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		✓
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶			0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶			0
90a	List the states with which a copy of this return is filed ▶ MA			
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) 90b 25			
91a	The books are in care of ▶ JOHN AHLE, CHIEF FIN OFFICER Telephone no. ▶ 978-654-6363 Located at ▶ 100 AMES POND DR., TEWKSBURY, MA ZIP + 4 ▶ 01876-1293			
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)?	91b	✓	
	If "Yes," enter the name of the foreign country ▶ See Statement 15 See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		✓
92	*Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041*—Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92			

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

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Program Service Revenue					4,982,378
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					1,171,653
95 Interest on savings and temporary cash investments			14	204,051	
96 Dividends and interest from securities			14	499,124	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			14	739,246	
100 Gain or (loss) from sales of assets other than inventory			01	-17,032	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a Other Revenue - Various			03	3,554,370	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		4,979,759	$6,154,031
105 Total (add line 104, columns (B), (D), and (E)) ▶					11,133,790

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

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

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	See Statement 16

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

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

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

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

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

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

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

Signature of officer — Date: 10/15/03

JOHN AHLE, CHIEF FINANCIAL OFFICER

Type or print name and title

Paid Preparer's Use Only

Preparer's signature — Date: 10/8/13 — Check if self-employed ▶ ☐ — Preparer's SSN or PTIN (See Gen. Inst. W): P00233103

Firm's name (or yours if self-employed), address, and ZIP + 4: WILLIAM STEELE & ASSOCIATES, P C, 40 STARK STREET, MANCHESTER, NH 03101 — EIN ▶ 02 0383073 — Phone no. ▶ (603) 622-8881

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information—(See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization

COVENANT HEALTH SYSTEMS INC

Employer identification number

22 : 2484505

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
Kenneth Ferron 420 Bedford Street, Lexington, MA 02420, US	VP of Administation 40	260,195	69,178	0
Susan McDonough 420 Bedford Street, Lexington, MA 02420, US	VP of Strategy 40	250,322	47,832	0
Thomas Lucas 420 Bedford Street, Lexington, MA 02420, US	VP of Finance 40	202,929	37,958	0
David Fraser 420 Bedford Street, Lexington, MA 02420, US	Dir. of Human Res. 40	117,343	25,915	0
Mary Shaefer 420 Bedford Street, Lexington, MA 02420, US	Dir of Risk Mgmt 40	113,221	29,481	0
Total number of other employees paid over $50,000 ►	8			

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
Sisters of St Francis of Philadelphia 609 South Convent Rd, Aston, PA 19014, US	VP for Mission & Ed.	220,610
Catholic Healthcare Audit Network 231 South Benlston Ave, Clayton, MO 63105, US	Internal Audit Serv	121,500
Van Wetrt, Zimmer, Bonesteel, Conlin & McCann 245 Winter Street, Waltham, MA 02451, US	Legal	96,825
Mercer Human Resource Consulting, Inc. 200 Clarendon Street, Boston, MA 02116, US	Human Res Consultant	71,833
Price Waterhouse Coopers 10 Post Office Square, Boston, MA 02241, US	Auditing	65,000
Total number of others receiving over $50,000 for professional services ►	0	

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

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See 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 ►	0	

Part III **Statements About Activities** (See page 2 of the instructions.)

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

Part IV **Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)

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

5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii).

8 ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v).

9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A)

11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)

12 ☑ An organization that normally receives. **(1) more than 33⅓%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33⅓%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: ▶ ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions)

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

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

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	16,480	17,420	4,072	4,923	42,895
16 Membership fees received	4,884,662	2,085,597	2,001,916	1,754,579	10,726,754
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	1,490,287	1,532,920	1,410,782	1,272,011	5,706,000
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	748,270	751,576	637,203	572,747	2,709,796
19 Net income from unrelated business activities not included in line 18	0	0	0	0	0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0	0	0	0	0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	0	0	0	0	0
23 Total of lines 15 through 22	7,139,699	4,387,513	4,053,973	3,604,260	19,185,445
24 Line 23 minus line 17	5,649,412	2,854,593	2,643,191	2,332,249	13,479,445
25 Enter 1% of line 23	71,397	43,875	40,540	36,043	

26 Organizations described on lines 10 or 11:

a Enter 2% of amount in column (e), line 24 ▶ 26a

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c

d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____ ▶ 26d

e Public support (line 26c minus line 26d total) ▶ 26e

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2004) 0 (2003) 0 (2002) 0 (2001) 0

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year.

