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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
MCV ASSOCIATED PHYSICIANS

Doing Business As
MCV PHYSICIANS

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 980620

City or town, state or country, and ZIP + 4
RICHMOND, VA 232980620

D Employer identification number
54-1581185

E Telephone number
(804) 827-8400

G Gross receipts $ 230,754,670

F Name and address of Principal Officer
JAMES J POTYRAJ
1001 East Main St Suite 1900
Richmond, VA 23219

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: ▶ WWW VCUHEALTH ORG

K Type of organization ☑ Corporation ☐ trust ☐ association ☐ other ▶

L Year of Formation 1991 **M** State of legal domicile VA

Part I Summary

Activities & Governance

1	Briefly describe the organization's mission or most significant activities The organization functions as the group practice plan for those professionals who have faculty appointments in VCU School of Medicine, supporting medical teaching and the needs of the indigent population		
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	8
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	1,287
6	Total number of volunteers (estimate if necessary)	6	0
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	

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	1,870,367	3,232,002
	9	Program service revenue (Part VIII, line 2g)	191,069,088	199,641,821
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,042,799	630,373
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,181,439	849,203
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	197,163,693	204,353,399
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,802,582	2,034,107
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	156,304,722	178,612,131
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	(Total fundraising expenses, Part IX, column (D), line 25 0)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	29,181,179	13,705,015
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	187,288,483	194,351,253
	19	Revenue less expenses Subtract line 18 from line 12	9,875,210	10,002,146
			Beginning of Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	118,649,902	107,964,028
	21	Total liabilities (Part X, line 26)	50,185,444	40,185,652
	22	Net assets or fund balances Subtract line 21 from line 20	68,464,458	67,778,376

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

Please Sign Here

Signature of officer | Date 2010-05-17

JAMES J POTYRAJ EXECUTIVE 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 ▶ KPMG LLP
1660 International Drive
McLean, VA 221024848

EIN ▶

Phone no ▶ (703) 286-8000

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

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

1 Briefly describe the organization's mission

The organization functions as the group practice plan for those physicians and healthcare professionals who have faculty appointments in VCU School of Medicine supporting medical teaching and the needs of the indigent population

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 $ 193,737,575 including grants of $ 2,034,107) (Revenue $ 199,641,821)

MCV Associated Physicians D/B/A MCV Physicians (MCVP) is organized and operated exclusively for the benefit of Virginia Commonwealth University (VCU), a tax-exempt organization under Internal Revenue Code (IRC) Section 115 as described in IRC Section 170(c)(1) On July 1, 2000, MCVP became part of the VCU Health System along with the MCV Hospital Authority MCVP was formed and operates as an Internal Revenue Code 509(a)(3) supporting organization of the Medical College of Virginia (MCV)/Virginia Commonwealth University (VCU), a state medical school and university MCVP also serves the only Burn Center and Full Range Cancer Center in the area In support of the medical school, MCVP provides essential services to and works closely with the VCU Health System - MCV Hospital, a division of MCV/VCU and affiliated ambulatory care centers THE VCU HEALTH SYSTEM - MCV Hospital operates one of the few remaining hospital facilities in the highly indigent inner-city area of Richmond, VA as well as surrounding community locations It serves as one of the busiest Level I Trauma Centers on the East coast More than 50% of the patients served are from the City of Richmond and represent a highly indigent population In general, an indigent patient results in a much more expensive patient to treat for several reasons 1) the patient has not requested or received preventive medicine, and 2) the patient is generally sicker because the preventive medicine was not affordable In fact, the majority of patients use the VCU Health System emergency center as their first stop for primary care During the fiscal year ending 6/30/2009, the Association provided unsubsidized and un-reimbursed charges in the amount of $21,791,000 The Association also has responsibility for the administration and management of all ambulatory care facilities Each ambulatory center is consolidated under 1 physician and 1 non-physician team

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 $ 193,737,575 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
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	Yes	
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		No
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*	**28a**		No
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	**28b**		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*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		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*	**32**		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*	**33**		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*	**34**	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*	**35**		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*	**36**		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*	**37**		No

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	195		
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 Yes	
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	1,287		
b	If at least one is reported in 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.*			2b Yes	
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, *Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?*			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 Yes	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h Yes	
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	No
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b	No
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.

		Line	Yes	No
1a	Enter the number of voting members of the governing body . . 1a 8			
b	Enter the number of voting members that are independent . . 1b 0			
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		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?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	the governing body?	8a	Yes	
b	each committee with authority to act on behalf of the governing body?	8b	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		No
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	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	11		No

Section B. Policies

		Line	Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No", go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
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	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	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			
a	The organization's CEO, Executive Director, or top management official?	15a	Yes	
b	Other officers or key employees of the organization?	15b	Yes	
	Describe the process in Schedule O			
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		No
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

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

KEITH PURCELL
701 EAST FRANKLIN STREET SUITE 1301
RICHMOND, VA 23219
(804) 628-9090

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) and key employees 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, or 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) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
1b Total							▶	5,893,179	2,475,617	1,615,096

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶410

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

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
Pitney Bowes Mgm Services PO Box 845801 Dallas, TX 75284	mail postage service	135,317
Medical Reimbursement Systems Inc 12 Gill Street Ste 3000 WOBURN, MA 01801	Medical coding servi	254,745
LeClair Ryan 951 East Byrd Street RICHMOND, VA 23218	Legal	172,909
Healthcare Transcription Services I 2307 Westwood Pine Dr MOSELEY, VA 23120	Transcription servic	133,420
Pro Construction Services PO Box 11469 RICHMOND, VA 23230	Construction service	119,784

