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Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Termination

☐ Amended return

☐ Application pending

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

C Name of organization

Children's Surgical Associates Ltd

Doing Business As

Number and street (or P O box if mail is not delivered to street address)Room/suite

1 CHILDRENS CENTER34TH CIVIC CENTER BLVD

City or town, state or country, and ZIP + 4

PHILADELPHIA, PA 191042217

D Employer identification number

23-2589322

E Telephone number

(215) 590-2700

G Gross receipts \$ 72,078,870

F Name and address of Principal Officer

N SCOTT ADZICK MD1 CHILDRENS CENTERPHILADELPHIA, PA 19104

H(a) Is this a group return for affiliates?

☐ Yes☒ No

H(b) Are all affiliates included?

☐ Yes☐ No

(If "No," attach a list See instructions)

H(c) Group Exemption Number

I Tax-exempt status

☒ 501(c) (3) ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site:

☒ N/A

K Type of organization

☒ Corporation☐ trust☐ association☐ other ☐

L Year of Formation

1990

M State of legal domicile

PA

Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities To provide medical and surgical care for patients and educational, research and administrative services to the Childrens Hospital of Philadelphia and the University of Pennsylvania School of Medicine	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 4
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 0
	5	Total number of employees (Part V, line 2a)	5 350
	6	Total number of volunteers (estimate if necessary)	6
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a 0
	b	Net unrelated business taxable income from Form 990-T, line 34	7b
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year0Current Year0
	9	Program service revenue (Part VIII, line 2g)	63,658,34472,886,607
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-9,351-3,556,799
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,767,5652,749,062
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	71,416,55872,078,870
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0341,218
	14	Benefits paid to or for members (Part IX, column (A), line 4)	00
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	52,001,93658,401,947
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	00
	b	(Total fundraising expenses, Part IX, column (D), line 25 ⁰)	
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	11,493,87911,104,022
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	63,495,81569,847,187
	19	Revenue less expenses Subtract line 18 from line 12	7,920,7432,231,683
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year51,801,988End of Year52,481,984
	21	Total liabilities (Part X, line 26)	13,258,30613,490,467
	22	Net assets or fund balances Subtract line 21 from line 20	38,543,68238,991,517

Part II Signature Block

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer

2010-05-11

Date

n scott adzick chairman, director

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's PTIN (See Gen Inst)

Firm's name (or yours if self-employed), address, and ZIP + 4

PricewaterhouseCoopers LLP2001 MARKET ST SUITE 1700PHILADELPHIA, PA 19103

EIN

Phone no (267) 330-3000

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)

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission
To provide medical and surgical care for patients and educational, research and administrative services to the Childrens Hospital of Philadelphia and the University of Pennsylvania School of Medicine

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 (4) organizations and 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 \$ 52,691,633 including grants of \$ 341,218) (Revenue \$ 75,635,669)

To provide pediatric medical, surgical, research and teaching services The organization provides medical care to patients in its service area irrespective of ability to pay The organization supports medical research and teaching missions of The Children's Hospital of Philadelphia

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)

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

4e

Total program service expenses \$ 52,691,633 Must equal Part IX, Line 25, column (B).

Form 990 (2008)

Part IV

Checklist of Required Schedules

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

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		No
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		No
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		No
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		No
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	Yes	
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		No
36 501(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		No
37 Did the organization conduct more than 5 percent 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		No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a48		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a350		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a		No
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		No
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		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
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 \$75 or more?	7a		No
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		No
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		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		No
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		No
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

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
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?		No
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?		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		No
6	Does the organization have members or stockholders?	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	the governing body?	Yes	
8b	each committee with authority to act on behalf of the governing body?		No
9a	Does the organization have local chapters, branches, or affiliates?		No
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	Yes	
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		No

Section B. Policies

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed PA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ own website ☐ another's website ☒ upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. DEIRDRE BRACISZEWSKI 1601 WALNUT ST STE 301 PHILADELPHIA, PA 19102 (215) 977-2924

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

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

[illegible]

Part VII

(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				
1b Total									24,254,929	0	2,193,624

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **43**

		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>	3	No
4	For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
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>	5	Yes