(2004) 0 (2003) 0 (2002) 0 (2001) 0

c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶ 27c 16,475,649

d Add: Line 27a total _____ and line 27b total _____ ▶ 27d 0

e Public support (line 27c total minus line 27d total) ▶ 27e 16,475,649

f Total support for section 509(a)(2) test. Enter amount from line 23, column (e) ▶ 27f 19,185,445

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 86 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h 14 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V **Private School Questionnaire** (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain (If you need more space, attach a separate statement)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group. Check ▶ b ☐ if you checked "a" and "limited control" provisions apply

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

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

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

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)		—	0

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

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		✔
(ii) Other assets	a(ii)		✔
b Other transactions.			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		✔
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		✔
(iii) Rental of facilities, equipment, or other assets	b(iii)		✔
(iv) Reimbursement arrangements	b(iv)		✔
(v) Loans or loan guarantees	b(v)		✔
(vi) Performance of services or membership or fundraising solicitations	b(vi)		✔
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		✔

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☑ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Statement 1
Form. 990
Page. 1
Part· I
Question 7

COVENANT HEALTH SYSTEMS INC
22-2484505

Other Investment Income

Description	Amount
Realized Gain - Investment	$448,689 00
Realized gain - Capital Fund	$290,557.00
Total:	**$739,246.00**

Statement 2
Form 990
Page 1
Part I
Question 8

COVENANT HEALTH SYSTEMS INC
22-2484505

Sales of Assets Other than Inventory

Noninventory Asset

Description:	Automobiles		
Sold To:	Trade-in to Dealers		
Sales Price:	$40,700 00	**Date Sold:**	06/30/2005
Expense of Sale:	$0.00	**Date acquired:**	01/01/2003
Cost or value when acquired:	$94,928.00	**How acquired:**	
Depreciation since acquisition:	$37,196 00	Purchase	
Net Sale:	**-$17,032.00**		

Statement 3
Form 990
Page. 1
Part I
Question 20

COVENANT HEALTH SYSTEMS INC
22-2484505

Other changes In Net Assets or Fund Balances

Explanation	Amount
Unrealized Gain on Investments	$63,876 00
Total:	**$63,876.00**

Statement 4
Form 990
Page 2
Part II
Question 42

COVENANT HEALTH SYSTEMS INC
22-2484505

Depreciation and Depletion

Asset	Current Deprec.
Furniture & Eq	$43,536 00
Automobiles	$44,218 00
Leasehold Imp.	$2,286.00
Total	**$90,040.00**

Attachment listing other expenses for Part II

Description	Total:	Pgm Services	Mgt and General	Fundrasing
Consultants	$104,742 00	$104,742.00	$0.00	$0.00
CHS Institute	$7,411 00	$7,411 00	$0.00	$0.00
Dues	$124,898 00	$124,898.00	$0.00	$0 00
Contract Temporary Staff	$3,934 00	$3,934 00	$0.00	$0 00
Expensesd Projects	$32,397 00	$32,397 00	$0 00	$0.00
Leadership Competencies	$19,042 00	$19,042 00	$0.00	$0 00
Ethics	$25,324.00	$25,324.00	$0 00	$0 00
Planning Fees	$1,575 00	$1,575.00	$0 00	$0.00
Services Purchased from Religious	$219,907 00	$219,907.00	$0.00	$0 00
Bank Charges	$3,444.00	$3,444 00	$0.00	$0.00
Auto Insurance	$31,550 00	$31,550.00	$0 00	$0 00
Professional Liability Insurance	$9,704 00	$9,704 00	$0 00	$0.00
Licenses and Taxes	$6,832.00	$6,832 00	$0.00	$0 00
Miscellaneous	$2,985 00	$2,985 00	$0.00	$0 00
Promotional/Advertising/Marketing	$30,226 00	$30,226 00	$0.00	$0 00
Educational & Training	$14,863 00	$14,863 00	$0.00	$0 00
Pastoral/Spiritual Care	$17,226 00	$17,226 00	$0 00	$0 00
Human Resources	$111,677.00	$111,677 00	$0.00	$0.00
Donations	$20,390 00	$20,390.00	$0 00	$0 00
Total:	**$788,127.00**	**$788,127.00**	**$0.00**	**$0.00**