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 9

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**					
	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 **1f**	3,232,002				
	g	Noncash contributions included in lines 1a-1f $ 0					
	h	**Total (Add lines 1a-1f)**		3,232,002			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	900,099	134,485,462	134,485,462		
	b	CONTRACT REVENUE FROM MCVH	900,099	51,256,790	51,256,790		
	c	OTHER CONTRACT REVENUE	900,099	12,762,964	12,762,964		
	d	MEDICAL CONSULTATION INCOME	900,099	1,136,605	1,136,605		
	e						
	f	All other program service revenue					
	g	**Total. Add lines 2a-2f** . . . . $ 199,641,821					
Other Revenue	**3**	Investment income (including dividends, interest other similar amounts)		1,721,741		0	1,721,741
	4	Income from investment of tax-exempt bond proceeds . .		0			
	5	Royalties		0			
			(i) Real / (ii) Personal				
	6a	Gross Rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	(i) 25,309,903				
	b	Less cost or other basis and sales expenses	(i) 26,401,271				
	c	Gain or (loss)	(i) -1,091,368				
	d	Net gain or (loss)		-1,091,368			-1,091,368
	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**					
	b	Less direct expenses . . . **b**					
	c	Net income or (loss) from fundraising events . .		0			
	9a	Gross income from gaming activities See part IV, line 19 *Complete Schedule G if total exceeds $15,000* **a**					
	b	Less direct expenses . . . **b**					
	c	Net income or (loss) from gaming activities . . .		0			
	10a	Gross sales of inventory, less returns and allowances . **a**					
	b	Less cost of goods sold . . **b**					
	c	Net income or (loss) from sales of inventory . .		0			
		Miscellaneous Revenue	Business Code				
	11a	SERVICES	900,099	26,246	26,246		
	b	MISCELLANEOUS	900,099	814,610	814,610		
	c	SALES	900,099	8,347	8,347		
	d	All other revenue ______					
	e	**Total. Add lines 11a-11d** . . . . $ 849,203					
	12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		204,353,399	200,491,024	0	630,373

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	2,034,107	2,034,107		
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	3,679,855	3,679,855		
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	148,996,698	148,996,698		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	11,082,853	11,082,853		
9	Other employee benefits	9,152,510	9,152,510		
10	Payroll taxes	5,700,215	5,700,215		
11	Fees for services (non-employees)				
a	Management	234,656	234,656		
b	Legal	344,675	291,337	53,338	
c	Accounting	86,107		86,107	
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	345,874		345,874	
g	Other	128,359		128,359	
12	Advertising and promotion	110,976	110,976		
13	Office expenses	0			
14	Information technology	0			
15	Royalties . .	0			
16	Occupancy	2,299,542	2,299,542		
17	Travel	1,354,184	1,354,184		
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	671,349	671,349		
20	Interest	6,711	6,711		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	689,875	689,875		0
23	Insurance	1,768,163	1,768,163		
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	Supplies	2,480,335	2,480,335		
b	DUES & SUBSCRIPTIONS	1,073,773	1,073,773		
c	CONTRACTED EXPENSES	594,696	594,696		
d	REPAIRS AND MAINTENANCE	496,709	496,709		
e	Recruitment	482,443	482,443		
f	All other expenses	536,588	536,588		
25	**Total functional expenses.** Add lines 1 through 24f	194,351,253	193,737,575	613,678	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) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		1	
	2	Savings and temporary cash investments	27,657,134	2	31,287,435
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	16,835,430	4	17,250,203
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties *Complete Part II of Schedule L*		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) *Complete Part II of Schedule L*		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	102,287	9	89,312
	10a	Land, buildings, and equipment cost basis — 10a 5,552,727			
	b	Less accumulated depreciation *Complete Part VI of Schedule D* — 10b 4,165,302	1,992,169	10c	1,387,425
	11	Investments—publicly traded securities	69,158,374	11	55,357,438
	12	Investments—other securities See Part IV, line 11 *Complete Part VII of Schedule D*		12	
	13	Investments—program-related See Part IV, line 11 *Complete Part VIII of Schedule D*		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11 *Complete Part IX of Schedule D*	2,904,508	15	2,592,215
	16	**Total assets.** *Add lines 1 through 15 (must equal line 34)*	118,649,902	16	107,964,028
Liabilities	17	Accounts payable and accrued expenses	12,799,388	17	9,448,845
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability *Complete Part IV of Schedule D*		21	
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable		24	
	25	Other liabilities *Complete Part X of Schedule D*	37,386,056	25	30,736,807
	26	**Total liabilities.** *Add lines 17 through 25*	50,185,444	26	40,185,652
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	68,464,458	27	67,778,376
	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	68,464,458	33	67,778,376
	34	Total liabilities and net assets/fund balances	118,649,902	34	107,964,028

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	Yes	
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	Yes	
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
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

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?

		Yes	No
(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?	**11g(i)**		No
(ii) a family member of a person described in (i) above?	**11g(ii)**		No
(iii) a 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		No

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? Yes	No	**(v)** Did you notify the organization in col **(i)** of your support? Yes	No	**(vi)** Is the organization in col **(i)** organized in the U S ? Yes	No	**(vii)** Amount of support?
VCU SCHOOL OF MEDICINE	546001758	02	Yes			No		No	1938007
Total									1,938,007

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 III **Support 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 ")						
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 Total of lines 7a and 7b						
8 **Public Support** (Substract line 7c from line 6)						

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 30 June, 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 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**	
16 Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	**16**	

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 **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: 54-1581185
Name: MCV ASSOCIATED PHYSICIANS

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
John W Seeds , BD MEMBER DEPT CHAIR	40 0	X						322,484	151,791	92,403
JOEL J SILVERMAN , BD MEMBER DEPT CHAIR	40 0	X						201,699	237,730	101,519
JEROME F STRAUSS , BD MEMBER DEAN	40 0	X						287,687	271,700	124,561
Andrea L Pozez , BD MEMBER DIV CHAIR	40 0	X						255,885	63,700	55,543
JOHN D WARD , PRESIDENT	40 0	X		X				376,385	123,152	99,437
Harinder S Dhindsa , BD MEMBER ASSOC PROF	40 0	X						197,221	39,721	50,192
WILHELM A ZUELZER , BD MEMBER VICE CHAIR	40 0	X						243,997	92,918	70,098
DAVID WILKINSON , BD MEMBER DEPT CHAIR	40 0	X						240,176	129,472	65,307
HAROLD F YOUNG , BD MEMBER DEPT CHAIR	40 0	X						414,554	199,300	126,314
ALISTAIR R ERSKINE , BD MEMBER CMIO	40 0	X						185,223	36,500	40,794
JAMES J POTYRAJ , Secretary and treasurer	40 0	X		X				304,193	0	48,942
Keith Purcell , Controller	40 0			X				95,083	0	21,136
Richard P Wenzel , Dept Chair	40 0				X			154,569	323,570	136,898
James P Neifeld , Dept Chair	40 0				X			206,459	325,000	147,042
Carlos U Arancibia , Dept Chair	40 0				X			336,949	100,569	80,407
Douglas W Arthur , Professor	40 0					X		416,763	50,700	55,561
Ann S Fulcher , Dept Chair	40 0					X		412,778	98,700	81,227
Robert S Graham , Assoc Professor	40 0					X		404,730	44,750	72,030
Mitchell S Anscher , Dept Chair	40 0					X		433,237	135,644	90,526
Gilda Cardenosa , Physician	40 0					X		403,107	50,700	55,159