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)	(B)	(C)
Name and business address	Description of services	Compensation
Trustees of the University of Penn 3451 WALNUT STREET PHILADELPHIA, PA 19104	physician services	34,310,085
The Children's Hospital of philadel 34TH CIVIC CENTER BLVD PHILADELPHIA, PA 19104	support services	3,742,707
Clinical Practices of The UPENN 3600 spruce street 4 Maloney PHILADELPHIA, PA 19104	physician services	1,182,546
Mediscribe 3136 Butler Pike PLYMOUTH MEETING, PA 19462	transcription	377,035
University of Pennsylvania health s 3400 spruce street 5th floor White PHILADELPHIA, PA 19104	physician services	169,488

2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization	6
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Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . 1a		0				
	b	Membership dues						
		1b						
	c	Fundraising events						
		1c						
	d	Related organizations . . . 1d						
	e	Government grants (contributions) 1e						
	f	All other contributions, gifts, grants, and similar amounts not included above 0						
		1f						
g	Noncash contributions included in lines 1a-1f \$ 0							
h	Total (Add lines 1a-1f)		0					
Program Service Revenue	2a	NET PATIENT SERVICE REVENUE	Business Code 900,099	66,280,396	66,280,396			
	b	RESEARCH REVENUE	900,099	6,606,211	6,606,211			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f						
		➤ \$ 72,886,607						
	Other Revenue	3	Investment income (including dividends, interest other similar amounts)		894,768			894,768
4		Income from investment of tax-exempt bond proceeds		0				
5		Royalties		0				
6a		Gross Rents	(i) Real	(ii) Personal				
b		Less rental expenses						
c		Rental income or (loss)						
d		Net rental income or (loss)						
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	-4,451,567			-4,451,567
			-4,451,567					
b		Less cost or other basis and sales expenses						
c		Gain or (loss)	-4,451,567					
d		Net gain or (loss)						
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000	a		0			
b		Less direct expenses	b					
c		Net income or (loss) from fundraising events						
9a		Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000	a		0			
b	Less direct expenses	b						
c	Net income or (loss) from gaming activities							
10a	Gross sales of inventory, less returns and allowances	a		0				
b	Less cost of goods sold	b						
c	Net income or (loss) from sales of inventory							
	Miscellaneous Revenue	Business Code		2,749,062	2,749,062			
11a	OTHER REVENUE							
b								
c								
d	All other revenue _____							
e	Total. Add lines 11a-11d							
	\$ 2,749,062							
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			72,078,870	75,635,669		-3,556,799	

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	341,218	341,218		
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	25,083,902	24,553,355	530,547	
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	27,326,325	18,235,213		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	403,747	156,789	246,958	
9	Other employee benefits	4,254,284	2,567,115	1,687,169	
10	Payroll taxes	1,333,689	517,917	815,772	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	29,133	0	29,133	
c	Accounting	31,704	0	31,704	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	1,304,964	0	1,304,964	
12	Advertising and promotion	0			
13	Office expenses	710,253	127,040	583,213	
14	Information technology	216,244	0	216,244	
15	Royalties	0			
16	Occupancy	200,511	0	200,511	
17	Travel	823,159	823,159	0	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	47,004	47,004	0	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	207,209	0	207,209	
23	Insurance	3,091,185	2,982,518	108,667	
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	OTHER EXPENSE	3,071,165	968,814	2,102,351	0
b	BAD DEBT	1,371,491	1,371,491	0	0
c					
d					
e					
d					
e					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	69,847,187	52,691,633	17,155,554	0
26	Joint Costs. Check ☐ 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)		(B)		
		Beginning of year		End of year		
Assets	1 Cash—non-interest-bearing	3,075	1	3,075		
	2 Savings and temporary cash investments	8,441,342	2	11,234,794		
	3 Pledges and grants receivable, net		3			
	4 Accounts receivable, net	8,365,505	4	8,650,504		
	5 Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5			
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6			
	7 Notes and loans receivable, net	49,890	7	0		
	8 Inventories for sale or use		8			
	9 Prepaid expenses and deferred charges	283,024	9	328,114		
	10a Land, buildings, and equipment cost basis	<table><tr><td>10a</td><td>4,723,704</td></tr></table>	10a	4,723,704		
	10a	4,723,704				
	b Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	<table><tr><td>10b</td><td>4,262,577</td></tr></table>	10b	4,262,577	576,835	10c 461,127
	10b	4,262,577				
	11 Investments—publicly traded securities	26,112,649	11	25,379,227		
	12 Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12			
	13 Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13			
14 Intangible assets		14				
15 Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	7,969,668	15	6,425,143			
16 Total assets. Add lines 1 through 15 (must equal line 34)	51,801,988	16	52,481,984			
Liabilities	17 Accounts payable and accrued expenses	6,310,638	17	8,647,775		
	18 Grants payable	2,540,000	18	2,300,000		
	19 Deferred revenue		19			
	20 Tax-exempt bond liabilities		20			
	21 Escrow account liability <i>Complete Part IV of Schedule D</i>		21			
	22 Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22			
	23 Secured mortgages and notes payable to unrelated third parties		23			
	24 Unsecured notes and loans payable		24			
	25 Other liabilities <i>Complete Part X of Schedule D</i>	4,407,668	25	2,542,692		
	26 Total liabilities. Add lines 17 through 25	13,258,306	26	13,490,467		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27 Unrestricted net assets	38,543,682	27	38,991,517		
	28 Temporarily restricted net assets		28			
	29 Permanently restricted net assets		29			
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.					
	30 Capital stock or trust principal, or current funds		30			
	31 Paid-in or capital surplus, or land, building or equipment fund		31			
	32 Retained earnings, endowment, accumulated income, or other funds		32			
	33 Total net assets or fund balances	38,543,682	33	38,991,517		
	34 Total liabilities and net assets/fund balances	51,801,988	34	52,481,984		