Program Services

Achievement	**Pgm. Svc. Exp.**
Health Care Programs, General/Other Covenant Health Systems, Inc. operates a support service organization to strengthen the health service apostalate of member organizations within St Joseph Province by. 1 Providing consulting and management services, 2 Providing resources for marketing services, and 3. Providing a basis to maximize the strengths within the province by facilitating the work of clinical services personnel and coordinating investmemt and marketing activities with other health delivery systems. Also refer to ATTACHMENTS 1 AND 2. (0 N/A)	$11,212,548 00
Grants and Allocations: $0.00	
Total:	**$11,212,548.00**

Schedule of Other Notes and Loans Receivable

Borrower's Name:	St Andre Health Care Fac
Borrower's Title:	
Original Amount:	$1,887,267 00
Balance Due:	$1,740,651.00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	
Relationship of Borrower/Lender:	

Borrower's Name:	CHS of Waltham, Inc
Borrower's Title:	
Original Amount:	$1,000,000.00
Balance Due:	$147,883 00
Date of Note:	01/01/1997
Maturity Date:	01/01/2007
Repayment Terms:	Int 2 years, Prin after
Interest Rate:	5
Security Provided by Borrower.	All assets
Purpose of Loan:	Purchase of Nursing Home
Description of Consideration:	Cash
FMV of Consideration:	$1,000,000.00
Relationship of Borrower/Lender:	CHS. , Inc Sponsored Fac

Total Due: **$1,888,534.00**

Statement 8
Form. 990
Page· 4
Part: IV
Question· 56

COVENANT HEALTH SYSTEMS INC
22-2484505

Other Investments

Investment	Valuation Type	Amount
Investment In Insurance Co.	Cost	$879,883 00
Investment In Pooled Fund	Cost	$17,494,153 00
Total:		**$18,374,036.00**

Statement 9
Form 990
Page 4
Part IV
Question. 57

COVENANT HEALTH SYSTEMS INC
22-2484505

Schedule of Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Furniture & Equipment	$582,448 00	$534,437 00	$48,011.00
Automobiles	$228,564 00	$57,958.00	$170,606 00
Leasehold Improvements	$34,287 00	$16,404 00	$17,883 00
Total:	**$845,299.00**	**$608,799.00**	**$236,500.00**

Statement 10
Form 990
Page. 4
Part IV
Question· 58

COVENANT HEALTH SYSTEMS INC
22-2484505

Other Assets

Asset Description	BOY Amount	EOY Amount
Cuurent Portion of Restricted Assets	$347,315.00	$347,426 00
Other Insurance Asset	$361,129 00	$567,195 00
Securrty Deposits	$12,979 00	$12,979 00
Split Dollar Insurance	$694,522 00	$0 00
Total·	**$1,415,945.00**	**$927,600.00**

Statement 11
Form: 990
Page 4
Part IV
Question 65

COVENANT HEALTH SYSTEMS INC
22-2484505

Other Liabilities

Liability Description	BOY Amount	EOY Amount
Defered Compensation	$478,096.00	$512,559 00
Due to St Joseph Hospital	$9,175,050 00	$9,038,416 00
Deferred Revenue	$38,981 00	$50,568 00
Total:	**$9,692,127.00**	**$9,601,543.00**

Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Harold R Acres 420 Bedford Street Lexington, MA 02420 United States	Immediate Past Chair	1	$0 00	$0 00	$0.00
Charles Altieri 420 Bedford Street Lexington, MA 02420 United States	Director	1	$0 00	$0 00	$0 00
Sara Gear Boyd 420 Bedford Street Lexington, MA 02420 United States	Director	1	$0.00	$0.00	$0 00
Patricia Cahill 420 Bedford Street Lexington, MA 02420 United States	Clerk	1	$0 00	$0.00	$0 00
Richard Corrent 420 Bedford Street Lexington, MA 02420 United States Compensation Explanation Spousal travel expense	Director	1	$448 00	$0.00	$0.00
Rev Msgr Robert P. Deeley, J.C D 420 Bedford Street Lexington, MA 02420 United States	Director	1	$0 00	$0.00	$0.00
James. P Hamill 420 Bedford Street Lexington, MA 02420 United States	Chairman	1	$0 00	$0 00	$0 00
John Isaacson 420 Bedford Street Lexington, MA 02420 United States	Director	1	$0 00	$0.00	$0.00
David R. Lincoln 420 Bedford Street Lexington, MA 02420 United States	President/CEO	40	$560,728 00	$46,575 00	$0 00
Catherine Loeffler 420 Bedford Street	Director	1	$0 00	$0 00	$0 00

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Lexington, MA 02420 United States					
P.Terrence O'Rourke, MD 420 Bedford Street Lexington, MA 02420 United States Compensation Explanation: Speaker Fee (Form 1099 filed)	Director	1	$1,000 00	$0 00	$0 00
Joel DiTrolio 420 Bedford Street Lexington, MA 02420 United States	Chief Fin Officer	40	$354,888 00	$61,592 00	$0 00
Sr Jean Poor 420 Bedford Street Lexington, MA 02420 United States	Director	1	$0 00	$0.00	$0 00
TOTALS			**$917,064.00**	**$108,167.00**	**$0.00**

Compensation from Related Organizations

Employee	Organization	EIN	Comp.	Benefits	Expenses
American Hospital Assn	St. Joseph Hospital	02-0222215	$24,819.00	$0.00	$0 00
Comp. Explanation	As stated Above				
Relationship	Allocated dues of American Hospital Assn to related hospital.				
American Hospital Assn.	St Mary's Regional Medical	04-3419625	$24,940.00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated American Hospital Assn. dues to related hospital.				
Catholic Health Assn	Fanny Allen Corporation	22-2495808	$196.00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to realted organization.				
Catholic Health Assn.	Youville Lifecare, Inc	04-3239563	$10,019 00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn.	CHS of Waltham, Inc.	04-3333609	$396 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn.	CHS of Worcester, Inc	04-3419625	$1,419.00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn	Mary Immaculare Residential	04-2921888	$597.00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to realetd organization				
Catholic Health Assn	Mary Immaculate	04-2921888	$3,675 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn	Srs. of Chanty Health	22-2504349	$30,150.00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocation portion of CHA dues to realetd organization				
Catholic Health Assn	St Andre Health Care	01-0342399	$1,221 00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues too related organization				
Catholic Health Assn.	St Joseph Hospital	02-0222215	$1,819 00	$0 00	$0 00
Comp. Explanation	As stated above.				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn	St Joseph Hospital Corp	02-0222215	$7,529.00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn	St. Joseph Manor	04-2565937	$1,798 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization				
Catholic Health Assn	St Mary's Villa Nursing	23-2057177	$1,888 00	$0 00	$0.00

