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Form

990**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)

OMB No 1545-0047

2008**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

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

A For the 2008 calendar year, or tax year beginning July 1, 2008, and ending June 30, 2009	
B Check if applicable: <input 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	C Name of organization St. Joseph's Center Foundation Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2010 ADAMS AVENUE City or town, state or country, and ZIP + 4 Scranton, PA 18509
	D Employer identification number 23 2286365
	E Telephone number (570) 963-1260
	G Gross receipts \$ 32,523,332
	F Name and address of principal officer Sister Therese O'Rourke, IHM (same as C above)
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
J Website: ▶ N/A	
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation 1983 M State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities. <u>St. Joseph's Center Foundation was founded by certain officers of the Congregation of Sisters, Servants of the Immaculate Heart of Mary, Scranton, PA. It was formed to solicit, collect, hold, or distribute property, real or otherwise, for the benefit of St. Joseph's Center, a non-profit institution, also founded by the Congregation.</u>	
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.	
Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a) 15
	4 Number of independent voting members of the governing body (Part VI, line 1b) 15
	5 Total number of employees (Part V, line 2a) 0
	6 Total number of volunteers (estimate if necessary) 15
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C) 0
	7b Net unrelated business taxable income from Form 990-T, line 34 0
Revenue	8 Contributions and grants (Part VIII, line 1h) 500,163 605,593
	9 Program service revenue (Part VIII, line 2g) 0 0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 1,142,750 -1,912,848
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 172,375 100,473
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 1,815,288 -1,206,782
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 4,323,000 599,654
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0 0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 159,008 170,132
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) 180,006 136,974
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) 4,662,014 906,760
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12 -2,846,726 -2,113,542
	20 Total assets (Part X, line 16) 20,152,696 17,224,413
	21 Total liabilities (Part X, line 26) 87,569 64,409
	22 Net assets or fund balances. Subtract line 21 from line 20 20,065,127 17,160,004
	23 Revenue less expenses plus net assets or fund balances. Subtract line 18 from line 12, then add line 22

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
Sign Here	Signature of officer <i>[Signature]</i> Date 5/10/10
Type or print name and title	Robert Gordon Vice President / CEO

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN ▶		Phone no ▶ ()

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.

Cat No 11282Y

Form 990 (2008)

SCANNED JUN 25 2010

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

St. Joseph's Center Foundation was founded by certain officers of the Congregation of Sisters, Servants of the Immaculate Heart of Mary, Scranton, PA. It was formed to solicit, collect, hold, or distribute property, real or otherwise, for the benefit of St. Joseph's Center, a non-profit institution, also founded by the Congregation.

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 \$ **399,654** including grants of \$ **0**) (Revenue \$ **0**)**Contributions made to St. Joseph's Center for operating expenses.****4b** (Code: _____) (Expenses \$ **200,000** including grants of \$ **0**) (Revenue \$ **0**)**Contributions made to St. Joseph's Center Capital Improvement fund for the purchase of a property for a new residence for St. Joseph's Center waiver funded clients and for various other capital items.****4c** (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4d** Other program services. (Describe in Schedule O.)(Expenses \$ **0** including grants of \$ **0**) (Revenue \$ **0**)**4e** Total program service expenses ► \$ **599,654** (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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	<input type="checkbox"/>	<input type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<input type="checkbox"/>	<input type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

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

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	2
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
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	0
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	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
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	✓
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	✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
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	✓
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	✓
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	✓
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	✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
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	
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	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
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	

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
<i>For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions</i>		
1a Enter the number of voting members of the governing body	1a	15
b Enter the number of voting members that are independent	1b	15
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?	2	✓
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?	3	✓
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	✓
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	✓
6 Does the organization have members or stockholders?	6	✓
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	✓
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	✓
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	✓
b Each committee with authority to act on behalf of the governing body?	8b	✓
9a Does the organization have local chapters, branches, or affiliates?	9a	✓
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
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	10	✓
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	11	✓

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	✓
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	
13 Does the organization have a written whistleblower policy?	13	✓
14 Does the organization have a written document retention and destruction policy?	14	✓
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?	15a	✓
b Other officers or key employees of the organization?	15b	✓
Describe the process in Schedule O (see instructions)		
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?	16a	✓
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

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: **Robert Gordon 2010 Adams Avenue, Scranton, PA 18509 570-342-8379**