Part XI **Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	No
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE A

(Form 990 or 990EZ)

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 Children's Surgical Associates Ltd	Employer identification number 23-2589322
--	--

Part I Reason for Public Charity Status (to be completed by all organizations) (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 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?
h	☐	Provide the following information about the organizations the organization supports

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

(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 IRC 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.)

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

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

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
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		☐
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		☐
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		☐

Part IIISupport Schedule for Organizations Described in IRC 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 ")	345,060	25,000	50,000	0	0	420,060
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	52,157,745	50,536,605	54,059,939	63,658,344	72,886,607	293,299,240
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	52,502,805	50,561,605	54,109,939	63,658,344	72,886,607	293,719,300
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 Total of lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						293,719,300

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	52,502,805	50,561,605	54,109,939	63,658,344	72,886,607	293,719,300
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	455,573	803,159	880,122	939,503	894,768	3,973,125
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b	455,573	803,159	880,122	939,503	894,768	3,973,125
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)	400,259	1,708,652	2,875,600	7,767,565	2,749,062	15,501,138
13 Total Support (Add lines 9, 10c, 11 and 12)						313,193,563
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Computation of Public Support Percentage			
15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	93 782 %	
16 Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	96 254 %	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	1 269 %
18	Investment Income Percentage from 2007 Schedule A, Part IV-A, line 27h	18	1 078 %
19a	33 1/3% Tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		☒
b	33 1/3% Tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		☐
20	Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		☐

Part IV

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

Facts and Circumstances Test

Additional Data

Software ID:
Software Version:
EIN: 23-2589322
Name: Children's Surgical Associates Ltd