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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
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $

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

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
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

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

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

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

Part V Endowment Funds. Complete if 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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	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		45,500		45,500
b Buildings	0	412,582	175,186	237,396
c Leasehold improvements		218,738	175,246	43,492
d Equipment	0	4,875,907	3,814,870	1,061,037
e Other		0	0	0
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				1,387,425

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

(a) Description of security or cateory (including name of security)	**(b)**Book value	**(c)** Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

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

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

(a) Description of Liability	**(b)** Amount
Federal Income Taxes	
ESTIMATED LOSSES ON MALPRACTICE	25,437,377
DUE TO AFFILIATES	4,673,820
OTHER LIABILITIES	625,610
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	30,736,807

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	204,353,399
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	194,351,253
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	10,002,146
4	Net unrealized gains (losses) on investments	4	-10,688,227
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	-10,688,227
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-686,081

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	193,665,172
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-10,688,227		
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	-10,688,227
3	Subtract line **2e** from line **1**			3	204,353,399
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	204,353,399

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

1	Total expenses and losses per audited financial statements			1	194,351,253
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	194,351,253
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	194,351,253

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
FIN 48		BEGINNING WITH ADOPTION OF FASB INTERPRETATION NO 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES (FIN 48), AS OF JULY 1, 2007, MCVAP RECOGNIZES THE EFFECT OF INCOME TAX POSITIONS ONLY IF THOSE POSITIONS ARE MORE LIKELY THAN NOT OF BEING SUSTAINED RECOGNIZED INCOME TAX POSITIONS ARE MEASURED AT THE LARGEST AMOUNT THAT IS GREATER THAN 50% LIKELY OF BEING REALIZED CHANGES IN RECOGNITION OR MEASUREMENT ARE REFLECTED IN THE PERIOD IN WHICH CHANGE IN JUDGEMENT OCCURS PRIOR TO THE ADOPTION OF FIN 48, MCVAP RECOGNIZED THE EFFECT OF INCOME TAX POSITIONS ONLY IF SUCH POSITIONS WERE PROBABLE OF BEING SUSTAINED At june 30, 2009 and 2008, mcvap has no income tax positions that are not considered greater than 50% likely of being realized

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

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
Virginia Commonwealth UniversitySchool of Medicine PO Box 980565 Richmond, VA 23298	54-6001758	170(c)(1)	1,938,007				Contributions to support the academic/research
MCV FoundationPO Box 980234 Richmond, VA 23298	54-6053660	501(c)(3)	95,100				Contributions

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.

Identifier	**Return Reference**	**Explanation**

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493138001210

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
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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**		
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**		
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**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	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? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
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? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured 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)							
	(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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 54-1581185
Name: MCV ASSOCIATED PHYSICIANS

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 (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other 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
John W Seeds	(i)	288,102	30,000	4,382	0	40,946	363,430	
	(ii)	151,791	0	0	0	51,457	203,248	
JOEL J SILVERMAN	(i)	183,734	15,000	2,965	0	20,929	222,628	
	(ii)	237,730	0	0	0	80,590	318,320	
JEROME F STRAUSS	(i)	271,700	10,868	5,119	0	32,454	320,141	
	(ii)	271,700	0	0	0	92,106	363,806	
Andrea L Pozez	(i)	240,800	11,600	3,485	0	33,949	289,834	
	(ii)	63,700	0	0	0	21,594	85,294	
JOHN D WARD	(i)	342,507	28,541	5,338	0	57,689	434,074	
	(ii)	123,152	0	0	0	41,749	164,901	
Harinder S Dhindsa	(i)	186,039	4,982	6,200	0	36,727	233,948	
	(ii)	39,721	0	0	0	13,465	53,186	
WILHELM A ZUELZER	(i)	170,708	56,289	17,000	0	38,599	282,596	
	(ii)	92,918	0	0	0	31,499	124,417	
DAVID WILKINSON	(i)	237,053	0	3,123	0	21,416	261,592	
	(ii)	129,472	0	0	0	43,891	173,363	
HAROLD F YOUNG	(i)	369,945	35,000	9,609	0	58,752	473,306	
	(ii)	199,300	0	0	0	67,563	266,863	
ALISTAIR R ERSKINE	(i)	183,500	0	1,723	0	28,420	213,643	
	(ii)	36,500	0	0	0	12,374	48,874	
JAMES J POTYRAJ	(i)	287,668	11,498	5,027	0	48,942	353,135	
	(ii)	0	0	0	0	0	0	
Douglas W Arthur	(i)	354,476	59,077	3,210	0	38,374	455,137	
	(ii)	50,700	0	0	0	17,187	67,887	
Ann S Fulcher	(i)	384,525	25,000	3,253	0	47,768	460,546	
	(ii)	98,700	0	0	0	33,459	132,159	
Robert S Graham	(i)	375,915	25,000	3,815	0	56,860	461,590	
	(ii)	44,750	0	0	0	15,170	59,920	
Mitchell S Anscher	(i)	350,831	50,000	32,406	0	44,543	477,780	
	(ii)	135,644	0	0	0	45,983	181,627	
Gilda Cardenosa	(i)	374,300	25,000	3,807	0	37,971	441,078	
	(ii)	50,700	0	0	0	17,187	67,887	
Richard P Wenzel	(i)	64,902	80,122	9,545	0	27,208	181,777	
	(ii)	323,570	0	0	0	109,690	433,260	
James P Neifeld	(i)	200,739	0	5,720	0	36,867	243,326	
	(ii)	325,000	0	0	0	110,175	435,175	
Carlos U Arancibia	(i)	322,673	10,000	4,276	0	46,314	383,263	
	(ii)	100,569	0	0	0	34,093	134,662	

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
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