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			
Steven C. Ackmann President	.4	✓		✓				0	0	0
James Fleming Vice President	.4	✓		✓				0	0	0
Karen Clifford Treasurer	.08	✓		✓				0	0	0
Terrence Burke Secretary	.4	✓		✓				0	0	0
Michael E. Dennen Director	.4	✓						0	0	0
Joseph Durkin Director	.08	✓						0	0	0
Sister Mary Jo Gallagher, IHM Director	.08	✓						0	0	0
Michael P. Kelly Director	.08	✓						0	0	0
Sister Therese O'Rourke, IHM Director	.8	✓						0	0	0
Mack Saunders Director	.4	✓						0	0	0
Joseph L. DeNaples Director	.08	✓						0	0	0
James DePolo Director	.08	✓						0	0	0
James J. Haggerty, Jr. Director	.08	✓						0	0	0
Jane Needham Director	.08	✓						0	0	0
Kimberly Santarsiero Director	.4	✓						0	0	0
James Scanlon Director	.4	✓						0	0	0

Part VII	Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees <i>(continued)</i>
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[illegible]

1b Total	0	0	0
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2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ► 0

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
None		

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ▶ 0

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a	0				
	b Membership dues	1b	0				
	c Fundraising events	1c	0				
	d Related organizations	1d	0				
	e Government grants (contributions)	1e	0				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	605,593				
	g Noncash contributions included in lines 1a-1f: \$		0				
	h Total. Add lines 1a-1f		605,593				
Program Service Revenue			Business Code				
	2a		0				
	b		0				
	c		0				
	d		0				
	e		0				
	f All other program service revenue		0				
	g Total. Add lines 2a-2f		0				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			451,925	451,925		
	4 Income from investment of tax-exempt bond proceeds			0			
	5 Royalties			0			
		(i) Real	(ii) Personal				
	6a Gross Rents	0	0				
	b Less: rental expenses	0	0				
	c Rental income or (loss)	0	0				
	d Net rental income or (loss)			0			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	31,319,233	0				
	b Less: cost or other basis and sales expenses	33,684,006	0				
	c Gain or (loss)	-2,364,773	0				
	d Net gain or (loss)			-2,364,773	-2,364,773		
	8a Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18	a	146,581				
	b Less: direct expenses	b	46,108				
	c Net income or (loss) from fundraising events			100,473		100,473	
	9a Gross income from gaming activities. See Part IV, line 19	a	0				
	b Less: direct expenses	b	0				
	c Net income or (loss) from gaming activities			0			
	10a Gross sales of inventory, less returns and allowances	a	0				
b Less: cost of goods sold	b	0					
c Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue			Business Code				
11a		0					
b		0					
c		0					
d All other revenue		0					
e Total. Add lines 11a-11d			0				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			-1,206,782	-1,912,848	0	100,473	

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>		(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	599,654	599,654		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	0			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	110,399			110,399
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,531			3,531
9	Other employee benefits	48,722			48,722
10	Payroll taxes	7,480			7,480
11	Fees for services (non-employees):	0			
a	Management	2,970		2,970	
b	Legal	9,880		9,880	
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising services. See Part IV, line 17	0			
f	Investment management fees	69,802		69,802	
g	Other	0			
12	Advertising and promotion	0			
13	Office expenses	31,762		6,980	24,782
14	Information technology	5,642		5,642	
15	Royalties	0			
16	Occupancy	14,656		14,656	
17	Travel	29		29	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	0			
23	Insurance	408		408	
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	Dues & Memberships	1,608		1,608	
b	Misc Exps	217		217	
c					
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	906,760	599,654	112,192	194,914
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	48,580	1	121,863
	2 Savings and temporary cash investments	0	2	0
	3 Pledges and grants receivable, net	225,751	3	131,507
	4 Accounts receivable, net	0	4	0
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	0	5	0
	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	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	0	9	0
	10a Land, buildings, and equipment: cost basis 10a 0			
	b Less: accumulated depreciation. Complete Part VI of Schedule D 10b 0			
	11 Investments—publicly traded securities	19,869,304	11	16,958,557
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	9,061	15	12,486
16 Total assets. Add lines 1 through 15 (must equal line 34)	20,152,696	16	17,224,413	
Liabilities	17 Accounts payable and accrued expenses	87,569	17	64,409
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow account liability. Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable	0	24	0
	25 Other liabilities. Complete Part X of Schedule D	0	25	0
	26 Total liabilities. Add lines 17 through 25	87,569	26	64,409
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	17,256,289	27	14,445,260
	28 Temporarily restricted net assets	225,601	28	131,507
	29 Permanently restricted net assets	2,583,237	29	2,583,237
	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	0	30	0
	31 Paid-in or capital surplus, or land, building, or equipment fund	0	31	0
	32 Retained earnings, endowment, accumulated income, or other funds	0	32	0
	33 Total net assets or fund balances	20,065,127	33	17,160,004
	34 Total liabilities and net assets/fund balances	20,152,696	34	17,224,413