Form 990, Part VII - Section Aaa

(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			
N SCOTT ADZICK , CHAIRMAN, DIRECTOR	53 0	X		X				1,696,908	0	131,832
JOHN P DORMANS MD , SECRETARY/TREASURER, DIRECTOR	53 0	X		X				892,903	0	33,081
DOUGLAS CANNING MD , PRESIDENT, DIRECTOR	53 0	X		X				529,103	0	132,450
MONTE MILLS MD , VICE-PRESIDENT, DIRECTOR	53 0	X		X				425,803	0	33,606
THOMAS L SPRAY MD , ASSISTANT SECRETARY	53 0			X				1,494,243	0	535,906
J WILLIAM GAYNOR MD , ASST SECRETARY	53 0			X				1,094,125	0	133,124
JOHN FLYNN MD , ASST SECRETARY	53 0			X				1,077,187	0	35,920
THEODORE GANLEY MD , ASST SECRETARY	53 0			X				986,217	0	33,356
LESLIE SUTTON MD , ASST SECRETARY	53 0			X				975,532	0	33,425
KEN KAZAHAYA MD , ASST SECRETARY	53 0			X				960,812	0	30,256
RALPH WETMORE MD , ASST SECRETARY	53 0			X				951,094	0	31,892
IAN JACOBS MD , ASST SECRETARY	53 0			X				910,950	0	35,272
SCOTT BARTLETT MD , ASST SECRETARY	53 0			X				900,504	0	30,920
LAWRENCE TOM MD , ASST SECRETARY	53 0			X				891,718	0	33,220
STEVEN HANDLER MD , ASST SECRETARY	53 0			X				802,031	0	31,229
RICHARD DAVIDSON MD , ASST SECRETARY	53 0			X				744,552	0	33,124
RICHARD KIRSCHNER MD , ASST SECRETARY	53 0			X				647,744	0	35,167
MICHAEL CARR MD , ASST SECRETARY	53 0			X				517,507	0	132,381
WILLIAM POTSIC MD , ASST SECRETARY	53 0			X				609,886	0	31,206
ALAN FLAKE MD , ASST SECRETARY	53 0			X				494,030	0	133,074
EDWARD DOOLIN MD , ASST SECRETARY	53 0			X				555,480	0	32,740
MICHAEL NANCE MD , ASST SECRETARY	53 0			X				559,960	0	25,811
JAMES KATOWITZ MD , ASST SECRETARY	53 0			X				493,030	0	35,169
BEN CHANG MD , ASST SECRETARY	21 0			X				474,410	0	21,348
HOLLY HEDRICK MD , ASST SECRETARY	53 0			X				453,513	0	36,104
STEPHEN ZDERIC MD , ASST SECRETARY	53 0			X				418,979	0	36,907
MARK JOHNSON MD , ASST SECRETARY	53 0			X				392,569	0	33,124
R DOUGLAS WILSON , ASST SECRETARY	53 0			X				355,703	0	33,186
DAVID LOW MD , ASST SECRETARY	21 0			X				368,755	0	16,594
MICHAEL BEBBINGTON MD , ASST SECRETARY	53 0			X				297,937	0	24,404

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(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			
HOWARD SNYDER MD , ASST SECRETARY	53 0			X				279,122	0	31,124
LINTON WHITAKER MD , ASST SECRETARY	19 0			X				221,790	0	1,624
GRAHAM QUINN MD , ASST SECRETARY	27 0			X				191,010	0	28,918
LINDA FLOCCO , EXECUTIVE DIRECTOR	43 0			X				179,375	0	29,478
THOMAS CONCANNON , DIRECTOR OF FINANCE	43 0			X				141,252	0	21,410
DEIRDRE BRACISZEWSKI , CONTROLLER	43 0			X				120,624	0	19,689
DON LAROSSA , ASST SECRETARY	21 0			X				81,346	0	622
DENIS DRUMMOND , ASST SECRETARY	27 0			X				70,231	0	4,402
LARRY LEVIN , ASST SECRETARY	16 0			X				53,244	0	0
LORI HOWELL RN , EXEC DIRECTOR, FETAL PROGRAM	45 0					X		253,816	0	30,008
NATALIE PLACHTER RN , NURSE	45 0					X		179,503	0	20,060
JENNIFER WINELL MD , PHYSICIAN	55 0					X		166,494	0	26,632
MATTHEW GRADY MD , PHYSICIAN	55 0					X		175,936	0	9,853
NANCY HARRIZ , DIVISION MANAGER	45 0					X		168,001	0	13,976

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
Children's Surgical Associates Ltd

Employer identification number

23-2589322

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? ☐ Yes☐ 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? ☐ Yes☐ 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)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ 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
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

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

4

Number of states where property subject to conservation easement is located ▶

5

Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

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

Part III

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

1a

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

b

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

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

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

2

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

a

Revenues included in Form 990, Part VIII, line 1▶ \$

b

Assets included in Form 990, Part X▶ \$

For Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2008

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 the 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 why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

Yes

No

3a(ii)

b

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

3b

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		240,658	13,833	226,825
d Equipment		4,483,046	4,248,744	234,302
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				461,127

Schedule D (Form 990) 2008

(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) ▶		

(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)		

(a) Description	(b) Book value
DUE FROM AFFILIATES & EXC ACT	326,251
INTEREST IN NET ASSETS-SAREF	4,822,466
DEPOSITS & OTHER ASSETS	24,998
OTHER RECEIVABLES	61,145
DUE FROM CHOP	1,127,533
DUE FROM THIRD PARTIES	62,750
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	6,425,143

(a) Description of Liability	(b) Amount
Federal Income Taxes	
DUE TO AFFILIATES	78,883
PLEDGES PAYABLE	2,099,955
DUE TO CHOP	363,854
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	2,542,692

Schedule D (Form 990) 2008

Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, 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

Identifier	Return Reference	Explanation

OMB No 1545-0047

23-2589322

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 ☐ ☐
Use Schedule F-1 if additional space is needed.