Identifier	Return Reference	Explanation
Part VI, Line 7a		The selection process for the governing body of MCV Physicians is as follows The chairs of each School of Medicine Clinical Department shall recommend appointment of the four departmental chair directors to the Corporate Member The full-time faculty of the School of Medicine shall recommend to the Corporate Member appointment of the four faculty directors who are not departmental chairs The President and Executive Director of the Corporation shall recommend three independent directors to the Board of Directors, the Board, after consideration of the recommendations from the President and Executive Director, shall recommend three independent directors to the Corporate Member All recommendations for appointed directors shall be submitted to the Corporate Member by the President of the Corporation, following notification of the recommendations to the CEO/VCUHS and the Dean After consideration of the recommendations, the Corporate Member shall appoint directors to the Board, for terms of service consistent with the provisions of these Bylaws

Identifier	Return Reference	Explanation
Part VI, Line 7b		MCV Physicians Board of Directors decisions are subject to approval of the Corporate Member, Virginia Commonwealth University Health System Authority

Identifier	Return Reference	Explanation
Part VI, Line 10		Financial information is provided by the Controller of MCV Physicians to KPMG for the completion of Form 990 After KPMG has completed the 990, it is reviewed by the Controller to ensure the information is complete and accurate A COPY OF THE FORM 990 IS PRESENTED TO THE FINANCE COMMITTEE OF MCV PHYSICIANS FOR THEIR REVIEW AFTER THE FINANCE COMMITTEE REVIEWED THE 990, a copy was provided to the governing body of MCV Physicians

Identifier	Return Reference	Explanation
Part VI, Line 12c		VCU Health System Policy 2104 01 - Terms of Employment contains the Health System's policy regarding Conflicts of Interest in Section I Also, we are required to participate in the Commonwealth's Statement of Economic Interest process In the process, each employee at the Director or above level plus employees of Compliance, Audit and Procurement are required to submit to me on an annual basis the Commonwealth's Statement of Economic Interest I, along with the Health System General Counsel, review these forms to determine whether there are any potential conflicts noted When deviations from policy have been noted I work with Senior Management to remediate the situation These forms are then submitted to the Secretary of the Commonwealth Our participation in this process is mandated by the enabling legislation for the Health System Additionally, employees are encouraged to contact the Compliance Helpline if they are aware of any violations of Health System policy or have any compliance concerns All concerns reported via this venue are investigated and appropriate remediation is implemented

Identifier	Return Reference	Explanation
Part VI, Line 15a and 15b		The compensation for the senior level administrators, salary and any bonus is set by Dr Sheldon Retchin as the CEO of the Health System This is consistent with the requirements established in the Bylaws of VCUHS Dr Retchin traditionally conducts a 360 degree evaluation of all senior level administrators This information is then used along with a review of their performance and of their achievement of goals for the year Dr Retchin then meets in executive session with the VCUHS Board of Directors to discuss the matter

Identifier	Return Reference	Explanation
Part VI, Line 19		The governing documents, conflict of interest policy and financial statements for MCV Physicians are made available to the public upon request

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 answered "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
MCV ASSOCIATED PHYSICIANS

Employer identification number
54-1581185

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
VCU Health System Authority PO Box 980648 Richmond, VA23298 54-1848065	ACA MED CTR	VA	170(c)(1)		
Virginia Commonwealth University PO Box 980565 Richmond, VA23298 54-6001758	HIGHER EDUC	VA	170(c)(1)		

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) Disproprtionate 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

			Yes	No
	Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1	During the tax year, did the orgranization 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	**1a**		No
b	Gift, grant, or capital contribution to other organization(s)	**1b**	Yes	
c	Gift, grant, or capital contribution from other organization(s)	**1c**	Yes	
d	Loans or loan guarantees to or for other organization(s)	**1d**		No
e	Loans or loan guarantees by other organization(s)	**1e**	Yes	
f	Sale of assets to other organization(s)	**1f**		No
g	Purchase of assets from other organization(s)	**1g**		No
h	Exchange of assets	**1h**		No
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		No
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**	Yes	
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**		No
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**		No
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		No
n	Sharing of paid employees	**1n**	Yes	
o	Reimbursement paid to other organization for expenses	**1o**	Yes	
p	Reimbursement paid by other organization for expenses	**1p**	Yes	
q	Other transfer of cash or property to other organization(s)	**1q**	Yes	
r	Other transfer of cash or property from other organization(s)	**1r**		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)			

Part VI Unrelated Organizations Taxable as a Partnership

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

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations?		(E) Share of end-of-year assets	(F) Disproprtionate allocations?		(G) Code V—UBI amount on Box 20 of K-1	(H) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Form **4562**
Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172
2008
Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
MCV ASSOCIATED PHYSICIANS	GENERAL DEPRECIATION	54-1581185

Part I **Election To Expense Certain Property Under Section 179**
Note: *If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount See the instructions for a higher limit for certain businesses	1	$ 250,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$ 800,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			

7 Listed property Enter the amount from line 29	7			
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7			8	
9 Tentative deduction Enter the **smaller** of line 5 or line 8			9	
10 Carryover of disallowed deduction from line 13 of your 2007 Form 4562			10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)			11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11			12	
13 Carryover of disallowed deduction to 2009 Add lines 9 and 10, less line 12 ▶	13			

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property) (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	0

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV **Summary** (See instructions)

21 Listed property Enter amount from line 28			21	
22 **Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instr			22	0
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23			

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)
Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* ***only*** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? Yes No | **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year (see instructions)					
43 Amortization of costs that began before your 2008 tax year				43	
44 Total. Add amounts in column (f) See the instructions for where to report				44	

SECOND AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
MCV ASSOCIATED PHYSICIANS

We hereby associate to form a non-stock corporation under the provisions of Chapter 10, Title 13 1 of the Code of Virginia and to that end set forth the following

1 Name The name of the Corporation is MCV Associated Physicians

2 Purposes The purposes for which the Corporation is organized are

(a) To collaborate with the School of Medicine of Virginia Commonwealth University (the "School of Medicine") and the Virginia Commonwealth University Health System Authority (the "Authority") to develop an effective clinical practice environment which complements the mission of the School of Medicine and the Authority

(b) To provide such administrative, accounting, and other services as shall be necessary for its members to carry out their clinical practice missions

(c) To render professional services as practitioners of the healing arts, behavioral science professions, audiology or speech pathology licensed under Chapter 26, 29, 35, 36, or 37 of Title 54 1 of the Code of Virginia, as amended, or any combination of the foregoing