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?		<input checked="" type="checkbox"/>
b Were the organization's financial statements audited by an independent accountant?	<input checked="" type="checkbox"/>	
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?	<input checked="" type="checkbox"/>	
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?		<input checked="" type="checkbox"/>
b If "Yes," did the organization undergo the required audit or audits?		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

St. Joseph's Center Foundation

Employer identification number

23 2286365

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

The organization is not a private foundation because it is. (Please check only **one** organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H.)
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state. _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**. (see instructions)
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III—Functionally integrated d ☐ Type III—Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? ☐
- (ii) A family member of a person described in (i) above? ☐
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? ☐

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

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.")	1,196,173	5,120,287	1,959,260	500,163	605,593	9,381,476
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
4 Total. Add lines 1-3	1,196,173	5,120,287	1,959,260	500,163	605,593	9,381,476
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)						0
6 Public support. Subtract line 5 from line 4.						9,381,476

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	1,196,173	5,120,287	1,959,260	500,163	605,593	9,381,476
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	325,626	501,552	694,400	747,532	451,925	2,721,035
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0	0	0	0	0
11 Total support. Add lines 7 through 10						12,102,511
12 Gross receipts from related activities, etc. (see instructions)				12		752,606
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <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	78 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	75 %
16a 33⅓ % support test—2008. If the organization did not check the box on line 13, and line 14 is 33⅓ % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b 33⅓ % support test—2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓ % 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 "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"/>		
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.")						
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						
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						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6)						

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						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
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)						
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	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%
19a 33⅓ % support tests—2008. If the organization did not check the box on line 14, and line 15 is more than 33⅓ %, and line 17 is not more than 33⅓ %, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33⅓ % support tests—2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓ %, and line 18 is not more than 33⅓ %, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

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)

Area for supplemental information with horizontal dashed lines.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

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**

Name of the organization

St. Joseph's Center Foundation

Employer identification number

23

2286365

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 important 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 section 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
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other _____

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

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

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

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

- b** If “Yes,” explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance

- d Additions during the year

- e Distributions during the year

- f Ending balance

- 2a** Did the organization include an amount on Form 990, Part X, line 21?

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	3,484,795				
b Contributions	0				
c Investment earnings or losses	-634,448				
d Grants or scholarships	0				
e Other expenditures for facilities and programs	0				
f Administrative expenses	0				
g End of year balance	2,850,347				

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

- a Board designated or quasi-endowment ▶ 9 %

- b** Permanent endowment ► 91 %

- c** Term endowment ► 0 %

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

	Yes	No
3a(i)		✓
3a(ii)		✓
3b		

- (i) unrelated organizations

- (ii) related organizations

- 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				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

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

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
Interest Receivable	8,142
2 Time Share units	4,344
Total. (Column (b) should equal Form 990, Part X, col. (B) line 15)	12,486

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

(a) Description of liability	(b) Amount
Federal income taxes	
Total. (Column (b) should equal Form 990, Part X, col. (B), line 25.) ▶	

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	-1,206,782
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	906,760
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-2,113,542
4	Net unrealized gains (losses) on investments	4	-919,895
5	Donated services and use of facilities	5	0
6	Investment expenses	6	0
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV)	8	128,314
9	Total adjustments (net) Add lines 4-8	9	-791,581
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-2,905,123

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	-1,858,161
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	0
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	0
d	Other (Describe in Part XIV)	2d	-651,379
e	Add lines 2a through 2d	2e	-651,379
3	Subtract line 2e from line 1	3	-1,206,782
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	0
b	Other (Describe in Part XIV)	4b	0
c	Add lines 4a and 4b	4c	0
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	-1,206,782

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

1	Total expenses and losses per audited financial statements	1	952,868
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	46,108
e	Add lines 2a through 2d	2e	46,108
3	Subtract line 2e from line 1	3	906,760
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	0
b	Other (Describe in Part XIV)	4b	0
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	906,760

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.