[illegible]

2 Enter total number of organizations that are recognized as charities by the foreign country or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter  _____

3 Enter total number of other organizations or entities

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

Schedule F (Form 990) 2008

Software ID:

Software Version:

EIN: 23-2589322

Name: Children's Surgical Associates Ltd

Form 990 Schedule F Part II - Grants and Other Assistance to Organizations or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
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Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Children's Surgical Associates Ltd

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

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

Employer identification number
23-2589322

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

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 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
CLINICAL PRACTICES OF UNIVERSITY OF PENNSYLVANIA34TH STREET CIVIC CENTER BLVD PHILADELPHIA,PA 19104	23-1352685	501(c)(3)	49,737				
Auto Dealers Caring for Kids Foundation3311 Swede Road East Norriton,PA 19401	03-0509965	501(c)(3)	7,907				

2

Enter total number of section 501(c)(3) and government organizations

2

3

Enter total number of other organizations

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e) Method of valuation (book, FMV , appraisal, other)	(f)Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.
See Additional Data Table

Identifier	Return Reference	Explanation
SCHEDULE I, LINE 2		During the year , all grants and or contributions to organizations over \$250 must be communicated to and approved by the Children's Surgical Associates Board of Directors

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Children's Surgical Associates Ltd

Employer identification number
23-2589322

Part I		Questions Regarding Compensation	
		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☒ First class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)		
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	☒ Compensation committee ☐ Written employment contract ☒ Independent compensation consultant ☒ Compensation survey or study ☒ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a		
a	Receive a severance payment or change of control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
See Additional Data Table	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
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	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						

Part III Supplemental Information

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

[illegible]

Software ID:

Software Version:

EIN: 23-2589322

Name: Children's Surgical Associates Ltd

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
THOMAS L SPRAY MD	(i) (ii)	1,394,243 0	100,000 0	0 0	520,700 0	15,206 0	2,030,149 0	0 0
N SCOTT ADZICK	(i) (ii)	784,189 0	347,669 0	565,050 0	120,700 0	11,132 0	1,828,740 0	442,239 0
J WILLIAM GAYNOR MD	(i) (ii)	894,125 0	200,000 0	0 0	120,700 0	12,424 0	1,227,249 0	0 0
JOHN FLYNN MD	(i) (ii)	543,536 0	533,651 0	0 0	20,700 0	15,220 0	1,113,107 0	0 0
THEODORE GANLEY MD	(i) (ii)	500,000 0	481,632 0	4,585 0	20,700 0	12,656 0	1,019,573 0	0 0
LESLIE SUTTON MD	(i) (ii)	595,532 0	380,000 0	0 0	20,700 0	12,725 0	1,008,957 0	0 0
KEN KAZAHAYA MD	(i) (ii)	338,535 0	606,283 0	15,994 0	20,700 0	9,556 0	991,068 0	0 0
RALPH WETMORE MD	(i) (ii)	444,117 0	486,870 0	20,107 0	20,700 0	11,192 0	982,986 0	0 0
IAN JACOBS MD	(i) (ii)	342,294 0	551,710 0	16,946 0	20,700 0	14,572 0	946,222 0	0 0
SCOTT BARTLETT MD	(i) (ii)	400,000 0	496,170 0	4,334 0	20,700 0	10,220 0	931,424 0	0 0
JOHN P DORMANS MD	(i) (ii)	650,000 0	224,992 0	17,911 0	20,700 0	12,381 0	925,984 0	0 0
LAWRENCE TOM MD	(i) (ii)	377,588 0	509,399 0	4,731 0	20,700 0	12,520 0	924,938 0	0 0
STEVEN HANDLER MD	(i) (ii)	302,426 0	492,595 0	7,010 0	20,700 0	10,529 0	833,260 0	0 0
RICHARD DAVIDSON MD	(i) (ii)	475,000 0	261,599 0	7,953 0	20,700 0	12,424 0	777,676 0	0 0
RICHARD KIRSCHNER MD	(i) (ii)	319,220 0	328,524 0	0 0	20,700 0	14,467 0	682,911 0	0 0
DOUGLAS CANNING MD	(i) (ii)	230,000 0	290,861 0	8,242 0	120,700 0	11,750 0	661,553 0	0 0
MICHAEL CARR MD	(i) (ii)	220,000 0	288,126 0	9,381 0	120,700 0	11,681 0	649,888 0	0 0
WILLIAM POTSIC MD	(i) (ii)	574,479 0	11,041 0	24,366 0	20,700 0	10,506 0	641,092 0	0 0
ALAN FLAKE MD	(i) (ii)	359,030 0	135,000 0	0 0	120,700 0	12,374 0	627,104 0	0 0
EDWARD DOOLIN MD	(i) (ii)	295,480 0	260,000 0	0 0	20,700 0	12,040 0	588,220 0	0 0
MICHAEL NANCE MD	(i) (ii)	299,960 0	260,000 0	0 0	20,700 0	5,111 0	585,771 0	0 0
JAMES KATOWITZ MD	(i) (ii)	255,069 0	237,961 0	0 0	20,700 0	14,469 0	528,199 0	0 0
BEN CHANG MD	(i) (ii)	0 0	473,374 0	1,036 0	0 0	21,348 0	495,758 0	0 0
HOLLY HEDRICK MD	(i) (ii)	253,513 0	200,000 0	0 0	20,700 0	15,404 0	489,617 0	0 0
MONTE MILLS MD	(i) (ii)	333,861 0	91,942 0	0 0	20,700 0	12,906 0	459,409 0	0 0
STEPHEN ZDERIC MD	(i) (ii)	195,000 0	216,212 0	7,767 0	20,700 0	16,207 0	455,886 0	0 0
MARK JOHNSON MD	(i) (ii)	322,569 0	70,000 0	0 0	20,700 0	12,424 0	425,693 0	0 0
R DOUGLAS WILSON	(i) (ii)	290,703 0	65,000 0	0 0	20,700 0	12,486 0	388,889 0	0 0
DAVID LOW MD	(i) (ii)	0 0	368,455 0	300 0	0 0	16,594 0	385,349 0	0 0
MICHAEL BEBBINGTON MD	(i) (ii)	232,937 0	65,000 0	0 0	20,700 0	3,704 0	322,341 0	0 0
HOWARD SNYDER MD	(i) (ii)	213,000 0	61,245 0	4,877 0	20,700 0	10,424 0	310,246 0	0 0
LORI HOWELL RN	(i) (ii)	170,407 0	80,000 0	3,409 0	9,107 0	20,901 0	283,824 0	0 0
LINTON WHITAKER MD	(i) (ii)	78,300 0	143,490 0	0 0	0 0	1,624 0	223,414 0	0 0
GRAHAM QUINN MD	(i) (ii)	158,926 0	32,084 0	0 0	17,738 0	11,180 0	219,928 0	0 0
LINDA FLOCCO	(i) (ii)	139,575 0	38,100 0	1,700 0	6,612 0	22,866 0	208,853 0	0 0
NATALIE PLACHTER RN	(i) (ii)	100,520 0	76,664 0	2,319 0	2,211 0	17,849 0	199,563 0	0 0
JENNIFER WINELL MD	(i) (ii)	166,494 0	0 0	0 0	6,383 0	20,249 0	193,126 0	0 0
MATTHEW GRADY MD	(i) (ii)	124,467 0	51,469 0	0 0	4,367 0	5,486 0	185,789 0	0 0
NANCY HARRIZ	(i) (ii)	62,989 0	100,988 0	4,024 0	2,885 0	11,091 0	181,977 0	0 0
THOMAS CONCANNON	(i) (ii)	113,247 0	24,100 0	3,905 0	5,165 0	16,245 0	162,662 0	0 0

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Children's Surgical Associates Ltd