(d) Notwithstanding the foregoing, the Corporation is organized and shall be operated exclusively for charitable, scientific, and educational purposes, as such terms have been and shall be defined under and pursuant to Sections 170(c) and 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and as such Sections may from time to time be amended or added to, or under any successor sections thereto All powers of the Corporation shall be exercised only in such manner as will assure the operation of the Corporation exclusively for such charitable, scientific, and educational purposes, as so defined, it being the intention that the Corporation shall be exempt from Federal income tax and that contributions to it shall be deductible pursuant to such Sections of the Code, and all purposes and powers herein shall be interpreted and exercised consistent with this intention

(e) No part of the net earnings, if any, of the Corporation shall inure to the benefit of any member, director, or officer of the Corporation or any other private individual, and in the event of a dissolution of the Corporation, all its assets, if any, shall be distributed either to the School of Medicine, if it qualifies at such time as either a (1) political subdivision or agency or instrumentality of the Commonwealth or (2) an exempt organization under Section 501(c)(3) of the code No substantial part of the activities of the Corporation shall be the carrying of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office

3 Members There shall be two classes of members, the Corporate Member and the Individual Members The Corporate Member shall be the Authority, a public body corporate and political subdivision of the Commonwealth of Virginia, or its successor The Corporate Member shall have the exclusive right to (a) appoint and remove directors with or without cause, (b) alter, amend, restate, or repeal the Articles of Incorporation of the Corporation, and (c) alter, amend, restate, or repeal the Bylaws of the Corporation All other voting power shall be vested in the Board of Directors The other

rights of the Corporate Member and the rights and qualifications of the Individual Members shall be as specified in the Bylaws

4 Board of Directors The Corporation shall have a Board of Directors consisting of fourteen (14) members, as follows

(a) Appointed Directors The Corporation shall have eight (8) appointed directors

(1) Four (4) departmental Chairs from among the Chairs of each School of Medicine Clinical Department, each of whom shall be a Chair at all times while serving as a director, and

(2) Four (4) full-time faculty members of the School of Medicine who are not departmental Chairs but who are full-time members of the faculty at all times while serving as a director

(3) Three (3) persons who are neither members nor employees of the Corporation and who otherwise are qualified to serve as independent directors

(b) *Ex-Officio Directors* The following individuals shall serve as *ex-officio* members of the Board of Directors of the Corporation

(1) the Dean, School of Medicine, or his designated representative,

(2) the President of the Corporation, and

(3) the Executive Director of the Corporation

The appointed directors shall be appointed by the Corporate Member in the manner specified in the Bylaws, and the terms and other provisions relating to the appointed and *ex-officio* directors shall be as set forth in the Bylaws

5 Officers The officers of the Corporation shall consist of those specified in the Bylaws The President of the Corporation shall be appointed by a majority vote of the Board of Directors, subject to the approval of the Corporate Member in accordance with the process set forth in the Bylaws The appointment of all other officers shall be as set forth in the Bylaws

6 Indemnification

(a) Indemnification of Directors and Officers Except as provided in Section (b) of this Article, the Corporation shall indemnify every individual made a party to a proceeding because he is or was a director or officer against liability incurred in the proceeding if (i) he conducted himself in good faith, and (ii) he believed, in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interests, and, in all other cases, that his conduct was at least not opposed to its best interests (or in the case of conduct with respect to an employee benefit plan, that his conduct was for a purpose he believed to be in the interests of the participants of and beneficiaries of the plan), and (iii) he had no reasonable cause to believe, in the case of any criminal proceeding, that his conduct was unlawful

(b) Indemnification Not Permitted The Corporation shall not indemnify any individual against his willful misconduct or a knowing violation of the criminal law or against any liability incurred by him in any proceeding charging improper personal benefit to him, whether or not by or in the right of the Corporation or involving action in his official capacity, in which he was adjudged liable by a court of competent jurisdiction on the basis that personal benefit was improperly received by him

(c) Effect of Judgment or Conviction The termination of a proceeding by judgment, order, settlement, or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth in Section (a) of this Article or that the conduct of such individual constituted willful misconduct or a knowing violation of the criminal law

(d) Determination and Authorization Unless ordered by a court of competent jurisdiction, any indemnification under Section (a) of this Article shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the individual is permissible in the circumstances because (i) he met the standard of conduct set forth in Section (a) of this Article and, with respect to a proceeding by or in the right of the Corporation in which such individual was adjudged liable to the Corporation, he is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances even though he was adjudged liable, and (ii) the conduct of such individual did not constitute willful misconduct or a knowing violation of the criminal law

Such determination shall be made (i) by the board of directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding, (ii) if such a quorum cannot be obtained, by a majority vote of a committee duly designated by the board of directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding, (iii) by special legal counsel selected by the board of directors or its committee in the manner heretofore provided or, if such a quorum of the board of directors cannot be obtained and such a committee cannot be designated, selected by a majority vote of the board of directors (in which selection directors who are parties may participate), or (iv) by the members (but directors who are at the time parties to the proceeding may not vote on the determination) Authorization of indemnification, evaluation as to reasonableness of expenses and determination and authorization of advancements for expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those selecting such counsel

(e) Advance for Expenses The Corporation may pay for or reimburse the reasonable expenses incurred by any individual who is a party to a proceeding in advance of final disposition of the proceeding if (i) he furnished the Corporation a written statement of his good faith belief that he has met the standard of conduct described in Section (a) of this Article and a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that indemnification of such individual in the specific case is not permissible, and (ii) a determination would not preclude indemnification under this Article An undertaking furnished to the Corporation in accordance with the provisions of this Section (e) shall be an unlimited general obligation of the individual furnishing the same but need not be secured and may be accepted by the Corporation without reference to financial ability to make repayment

(f) Indemnification of Employees and Agents The Corporation may indemnify and advance expenses to employees and agents of the Corporation to the same extent as provided in this Article with respect to directors and officers

(g) Elimination or Limitation of Liability of Directors and Officers Except as provided in Section (h) of this Article, in any proceeding brought by or in the right of the Corporation or brought by or on behalf of a member or the members of the Corporation, the damages assessed against a director or officer arising out of a single transaction, occurrence, or course of conduct shall be eliminated or limited to the full extent of Section 13 1-870 1 of the Code of Virginia, as amended, as follows