Part V, Question 4: The Foundation maintains 3 separate endowment funds. The first is the Lunney Endowment. It was created via a bequest to St. Joseph's Children's and Maternity Hospital and is used for the needs of the children of St. Joseph's Center. The second is the Weinberg Endowment and assists with the maintenance and upkeep of the St. Joseph's Center Pool Therapy Building. The third is the Foundation Endowment created as a result of an endowment campaign conducted by St. Joseph's Center Foundation in 2000 in which the proceeds from this campaign are to be permanently invested for the benefit of St. Joseph's Center.

Part XIV Supplemental Information (continued)

Part XI, 8 Other: Net assets released from restrictions \$128,314

Part XII, 2d: Unrealized losses on investments (\$919,895); Net assets released from restrictions \$128,314; Decrease in temporarily restricted net assets \$94,094; Fundraising Expense \$46,108

Part XIII, 2d: Fundraising Expense \$46,108

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.

OMB No. 1545-0047

2008

Open To Public Inspection

Name of the organization

St. Joseph's Center Foundation

Employer identification number

23 2286365

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

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

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

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. 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 Golf Tournament (event type)	(b) Event #2 Steamtown Marath (event type)	(c) Other Events 1 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	78,363	51,866	16,352	146,581
	2 Less. Charitable contributions	0	0	0	0
	3 Gross revenue (line 1 minus line 2)	78,363	51,866	16,352	146,581
Direct Expenses	4 Cash prizes	2,500	0	0	2,500
	5 Non-cash prizes	0	0	0	0
	6 Rent/facility costs	0	0	0	0
	7 Other direct expenses	35,071	0	8,537	43,608
	8 Direct expense summary. Add lines 4 through 7 in column (d) ▶				(46,108)
	9 Net income summary. Combine lines 3 and 8 in column (d) ▶				100,473

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	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> 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) ▶				

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities: _____		
a Is the organization licensed to operate gaming activities in each of these states?	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 events 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 ▶ \$		

Grants and Other Assistance to Organizations, Governments, and Individuals in the U.S.

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

23

St. Joseph's Center Foundation

Part I General Information on Grants and Assistance

- | | | | |
|---|---|-----------|---|
| 1 | Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? | | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| 2 | Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. | | |

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on

Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
St. Joseph's Center 2010 Adams Ave. Scranton, PA	24-0795689	501(c)(3)	599,654	0	n/a	n/a	See Part IV
2 Enter total number of section 501(c)(3) and government organizations							1
3 Enter total number of other organizations							0

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

Cat No 50055P

Schedule I (Form 990) 2008

**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

St. Joseph's Center Foundation

Employer identification number

23 2286365

Schedule R Part II (B): The primary activity of St. Joseph's Center is to provide rehabilitation and developmental services in various institutional and community-based settings to individuals who are physically and emotionally impaired--to foster the welfare of the individuals and their families in any appropriate manner. (EIN# 24-0795689)

Part VI Section A Question 10: The Form 990 is prepared by an accountant of St. Joseph's Center. It is reviewed by St. Joseph's Center's accounting manager, St. Joseph's Center's CFO, and an outside accounting firm before it is filed.

Part VI Section C Question 19: St. Joseph's Center Foundation makes its governing documents and financial statements available to the public through the Form 990 and upon request.

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership

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		
b Gift, grant, or capital contribution to other organization(s)		✓
c Gift, grant, or capital contribution from other organization(s)		✓
d Loans or loan guarantees to or for other organization(s)		✓
e Loans or loan guarantees by other organization(s)		✓
f Sale of assets to other organization(s)		✓
g Purchase of assets from other organization(s)		✓
h Exchange of assets		✓
i Lease of facilities, equipment, or other assets to other organization(s)		✓
j Lease of facilities, equipment, or other assets from other organization(s)		✓
k Performance of services or membership or fundraising solicitations for other organization(s)		✓
l Performance of services or membership or fundraising solicitations by other organization(s)		✓
m Sharing of facilities, equipment, mailing lists, or other assets		✓
n Sharing of paid employees		✓
o Reimbursement paid to other organization for expenses		✓
p Reimbursement paid by other organization for expenses		✓
q Other transfer of cash or property to other organization(s)		✓
r Other transfer of cash or property from other organization(s)		✓

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)			

ParenteBeard LLC

St. Joseph's Center Foundation

Financial Statements
For The Years Ended
June 30, 2009 and 2008
&
Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

Board of Directors
St. Joseph's Center Foundation:

We have audited the accompanying balance sheet of St. Joseph's Center Foundation (the "Foundation") as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Joseph's Center Foundation as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