Employee	Organization	EIN	Comp.	Benefits	Expenses
Comp. Explanation	As stated above				
Relationship	Allocated portion of CHA dues to related organization.				
Catholic Healthcare Audit	CHS of Waltham, Inc	04-3333609	$6,627 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated Portion of contracted internal audit fee to related organization.				
Catholic Healthcare Audit	CHS of Worcester, Inc	04-3419625	$2,900 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal fee to related organization				
Catholic Healthcare Audit	Covenant Health Systems	04-3360127	$11,080 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	Fanny Allen Corp	22-2495808	$7,712 00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	Mary Immaculate	04-2921888	$26,943 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	Srs of Charity Healthcare	22-2504349	$81,772 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	St Andre Healthcare	01-0342399	$3,360 00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	St Joseph Hospital	02-0222215	$99,639 00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization.				
Catholic Healthcare Audit	St. Joseph Manor	04-2565937	$3,119 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to relatyed organization				
Catholic Healthcare Audit	St Mary's Villa	23-2057177	$6,514.00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organization				
Catholic Healthcare Audit	Yopuville Lifecare Inc.	04-3239563	$56,212.00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of contracted internal audit fee to related organizatiuon				
Price Waterhouse	Srs of Charity Health	22-2504349	$4,000.00	$0 00	$0 00
Comp. Explanation	as stated above				
Relationship	Special PWC of cash flow of related organization				
Price Waterhouse	CHS of Watham, Inc.	04-3333609	$1,600 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price waterhouse	CHS of Worcester	04-3419625	$1,600 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Covenant Health Systems	04-3360127	$4,000.00	$0 00	$0 00
Comp. Explanation	As stated above				

Employee	Organization	EIN	Comp.	Benefits	Expenses
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Fanny Allen Corp.	22-2495808	$1,600 00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Mary Immaculate	04-2921888	$1,600.00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Srs of Charity Health	22-2504349	$113,600 00	$0.00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price waterhouse	St Andre Healthcare	01-0342399	$1,600 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	St Joseph Manor	04-2565937	$1,600.00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of pWC audit fee to related organization				
Price waterhouse	St Mary's Villa	23-2057177	$1,600.00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	St. Joseph Hosp	02-0222215	$112,000.00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Youville Lifecare	04-3239563	$64,000 00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Allocated portion of PWC audit fee to related organization				
Price Waterhouse	Youville Lifecare	04-3239563	$15,660 00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Special PWC of software at related organization				
Van Wert, Zimmer &	Youville Lifecare, Inc.	04-3239563	$2,283 00	$0 00	$0 00
Comp. Explanation	As stated above				
Relationship	Legal fees to related organization				
Van Werty, Zimmer &	St Mary Health Care Center	04-3419625	$441 00	$0 00	$0.00
Comp. Explanation	As stated above				
Relationship	Legal fees to related organization				
Van Wet, Zimmer & Conlin,	St Joseph Hospital	02-0222215	$39,675 00	$0.00	$0.00
Comp. Explanation	As stated above				
Relationship	Legal fees to related organization.				
Total:			**$783,203.00**	**$0.00**	**$0.00**

Statement 14
Form 990
Page 6
Part. VI
Question 80 b

COVENANT HEALTH SYSTEMS INC
22-2484505

Related Organizations

Description	Exempt
St Mary Health Care Center, Worcester, MA	Yes
Marsthill Nursing Home, Waltham, MA	Yes
Covenant Health Systems Insurance, Ltd	No
Youville Place, Lexington, MA	Yes
St Joseph Hospital, Nashua, NH	Yes
Fanny Allen Hospital, Colchester, VT	Yes
St Mary's Villa, Moscow, PA	Yes
Providentia Prima Trust, Lexington, MA	Yes
St Andre Health Care, Biddeford, ME	Yes
MI Nursing/Restorative Center, Lawrence, MA	Yes
Youville Lifecare, Cambridge, MA	Yes
Sisters of Charity Health System, Lewistion, ME	Yes
Grey Nuns Charities, Inc., Lexington, MA	Yes
St Joseph Manor, Brockton, MA	Yes
St Marguerite d'Youville Foundation, Toledo, OH	Yes

Statement 15
Form. 990
Page· 7
Part VI
Question· 91b

COVENANT HEALTH SYSTEMS INC
22-2484505

Foreign Accounts

Foreign Account List
Cayman Islands

Statement 16
Form 990
Page: 8
Part VIII
Question

COVENANT HEALTH SYSTEMS INC
22-2484505

Relationship of Activities

Line No	Relationship of Activities to the Accomplishment of Exempt Purposes
94	Fees from member organizations to coordinate the corporate, administrative, clinical and service strenths and potential of its members
93 a	Fees from member organizations to coordinate the corporate, administrative, clinical and service strengths and potential of its members.