1 A director or officer who does not receive compensation for his services as such have no liability for damages if, at the time of the transaction, occurrence, or course of conduct giving rise to the proceeding, the Corporation was exempt from federal income taxation under Section 501(c) of the Code and Regulations

2 The liability of a director or officer who does not receive compensation from the Corporation for his services as such shall not exceed the amount of $100 00 if, at the time of the transaction, occurrence, or course of conduct giving rise to the proceeding, the Corporation was not exempt from federal income taxation under Section 501(c) of the Code and Regulations

3 The liability of directors or officers who receives compensation from the Corporation for his services as such shall not exceed the amount of $100 00

(h) Liability of Directors and Officers Not Eliminated The liability of a director or officer shall not be eliminated or limited in accordance with the provisions of

Section (g) of this Article if the director or officer engaged in willful misconduct or a knowing violation of the criminal law

(i) Definitions In this Article

"Director" and "officer" mean an individual who is or was a director or officer of the Corporation, as the case may be, or who, while a director or officer of the Corporation is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise A director or officer shall be considered to be serving an employee benefit plan at the Corporation's request if his duties to the Corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan

"Individual" includes, unless the context requires otherwise, the estate, heirs, executors, personal representatives, and administrators of an individual

"Corporation" means MCV Associated Physicians and any domestic or foreign predecessor entity of the Corporation in a merger or other transaction in which the predecessor's existence ceased upon the consummation of the transaction

"Expenses" includes, but is not limited to, counsel fees

"Liability" means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding

"Official Capacity" means (i) when used with respect to a director, the office of director in the Corporation, (ii) when used with respect to an officer, the office in the Corporation held by him, or (iii) when used with respect to an employee or agent, the employment or agency relationship undertaken by him on behalf of the Corporation "Official capacity" does not include service for any foreign or domestic corporation or other partnership, joint venture, trust, employee benefit plan, or other enterprise

"Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding

"Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal

(j) Provisions Not Exclusive As authorized by the Virginia Nonstock Corporation Act, the provisions of this Article are in addition to and not a substitution for or in limitation of the specific powers of a corporation to indemnify directors and officers, or any other person, set forth therein If any provision of this Article shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Corporation may have under the Virginia Nonstock Corporation Act or other laws of the Commonwealth of Virginia The Corporation is authorized to purchase and maintain insurance against any liability it may have under this Section or to protect directors and officers, or any person, against liability arising out of his status as serving or having served in any such capacity (whether or not the Corporation would have the power to indemnify against such liability)

(k) Application The provisions of this Section 7 shall be applicable from and after its adoption even though some or all of the underlying conduct or events relating to a proceeding may have occurred before its adoption No amendment, modification, or repeal of this Section shall diminish the rights provided hereunder to any person arising from conduct or events occurring before the adoption of such amendment, modification, or repeal

THIRD AMENDED AND RESTATED BYLAWS
OF MCV ASSOCIATED PHYSICIANS

ARTICLE I

Members

1 **Classes of Members** There shall be two classes of members, the Corporate Member and the Individual Members

2 **Corporate Member** The Corporate Member shall be the Virginia Commonwealth University Health System Authority ("VCUHS"), a public body corporate and political subdivision of the Commonwealth of Virginia, or its successor The Corporate Member shall have the exclusive right to (i) appoint and remove directors with or without cause, (ii) to alter, amend, restate or repeal the Articles of Incorporation of the Corporation, and (iii) to alter, amend, restate or repeal the Bylaws of the Corporation Only as provided in these Bylaws, the Corporate Member may act in specific cases through its Representatives, the Dean of the School of Medicine of Virginia Commonwealth University (the "Dean") and the Chief Executive Officer of VCUHS ("CEO/VCUHS"), and otherwise may act through resolution of its Board of Directors All other voting power shall be vested in the Board of Directors of the Corporation (the "Board")

3 **Individual Members**

a **Qualifications** Only an individual who is a geographic full time or part-time faculty member of the School of Medicine of Virginia Commonwealth University ("School of Medicine"), holds a valid license to practice as a health care professional in the Commonwealth of Virginia, and has a current and active employment agreement with the Corporation, shall be eligible to become an Individual Member of MCV Associated Physicians (the "Corporation") An Individual Member must maintain such qualifications at all times in order to remain an Individual Member of the Corporation

b **Dues** Individual Members shall pay such annual dues as may from time to time be fixed by the Board

c **Rights** The Individual Members shall be invited to and have the right to speak at all meetings of the Individual Members, in accordance with the provisions hereof

d **Resignation** Any Individual Member may withdraw from the Corporation after fulfilling all obligations to it by giving written notice of such intention to the Secretary/Treasurer The Secretary/Treasurer shall present all resignation notices to the Board at the first meeting of the Board after receipt of the notices by the Secretary/Treasurer

ARTICLE II

Meetings of Individual Members

1 **Meetings** Meetings of the Individual Members shall be held at least two times each year, on such dates and at such places as the Board may designate from time to time The first meeting after July 1 shall be designated as the annual meeting The President of the Corporation shall report on the operation of the Corporation for the preceding year during the annual meeting

2 **Voting** Except as provided in Section 2 of Article I, no member shall have any voting power

3 **Special Meetings** A special meeting of Individual Members may be called by the Board, at its discretion, or at the request of ten percent (10%) or more Individual Members of the Corporation made in writing to the Secretary/Treasurer No business, other than that specified in the notice of the meeting, shall be transacted at any special meeting of Individual Members

4 **Notice of Meetings** Written notice stating the place, day and hour of any

meeting of the Individual Members, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each Individual Member not less than ten (10) days nor more than fifty (50) days before the date of the meeting (except as a different time is specified by law) by or at the direction of the President or the Secretary/Treasurer A notice shall be deemed duly given when it is either deposited in an Individual Member's mailbox at the School of Medicine or mailed, postage prepaid, to the address of such member as it appears on the records of the Corporation

In lieu of delivering notice as specified above, the Corporation may give Individual Members written notice of the date, time and place of each meeting by a form of electronic transmission consented to by the Individual Member to whom the notice is given A notice given by a form of electronic transmission shall be given as far in advance of the meeting as would be required if the notice was delivered as specified above Any such consent of an Individual Member shall be revocable by the Individual Member by written notice to the Corporation Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Secretary/Treasurer or other person responsible for the giving of notice, provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action

5 **Quorum** A quorum of Individual Members shall exist if at least a majority of the Individual Members are present in person or by proxy