ParenteBeard LLC

Scranton, Pennsylvania
December 11, 2009

ST. JOSEPH'S CENTER FOUNDATION

BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 121,863	\$ 48,580
Interest receivable	<u>8,142</u>	<u>4,717</u>
Total current assets	130,005	53,297
INVESTMENTS	16,958,557	19,869,304
PLEDGES RECEIVABLE, Net	131,507	225,751
OTHER ASSETS	<u>4,344</u>	<u>4,344</u>
TOTAL	<u>\$ 17,224,413</u>	<u>\$ 20,152,696</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITY, Due to affiliate	<u>\$ 64,409</u>	<u>\$ 87,569</u>
NET ASSETS:		
Unrestricted	14,445,260	17,256,289
Temporarily restricted	131,507	225,601
Permanently restricted	<u>2,583,237</u>	<u>2,583,237</u>
Total net assets	<u>17,160,004</u>	<u>20,065,127</u>
TOTAL	<u>\$ 17,224,413</u>	<u>\$ 20,152,696</u>

See Notes to Financial Statements

ST. JOSEPH'S CENTER FOUNDATION

STATEMENT OF ACTIVITIES FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
CHANGES IN UNRESTRICTED NET ASSETS:		
REVENUES, GAINS, AND OTHER SUPPORT:		
Contributions	\$ 699,687	\$ 629,977
Realized and unrealized losses on investments	(3,284,668)	(971,573)
Interest and dividend income	451,925	747,532
Net assets released from restrictions	128,314	164,911
Special events revenue	146,581	218,925
Total revenues, gains, and other support	(1,858,161)	789,772
EXPENSES:		
Contributions to St. Joseph's Center	599,654	4,323,000
Wages and benefits	170,132	165,637
Managed investment fees	69,802	118,512
Fundraising	46,108	46,551
Legal and professional fees	12,850	11,780
Printing	25,609	13,201
Rent	12,000	12,000
Miscellaneous	7,606	8,244
Supplies	5,460	5,376
Utilities	948	1,491
Dues and memberships	1,821	1,589
Telephone	470	719
Insurance	408	464
Total expenses	952,868	4,708,564
Decrease in unrestricted net assets	(2,811,029)	(3,918,792)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	34,220	35,097
Net assets released from restrictions	(128,314)	(164,911)
Decrease in temporarily restricted net assets	(94,094)	(129,814)
DECREASE IN NET ASSETS	(2,905,123)	(4,048,606)
NET ASSETS, BEGINNING	20,065,127	24,113,733
NET ASSETS, ENDING	\$17,160,004	\$20,065,127

See Notes to Financial Statements

ST. JOSEPH'S CENTER FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets	\$(2,905,123)	\$(4,048,606)
Adjustments to reconcile decrease in net assets to net cash provided by (used in) operating activities:		
Realized and unrealized losses on investments	3,284,668	971,573
Restricted contributions	(34,220)	(35,097)
Changes in assets and liabilities:		
Interest receivable	(3,425)	1,167
Due to affiliate	(23,160)	(13,610)
Net cash provided by (used in) operating activities	318,740	(3,124,573)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(15,465,914)	(10,078,199)
Proceeds from sales and maturities of investments	15,092,143	12,934,040
Net cash (used in) provided by investing activities	(373,771)	2,855,841
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES,		
Proceeds from restricted contributions	128,314	164,911
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	73,283	(103,821)
CASH AND CASH EQUIVALENTS, BEGINNING	48,580	152,401
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 121,863</u>	<u>\$ 48,580</u>

See Notes to Financial Statements

ST. JOSEPH'S CENTER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

St. Joseph's Center Foundation (the "Foundation") was founded by certain officers of the Congregation of Sisters, Servants of the Immaculate Heart of Mary, Scranton, Pennsylvania (the "Congregation"). The Foundation was formed to solicit, collect, hold or distribute property, real or otherwise, for the benefit of St. Joseph's Center, a not-for-profit institution, also founded by the Congregation. The Foundation, located at St. Joseph's Center in Lackawanna County, Pennsylvania, has an independent board of directors who manage its affairs.

The Foundation evaluated subsequent events for recognition or disclosure through December 11, 2009, the date the financial statements were available to be issued.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include highly liquid instruments purchased with an original maturity of three months or less.

INVESTMENTS AND INVESTMENT RISK

Equity securities with readily determinable fair values and debt securities are valued at fair value based on quoted market prices. Cash and cash equivalents and certificates of deposit are recorded at cost, which approximates fair value. Adjustments to reflect increases or decreases in market value, referred to as unrealized gains and losses are reported in the statement of activities.