Employer identification number
23-2589322

Identifier	Return Reference	Explanation
FORM 990, PART IV, LINE 12		An audit is performed on an obligated group which includes, the Hospital and certain affiliates. The affiliates are The Children's Hospital of Philadelphia Foundation and First Medical Insurance Company (RRG). An audit is also performed on a consolidated basis which includes obligated group, PGH Development Corporation, Children's' Anesthesiology Associates, Ltd, Children's Anesthesiology Associates of NJ, Inc., Children's Health Care Associates, Inc., Children's Health Care Associate of NJ, Children's Surgical Associates Ltd, Children's Surgical Associates of NJ, Inc., Surgical Research and Education Foundation and Radiology Associates of Children's Hospital, Inc. FORM 990, PART VI, LINE 6 The Chairperson is the sole corporate member of Children's Surgical Associates, Ltd. FORM 990, PART VI, LINE 7A Associates vote on slate of officers presented for Board of Directors positions FORM 990, PART VI, LINE 8B There are no subcommittees. FORM 990, PART VI, LINE 10 A copy of this return was reviewed by the Children's Surgical Associates, LTD Board of Directors and the Children's Hospital of Philadelphia Board Audit and Compliance Committee. Prior to its being filed, the Form 990 was also made available to the entire governing body of The Children's Hospital of Philadelphia through an accessible shared computer network drive maintained by the Children's Hospital of Philadelphia. FORM 990, PART VI, LINE 12 The organization has adopted the conflicts of interest policy of The Children's Hospital of Philadelphia. The Children's Hospital of Philadelphia maintains a written Conflicts of Interest Policy that applies to, inter alia, all of its Trustees, officers, employees, members of the Medical Staff and researchers of The Children's Hospital of Philadelphia and its affiliates. The Policy requires annual conflicts of interest statements from Trustees and officers of the Hospital and its affiliates, the President and others in Senior Management, administrative personnel serving at the level of manager and above and certain other categories of employees defined in the conflicts of interest policy (such as persons known to place orders with vendors), Department Chairs, division chiefs and other members of the Medical Staff (except that members of the Medical Staff who are not based at the Hospital are only required to submit statements bi-annually), members of the Hospital Research Staff, designated employees of practice plans affiliated with the Hospital, and other persons designated by management. The statement tracks the conflicts of interest policy, requiring each person to disclose information for the reporting period regarding the existence and nature of gifts, outside interests, outside activities and other matters constituting a potential, perceived or actual conflict of interest, and to certify that they have read the policy and answered fully, accurately and to the best of their knowledge. After confirmation that all questions have been answered, the statements are reviewed by the relevant Vice President, Department Chair or other executive (or their designee), tracked by the Office of Compliance and Privacy, and all statements disclosing potential, perceived or actual conflicts are forwarded to the Office of General Counsel for further review and follow-up as needed. The conflicts statements submitted by Trustees of the Hospital and Foundation, and members of Senior Management, are reviewed by the General Counsel and the disclosures are summarized in memoranda distributed to and reviewed by the members of the Audit and Compliance Committee of the Hospital and Foundation Boards. The remaining conflicts statements containing affirmative disclosures are reviewed by staff in the Office of General Counsel. In reviewing annual statements where an actual, perceived or potential conflict is disclosed, where problems are identified that need to be addressed, the goal is to eliminate or manage the conflict going forward and ensure that, as to employees or others on the Medical or Research Staff, the relevant supervisor is aware of the issue. Summary information about compliance with the policy's requirement to submit annual statements and disclosures contained therein is provided in memoranda to the Audit and Compliance Committee of the Boards. In addition, if any matter involving a potential violation of the conflict of interest policy is brought to the attention of management during the course of the year, an investigation is conducted by either the relevant department's management, Office of General Counsel or Office of Compliance and Privacy, as appropriate. FORM 990, PART VI, SECTION B, LINE 15 The compensation of officers or key employees who are physicians/scientists (including the Chairman) is reviewed and approved by an independent compensation committee of the Boards of The Children's Hospital of Philadelphia and The Children's Hospital of Philadelphia Foundation. The Committee reviews and approves in advance the compensation to be provided to all faculty physicians and scientists, including the Chairman. For each such person, this process was last performed in 2009. In making its determinations, the Committee considers the performance of the organization and that of the covered individual as well as related business judgment factors. It also considers market comparison reports prepared by an external compensation consultant with significant experience in performing executive and physician compensation assessments for not-for-profit healthcare organizations. The Committee's process is designed to qualify for the rebuttable presumption of reasonableness for those individuals who are disqualified persons. The peer group for executives generally includes large and complex academic medical centers and health systems. For physicians and scientists, the peer group generally includes academic medical centers. Information from other organizations may also be considered where appropriate for the position. For those individuals who are paid by Children's Surgical Associates, Ltd., their compensation is established according to an administrative compensation plan that includes consideration of comparable market compensation for similar positions, and that has a potential for incentive compensation based on productivity, performance and other factors for certain positions. Part VI, Section C, Line 19 Form 990 and financial statements are made available upon request. The conflicts of interest policy is available on The Children's Hospital of Philadelphia's website.