6 **Chair** The President of the Corporation shall serve as chair of any meeting of the Individual Members

ARTICLE III

Board of Directors

1 **Directors** The Board of Directors shall consist of fourteen (14) members, as follows

a **Appointed Directors**

(1) Four (4) departmental Chairs from among the Chairs of each School of Medicine Clinical Department, each of whom shall be a Chair at all times while serving as director,

(2) Four (4) full-time faculty members of the School of Medicine who are not departmental chairs but who are full-time members of the faculty at all times while serving as director,

(3) Three (3) persons who are neither members nor employees of the Corporation and who otherwise are qualified to serve as independent directors,

b **Ex officio Directors**

(1) Dean, School of Medicine or his designated representative (the "Dean"),

(2) President of the Corporation, and

(3) Executive Director of the Corporation

2 **Selection**

a The chairs of each School of Medicine Clinical Department shall recommend appointment of the four departmental chair directors to the Corporate Member The full-time faculty of the School of Medicine shall recommend to the Corporate Member appointment of the four faculty directors who are not departmental chairs The President and Executive Director of the Corporation shall recommend three independent directors to the Board of Directors, the Board, after consideration of the recommendations from the President and Executive Director, shall recommend three independent directors to the Corporate Member

b All recommendations for appointed directors shall be submitted to the Corporate Member by the President of the Corporation, following notification of the recommendations to the CEO/VCUHS and the Dean After consideration of the recommendations, the Corporate Member shall appoint directors to the Board, for terms of service consistent with the provisions of these Bylaws

c No more than two appointed Board members may be faculty members of the same Clinical Department

3 **Term of Directors** Unless removed by the Corporate Member, the term of office of each ex officio director shall be for as long as he/she holds the position entitling him/her to be a director of the Corporation, all other directors shall serve three year terms beginning on July 1 of the year of appointment, subject to the following Of the independent directors to be appointed before July 1, 2009, one shall serve until June 30, 2012, one shall serve until June 30, 2011, and one shall serve until June 30, 2010 No person shall be eligible to serve more than two terms as an appointed director except that after the expiration of the remainder of a term to which appointed to fill a vacancy, which term shall have been less than eighteen (18) months, or after one year following the expiration of a second term, two additional three-year terms may be served by a person if so appointed

4 **Removal of Director** The Corporate Member may remove a director at any time with or without cause Upon a vote of eight (8) of the eleven (11) appointed members of the Board, the Board may recommend removal of a director to the Corporate Member Removal may be recommended by the Board for malfeasance, misfeasance, incompetence or neglect of duty as a director Directors are expected to attend all regularly scheduled meetings of the Board and to be diligent in preparing for meetings and otherwise fulfilling their responsibilities as directors A director's repeated failure to attend meetings, prepare for meetings and/or fulfill the usual and customary responsibilities of a director may be deemed neglect of duty

5 **Meetings** The Board of Directors shall meet at least four times each year, one meeting of which shall be designated the annual meeting Regular meetings of the Board shall be held at such time and place as the Board may designate The Executive Director shall preside at meetings in the President's absence

6 **Quorum and Voting** A majority of the appointed directors shall constitute a quorum for the transaction of business The act of the majority of the directors present at a

meeting at which a quorum is present shall be the act of the Board If a quorum is physically present in one location for a meeting, other directors may attend by electronic means The Dean and the President and Executive Director of the Corporation shall be non-voting members of the Board, provided that the President may vote to break a tie, and the President and Dean may vote as set forth in Article V(2)

7 **Notice of Meetings** Written notice of each meeting of the Board, signed by the Secretary/Treasurer, shall be given to each member of the Board at least ten (10) days prior to the meeting A notice shall be deemed duly given when it is either deposited in a member's mailbox at the School of Medicine or mailed, postage prepaid, to the address of such member as it appears on the records of the Corporation

In lieu of delivering notice as specified above, the Corporation may give directors written notice of the date, time and place of each meeting by a form of electronic transmission consented to by the director to whom the notice is given A notice given by a form of electronic transmission shall be given as far in advance of the meeting as would be required if the notice was delivered as specified above Any such consent of a director shall be revocable by the director by written notice to the Corporation Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Secretary/Treasurer or other person responsible for the giving of notice, provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action Notice given by electronic transmission shall be deemed given (a) if by facsimile telecommunication, when directed to a number at which the director has consented to receive notice, (b) if by electronic mail, when directed to an electronic mail address at which the director has consented to receive notice, (c) if by a posting on an electronic network together with separate notice to the director of such specific posting when such notice is directed to an address at which the director has consented to receive notice, upon the later of such posting or the giving of such separate notice, and (d) if by any other form of electronic transmission, when consented to by the director

8 **Vacancies** Whenever any vacancy occurs on the Board by death, resignation, or otherwise, it shall be filled without unusual delay by the interim appointee, for persons serving as directors by virtue of their office, or by the Corporate Member as follows For a vacancy of one year or less, the Board shall recommend and the Corporate Member shall appoint a director to fill the vacancy for the unexpired term of the vacant position, for a vacancy of greater than one year, the position shall be filed in accordance with Article III (1) and (2)

9 **Compensation** All directors shall serve without compensation, provided that independent directors may be reimbursed for travel to Board meetings and all directors may be reimbursed once each year for registration, travel and accommodations for one educational meeting related to Board governance if funds have been designated by the Board to fund such travel and expenses

ARTICLE IV

Officers

1 **Officers** The officers of the Corporation shall be a President and Secretary/Treasurer

2 **President** The President shall be a physician and Individual Member of the Corporation but may not be chair of a School of Medicine Clinical Department The President shall be nominated by the Board and subject to the approval of the Corporate Member according to the following process The Board shall appoint a nominating committee which shall consist of two departmental chair and two non-chair members of the Board The nominating committee shall nominate at least two qualified candidates for President and submit such candidates to the Board The Board shall select a nominee for President and notify the CEO/VCUHS and Dean of the Board's nomination If the nominee is approved by both the Dean and the CEO/VCUHS acting as Representatives of the Corporate Member, the nominee shall be submitted to the Corporate Member for final approval If any such approval is not granted, the Dean shall request that the Board nominate an alternate candidate subject to the foregoing approval process If the

alternate candidate is not approved by the Dean and the CEO/VCUHS, the CEO/VCUHS shall inform the Corporate Member, which may take appropriate steps for final resolution