The cost of investments received as gifts is fair value as determined upon receipt. The cost of investments sold is determined by use of the specific identification method.

Realized gains and losses arising from the sale of investments and income from investments are reported as changes in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor imposed stipulations.

The Foundation's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair value reported in the balance sheet is subject to various risks including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying financial statements could change materially in the near future.

TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose.

Permanently restricted net assets have been restricted by donors to be maintained by the Foundation in perpetuity. Certain donors have stipulated that income derived from donated net assets may be used for promotion of the Foundation's charitable and benevolent works and is considered to be unrestricted. Other donors have stipulated income derived from donated net assets must be used by the Foundation to aid in maintaining the Weinberg building, which is owned by St. Joseph's Center.

DONOR RESTRICTED GIFTS

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

INCOME TAXES

The Foundation is a publicly supported organization as described in Section 509(a)(1) of the Internal Revenue Code and, therefore, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation applies the provisions of Financial Accounting Standards Board ("FASB") Statement No. 5, "Accounting for Contingencies," for recognition of uncertain tax benefits. Accordingly, a provision for uncertain tax positions and related penalties and interest is recognized when it is probable that a liability was incurred and the amount can be reasonably estimated. Critical estimates with respect to income taxes are disclosed when it is at least reasonably possible that a change in estimate will occur in the near term.

RECLASSIFICATIONS

Certain reclassifications were made to the 2008 financial statements to conform to the 2009 presentation.

NEW ACCOUNTING STANDARDS

In June 2006, the FASB issued FASB interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in a company's financial statements and prescribes a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. FIN 48 also provides guidance on derecognition, classification, interest and penalties, and disclosure.

FIN 48 was generally effective for annual periods beginning after December 15, 2007 for nonpublic entities. However, in accordance with FASB Staff Position FIN 48-3, "Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises," the Foundation elected to defer the application of FIN 48 until its fiscal year beginning after December 15, 2008. The Foundation does not believe the adoption of FIN 48 will have a material effect on its financial statements.

The Foundation adopted Statement of Financial Accounting Standards No. 165, "Subsequent Events" ("SFAS 165") as of June 30, 2009. SFAS 165 established general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The adoption of SFAS 165 did not have a material effect on the Foundation's financial statements.

Effective July 1, 2008, the Foundation adopted Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS 159"). SFAS 159 permits entities to make an irrevocable election to value certain financial assets and liabilities, on an instrument-by-instrument basis, at fair value and include the change in fair value within revenues (less than) in excess of expenses. The Foundation did not elect the fair value option for eligible items.

2. PLEDGES RECEIVABLE

The Foundation began a pledge campaign in April 2005 to raise funds for the renovation of St. Joseph's Center's main facility. The Foundation expects to collect these funds over five years. These funds are exclusively for the benefit of St. Joseph's Center. Pledges receivable were as follows at June 30:

	<u>2009</u>	<u>2008</u>
Gross pledges receivable	\$167,395	\$300,209
Less:		
Unamortized discount	(11,888)	(45,958)
Allowance for uncollectible pledges	<u>(24,000)</u>	<u>(28,500)</u>
Pledges receivable, net	<u>\$131,507</u>	<u>\$225,751</u>

The discount rate used to determine present value was 8.25%. There were no new pledges during 2008 and 2009.

Pledges receivable are generally expected to be received over the next five years. Scheduled collection of these pledges for years ending after June 30, 2009 is as follows:

Amounts due in:

Less than one year	\$101,986
One to five years	57,552
More than five years	<u>7,857</u>
Total gross pledges	<u>\$167,395</u>

These contributions have been made primarily by businesses and individuals located in the Scranton, Pennsylvania area.

ST. JOSEPH'S CENTER FOUNDATION
NOTES TO FINANCIAL STATEMENTS

3. INVESTMENTS

The Foundation's investments are summarized as follows at June 30:

	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 6,527,309	\$ 4,200,596
Certificates of deposit	4,232,731	3,089,883
U.S. Government obligations	2,611,603	2,251,013
U.S. Government agency obligations	-	261,056
Common and preferred stock	2,033,586	7,319,981
Mutual funds	1,551,228	2,744,675
Other	<u>2,100</u>	<u>2,100</u>
Total	<u>\$16,958,557</u>	<u>\$19,869,304</u>