Identifier	Return Reference	Explanation
Form 990, Part VII		PART VII - RELATED TIME DISCLOSURE Certain officers and key employees of Children's Surgical Associates Ltd also devote significant time each week to other related organizations as follows N Adzick devotes approximately - 1 hour to The Children's Hospital of Philadelphia - 2 hours to CHOP Clinical Associates Inc - 1 hour to The Children's Hospital Foundation - 1 hours to Children's Surgical Associates of NJ, Inc - 53 hours to Children's Surgical Associates Inc - 1 hour to Surgical Associates Research and Education Foundation M Bebbington - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc D Canning - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Education Foundation M Carr - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc R Davidson - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc E Doolin - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc J Dormans - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Education Foundation A Flake - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc J Flynn - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc T Ganley - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc J Gaynor - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc S Handler - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc H Hedrick - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc I Jacobs - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc M Johnson - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc J Katowitz - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc K Kazahaya - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc R Kirschner - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc M Mills - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Education Foundation M Nance - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc W Postic - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc H Snyder - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc T Spray - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation L Sutton - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation L Tom - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc R Wetmore - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation R Wilson - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc S Zederic - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc D Braciszewski - 43 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation T Concannon - 43 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation L Flocco - 43 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation G Quinn - 27 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc D Drummond - 27 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc B Chang - 21 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc D Low - 21 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc D Larossa - 21 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc L Whitaker - 19 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc L Levin - 16 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc S Bartlett - 53 hours to Children's Surgical Associates Ltd - 1 hour to Children's Surgical Associates of NJ, Inc - 1 hour to Surgical Associates Research and Educational Foundation FUND BALANCE RECONCILIATION Total Revenue (Form 990, Part VIII, column (A), line 12) 72,078,870 Total Expenses (Form 990, Part IX, Column (A), line 25) 69,847,187 Excess or (deficit) for the year 2,231,683 Net Asset or Fund Balance at the beginning of the year 38,543,682 Net Unrealized gains (losses) on investments 313,116 Donated Services and use of facilities - Investment Expenses - Prior period adjustments - Other - Decrease in Net Assets of SAREF (2,096,964) Other - Contributions, including Amortization of Fund Discount 341,218 Total Adjustments (1,783,848) Excess of (deficit) for the year per financial statements 447,835 Fund Balance Per Return 38,991,517 Part X, Line 33 38,991,517

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Children's Surgical Associates Ltd

Employer identification number
23-2589322

Part I Identification of Disregarded Entities					
(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations					
(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
THE CHILDREN'S HOSPITAL of philadelphia 34TH STREET CIVIC CENTER BLVD PHILADELPHIA, PA19104 23-2237932	HEALTHCARE	PA	501(C)(3)	7	
CHILDREN'S HOSPITAL OF PHILADELPHIA 34TH STREET CIVIC CENTER BLVD PHILADELPHIA, PA19104 23-1352166	HEALTHCARE	PA	501(C)(3)	3	
CHILDREN'S SURGICAL ASSOCIATIES OF NJ 1012 LAUREL OAKS ROAD VOORHEES, NJ08043 22-3348481	HEALTHCARE	NJ	501(C)(3)	9	
SURGICAL ASSOCIATES RESEARCH & EDU FOND 34TH STREET CIVIC CENTER BLVD PHILADELPHIA, PA19104 23-2181768	HEALTHCARE	PA	501(C)(3)	11	

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) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(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?

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)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

Yes

Yes

Yes

Yes

Yes

Yes

Yes

No

No

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

(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2008

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

[illegible]