The President shall report to the Board, serve as an ex officio member of all committees of the Board, preside at meetings of the Board, attend meetings of the VCUHS Board of Directors as requested, oversee and coordinate the corporation's clinical activities, generally supervise the affairs of the Corporation under the direction of the Board, and promote, enhance and provide strategic vision and direction to the Corporation The President also shall report to the Dean as Representative of the Corporate Member, provide all information, reports and recommendations requested by the Dean, and exert his best efforts on behalf of the Corporation to achieve successful collaboration with other components of VCUHS

The term of the President shall be four (4) years, and no person shall serve more than two consecutive terms Time served as Interim President shall not be counted as part of a term unless it exceeds twelve (12) months

The President shall serve as President of the Corporation pursuant to a contract setting forth performance expectations and compensation The contract shall be prepared by or at the direction of the Board and submitted to the Dean Following review and approval of the contract by the Dean and the CEO/VCUHS, the contract shall be approved and offered by the Board If the Board, the Dean and the CEO/VCUHS cannot agree on the form of the contract, the CEO/VCUHS shall inform the Corporate Member, which may take appropriate steps for final resolution

The performance of the President shall be reviewed annually by the appointed members of the Board who shall submit a written evaluation of the President's performance to the Dean The Dean has final responsibility for the annual performance evaluation of the President and shall submit such evaluation to the CEO/VCUHS and report on his evaluation to the Board The Dean shall include a copy of the Board's annual evaluation of the President with the evaluation submitted by the Dean to the CEO/VCUHS

Following consultation with the Board, the Dean, as Representative of the Corporate

Member, may recommend to the CEO/VCUHS that the President be removed from office If the CEO/VCUHS concurs in the recommendation, the Dean shall present the matter to the Corporate Member which may, in its sole discretion, continue the appointment of the President, remove the President from office, or take such other action as the Corporate Member deems appropriate Additionally, at any time, the Board or the Corporate Member may request that an Executive Session of the Board be convened, with the Dean presiding, to consider the performance and continued appointment of the President and to recommend action to the Corporate Member related thereto A recommendation by the Board to remove the President from office shall require the vote of eight (8) of the eleven (11) appointed members of the Board The recommendation of the Board shall be communicated to the Corporate Member by the Dean After consideration of the Board's recommendation, or if a recommendation is not communicated to the Corporate Member in a reasonable time period following a request by the Corporate Member that an Executive Session be convened, the Corporate Member may, in its sole discretion, continue the appointment of the President, remove the President from office or take such other action as the Corporate Member deems appropriate

The provisions of this Article IV(2) shall constitute an agreement of the Corporate Member for purposes of Va Code § 13 1-852 1, effective as of the date the Third Amended and Restated Bylaws of MCV Associated Physicians are approved by the Corporate Member

3 **Secretary/Treasurer** The Executive Director of the Corporation shall serve as Secretary/Treasurer The Secretary/Treasurer shall keep the minutes of all meetings of the Individual Members and the Board, shall serve all required notices, shall be custodian of the records, shall attest the seal of the Corporation on all contracts and agreements as authorized by the Board, shall conduct the correspondence incident to this office, shall collect, have custody of and be responsible for all funds of the Corporation, shall keep an accurate account of such funds, and shall pay all just bills when due and funds are available

4 **Expenditures and Signatures** All documents requiring signature by the Corporation, including but not limited to, checks, drafts, notes and orders for the payment of

money, contracts, agreements, leases and other similar documents, shall be signed by the President or the Secretary/Treasurer or such other person(s) as the Board of Directors may from time to time designate

5 **Other Officers** The Board may appoint such assistant secretaries and assistant treasurers as the Board may authorize for terms determined by the Board, each of whom may or may not be a member of the Board or a member of the Corporation

6 **Vacancies** The Board shall fill any vacancy in any office without unusual delay, acting in accordance with all provisions of these Bylaws related to the office which is vacant

ARTICLE V

Executive Director

1 **Appointment** The Executive Director shall be appointed by the Board, subject to approval of the Corporate Member The Executive Director shall serve as Executive Director of the Corporation pursuant to an employment contract setting forth performance expectations and compensation The performance of the Executive Director shall be reviewed annually by the appointed members of the Board, the President of the Corporation and the Dean convening in Executive Session For purposes of this annual evaluation, the President and Dean shall be entitled to vote on all matters related to the evaluation and continued appointment of the Executive Director

2 **Removal** Employment of the Executive Director may be terminated by the appointed members of the Board, the President of the Corporation and the Dean in accordance with the following For purposes of considering termination, the appointed members, the President and the Dean shall convene in Executive Session The President and the Dean shall be entitled to vote on all matters related to the Executive Director's termination If the appointed members of the Board, the President and Dean, voting together, determine that the Executive Director should be terminated, such determination shall be communicated to the Corporate Member by the President of the Corporation After consideration of the Board's determination,

the Corporate Member may, in its sole discretion, continue the appointment of the Executive Director, remove the Executive Director from office or take such other action as the Corporate Member deems appropriate At any time, the Corporate Member may request that an Executive Session of the Board be convened, with the President and the Dean entitled to vote, to consider the performance and continued appointment of the Executive Director and to recommend action to the Corporate Member related thereto The recommendation of the Board shall be communicated to the Corporate Member by the President of the Corporation After consideration of the Board's recommendation, or if a recommendation is not communicated to the Corporate Member in a reasonable time period following the request that an Executive Session be convened, the Corporate Member may, in its sole discretion, continue the appointment of the Executive Director, remove the Executive Director from office or take such other action as the Corporate Member deems appropriate

ARTICLE VI

Funds and Expenses

Funds for meeting the expenses of the Corporation may be provided in such a manner as the Board may determine

ARTICLE VII

Committees

The Board shall create such standing and ad hoc committees as the Board deems necessary to carry out the purposes of the Corporation Committees shall be assigned responsibilities and specific authority and shall report to the Board from time to time Membership on committees shall be recommended by the President and approved by the Board Ad hoc committees shall be created for a finite period of time with a stated function to perform and should automatically terminate at that time unless extended by the Board

ARTICLE VIII

Amendments

These Bylaws may be amended at any time by the Corporate Member

Approved by the Board of Directors of the VCU Health System Authority, January 13, 2009
Effective January 13, 2009