Investment income is comprised of the following in 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Interest and dividend income	<u>\$ 451,925</u>	<u>\$ 747,532</u>
Unrealized losses on investments	\$ (919,895)	\$(1,366,791)
Realized (losses) gains on sale of investments	<u>(2,364,773)</u>	<u>395,218</u>
Total realized and unrealized losses on investments	<u>\$(3,284,668)</u>	<u>\$ (971,573)</u>

4. FAIR VALUE DISCLOSURES

In September 2006, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 157, Fair Value Measurements, which provides enhanced guidance for using fair value to measure assets and liabilities. Effective July 1, 2008, the Foundation adopted SFAS No. 157, which defines fair value, establishes a framework for measuring fair value under accounting principles generally accepted in the United States of America, and enhances disclosures about fair value measurements. The adoption of SFAS No. 157 had no material impact on the Foundation's financial statements but expanded disclosure about the fair value measurement. Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that SFAS No. 157 establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

- Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Foundation for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.
- Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets and other observable inputs.
- Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and other similar techniques.

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The following tables summarize instruments measured at fair value on a recurring basis for the Foundation:

	JUNE 30, 2009			
	FAIR VALUE MEASUREMENTS USING			
	Quoted Prices in Active Market for Identical Assets (LEVEL 1)	Significant Other Observable Inputs (LEVEL 2)	Significant Unobservable Inputs (LEVEL 3)	ASSETS AT FAIR VALUE
Cash and cash equivalents	\$6,527,309			\$6,527,309
U.S. Government obligations	2,611,603			2,611,603
Common and preferred stock	2,033,586			2,033,586
Mutual funds	1,551,228			1,551,228
Other	2,100			2,100
Corporate certificates of deposit		\$4,232,731	\$ -	4,232,731
Total	<u>\$12,725,826</u>	<u>\$4,232,731</u>	<u>\$ -</u>	<u>\$16,958,557</u>

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2009.

The carrying value of cash and cash equivalents approximates fair value due to the short-term nature of these instruments. Common stocks, preferred stocks, U.S. Government obligations, and mutual funds are actively traded with values based on quoted market prices in active markets. Corporate certificates of deposits are valued by utilizing a daily rate scale developed from broker dealer quotes.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

5. RELATED PARTY TRANSACTIONS AND CONTINGENCY

The Foundation contributes funds to St. Joseph's Center (the "Center") to aid in meeting operating needs and capital expenditures. Contributions were \$599,654 in 2009 and \$4,323,000 in 2008.

The Foundation rents office space from the Center on a year-to-year basis. Rent expense was \$12,000 in 2009 and 2008.

Wages and benefits for certain of the Center's employees for time spent on Foundation projects and other operating costs have been allocated to the Foundation. Amounts due to the Center for these allocations of wages, benefits, and other operating costs were \$64,409 at June 30, 2009 and \$87,569 at June 30, 2008.

The Foundation guaranteed a \$3,500,000 letter of credit of the Center. The guarantee and any payment requirements by the Foundation are limited to the extent any unpaid borrowings exceed the proceeds from a foreclosure sale of certain real estate that also collateralizes the letter of credit in the event of default. The debt and guarantee arose to provide the Center credit support to qualify for tax-exempt financing of the costs of constructing a kitchen, laundry, maintenance and adaptive facility, apartments, and renovations to the main center, all of which are for use in the Center's operations. There were no borrowings on this credit facility at June 30, 2009 and 2008. Any borrowings on this credit facility are payable over a fifteen year term and a maximum twenty year amortization. Interest is charged on borrowings at the prime rate (3.25% at June 30, 2009). This debt and the guarantee mature in March 2019. The Center's carrying amount of the underlying real estate was approximately \$1,880,000 at June 30, 2009.

6. CREDIT RISK

Substantially all of the Foundation's cash and cash equivalents, excluding cash and cash equivalents held in investment accounts, are on deposit with a local financial institution. Balances in the financial institution are insured to \$250,000.

7. FUNCTIONAL EXPENSES

The Foundation conducts fundraising activities for the benefit of St. Joseph's Center. Expenses related to providing these services are as follows in 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Organizational services	\$599,654	\$4,323,000
General and administrative	307,106	339,013
Fundraising	<u>46,108</u>	<u>46,551</u>
Total	<u>\$952,868</u>	<u>\$4,708,564</u>

8. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are related to net pledges receivable due from a 2005 pledge campaign. Pledges, when received, are for the exclusive benefit of St. Joseph's Center.

Permanently restricted net assets are related to the following:

	<u>2009</u>	<u>2008</u>
Investments to be held in perpetuity, the income from which is to be used for the needs of the residents of the Center (Note 9)	\$ 327,373	\$ 327,373
Investments to be held in perpetuity, the income from which is to be used for the maintenance and upkeep of the Weinberg Therapy Building (Note 9)	501,823	501,823
Investments to be held in perpetuity, the income from which is available for the general needs of the Center	<u>1,754,041</u>	<u>1,754,041</u>
	<u>\$2,583,237</u>	<u>\$2,583,237</u>

9. ENDOWMENT FUNDS

The Foundation maintains three separate endowment funds established at separate times for separate purposes. The endowments funds are the Lunney Endowment, the Weinberg Endowment, and the Foundation Endowment.

The Foundation interprets relevant Pennsylvania state law governing the net asset classification of donor-restricted endowment funds as requiring the preservation of the fair value of the original gift as of the gift date absent explicit donor stipulations to the contrary. As a result, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated as permanent endowments; (b) the original value of subsequent gifts to the permanent endowments; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund not classified in permanently restricted net assets is classified as either unrestricted or temporarily restricted net assets, depending upon the donor designation.

The Lunney Endowment was created via a bequest to St. Joseph's Children's and Maternity Hospital. The original bequest provided for the income from the endowment to be used for needs of the children; in addition, the original bequest required that the trust established with the bequest be maintained by the Trust Department of PNC Bank until all heirs to the will of Mr. Lunney had passed. When this occurred, the Center was permitted to move the trust from PNC Bank but chose not to, at that time. At the time this occurred the value of the endowment was \$327,373, and this is the amount the Foundation has recorded as the principal value of this endowment.

The Weinberg Endowment was created as part of a grant awarded by the Weinberg Foundation in 1998. At that time the Weinberg Foundation awarded a grant in the amount of \$750,000 to the Foundation to be used towards the construction of the Weinberg Pool Therapy Building. Additionally, the Weinberg Foundation offered a grant of \$250,000 for an endowment to assist with the maintenance and upkeep of the Pool Therapy Building, if the Foundation could match the \$250,000 grant offered by the Weinberg Foundation with \$250,000 of additional funds. The Foundation succeeded in meeting this offer, and a \$501,823 endowment was established.

The third endowment is the Foundation Endowment created as a result of an endowment campaign conducted by St. Joseph's Center Foundation in 2000. This campaign resulted in the establishment of a fund amounting to \$1,754,041, the proceeds from this endowment campaign which are to be permanently invested for the benefit of St. Joseph's Center.

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With all three endowment accounts, the amount recorded and maintained as the permanently restricted endowment amount is the principal value of the endowment at the time each was created. All income from the endowments and any gains or losses from investments for each of these endowments are recorded as the proceeds from the investments and as such, are available to be used as specified by the terms of the endowment. In the case of the Weinberg Endowment, proceeds may be used for upkeep and maintenance of the Weinberg Therapy Building; in the case of the Lunney Trust Endowment, income is restricted for the benefit of the residents of St. Joseph's Center; and in the case of the Foundation Endowment, income and gains from this endowment are available to meet any needs of the Center.

As of June 30, 2009 no funds have been expended from the proceeds of any of the endowments included in the Foundation statements and no formal spending policies for any of these endowments have been established as of this date.

The Endowment funds are invested in a broad mix of equity and fixed income investments. Assets of the Foundation Endowment are actively managed with multiple managers chosen by the Investment Committee of the Foundation Board with the assistance of their advisors, Morgan Stanley Smith Barney. Assets of the Lunney Trust and Weinberg Endowment are invested in various mutual fund offerings made available by PNC Bank and SEI Investments, respectively.

Changes in endowment net assets as of June 30, 2009:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$901,558		\$2,583,237	\$3,484,795
Investment income	98,157			98,157
Net depreciation	<u>(732,605)</u>	<u> </u>	<u> </u>	<u>(732,605)</u>
Endowment net assets, end of year	<u>\$ 267,110</u>	<u>\$ -</u>	<u>\$2,583,237</u>	<u>\$2,850,347</u>

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Changes in endowment net assets as of June 30, 2008:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$1,081,193		\$2,583,237	\$3,664,430
Investment income	120,199			120,199
Net depreciation	<u>(299,834)</u>	<u> </u>	<u> </u>	<u>(299,834)</u>
Endowment net assets, end of year	<u>\$ 901,558</u>	<u>\$ -</u>	<u>\$2,583,237</u>	<u>\$3,484,795</u>
