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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)	OMB No 1545-0047 2008
	The organization may have to use a copy of this return to satisfy state reporting requirements	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 <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		Please use IRS label or print or type. See Specific Instructions.	C Name of organization DUKE UNIVERSITY HEALTH SYSTEM INC		D Employer identification number 56-2070036		
		Doing Business As			E Telephone number (919) 613-8997				
		Number and street (or P O box if mail is not delivered to street address) Room/suite 615 DOUGLAS STREET			G Gross receipts \$ 2,124,549,303				
		City or town, state or country, and ZIP + 4 DURHAM, NC 27705							
		F Name and address of Principal Officer VICTOR J DZAU MD 615 DOUGLAS STREET STE 700 DURHAM, NC 27705				H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527						H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list See instructions)			
J Web site: WWW DUKEHEALTH ORG						H(c) Group Exemption Number			
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other						L Year of Formation 1998		M State of legal domicile NC	

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities DUHS' MISSION IS A COMMITMENT TO EXCELLENCE, INNOVATION AND LEADERSHIP IN MEETING THE HEALTH CARE NEEDS OF THE PEOPLE WE SERVE, IMPROVING COMMUNITY HEALTH, AND FOSTERING THE VERY BEST MEDICAL EDUCATION		
	2	Check this box <input type="checkbox"/> 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	19
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5	Total number of employees (Part V, line 2a)	5	15,418
	6	Total number of volunteers (estimate if necessary)	6	1,400
	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	0
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 23,025,771	Current Year 5,794,789
	9	Program service revenue (Part VIII, line 2g)	1,782,642,833	1,946,905,920
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	65,664,224	70,517,159
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	45,551,520	47,655,205
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,916,884,348	2,070,873,073
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	4,272,738
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)	824,358,520	944,426,942
16a		Professional fundraising fees (Part IX, column (A), line 11e)		0
b		(Total fundraising expenses, Part IX, column (D), line 25 <u>1,725,317</u>)		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	897,764,320	922,802,047
18		Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	1,726,395,578	1,872,106,296
19		Revenue less expenses Subtract line 18 from line 12	190,488,770	198,766,777
Net Assets or Fund Balances				Beginning of Year
	20	Total assets (Part X, line 16)	2,930,050,297	2,618,345,835
	21	Total liabilities (Part X, line 26)	1,037,451,936	1,226,176,598
	22	Net assets or fund balances Subtract line 21 from line 20	1,892,598,361	1,392,169,237

Part II Signature Block

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	*****		2010-03-08		
	Signature of officer		Date		
	Kenneth C Morris Senior VP, CFO, Treasurer Type or print name and title				
Paid Preparer's Use Only	Preparer's signature		Date	Check if self-employed <input type="checkbox"/>	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4				EIN
					Phone no

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

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization's mission

DUHS' MISSION IS A COMMITMENT TO EXCELLENCE, INNOVATION AND LEADERSHIP IN MEETING THE HEALTH CARE NEEDS OF THE PEOPLE WE SERVE, IMPROVING COMMUNITY HEALTH, AND FOSTERING THE VERY BEST MEDICAL EDUCATION

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 \$ 1,377,891,833 including grants of \$ 4,877,307) (Revenue \$ 2,070,873,073)
	HISTORY AND ORGANIZATION IN 1925, JAMES B DUKE WILLED \$4 MILLION TO ESTABLISH DUKE HOSPITAL AND ITS MEDICAL SCHOOL TO IMPROVE HEALTH CARE IN THE CAROLINAS, THEN A POOR REGION LACKING HOSPITALS AND HEALTH CARE PROVIDERS DUKE UNIVERSITY HOSPITAL HAS GROWN TO BE RECOGNIZED AS ONE OF THE WORLD'S GREAT HEALTH CARE PROVIDERS IN 1998, THE DUKE UNIVERSITY BOARD OF TRUSTEES ESTABLISHED DUKE UNIVERSITY HOSPITAL AS THE FLAGSHIP OF THE NEWLY INCORPORATED DUKE UNIVERSITY HEALTH SYSTEM, INC (DUHS) TO MANAGE A WIDE RANGE OF HEALTH CARE PROGRAMS AT THE SAME HIGH LEVEL OF QUALITY THAT HAS TRADITIONALLY MADE DUKE UNIVERSITY HOSPITAL A WORLD LEADER DUHS IS A WORLD-CLASS NETWORK OF REGIONAL HEALTH CARE ORGANIZATIONS DEDICATED TO EMPLOYING DUKE'S STRENGTHS IN PATIENT CARE, EDUCATION, AND RESEARCH TO ENHANCE AND IMPROVE HEALTH CARE THROUGHOUT NORTH CAROLINA AND SOUTHERN VIRGINIA FACILITIES DUKE UNIVERSITY HOSPITAL (DUH) A TERTIARY AND QUATERNARY-CARE HOSPITAL, DUH IS CONSISTENTLY RATED ONE OF THE TOP HOSPITALS IN THE UNITED STATES ITS COMPREHENSIVE FACILITIES INCLUDE A REGIONAL EMERGENCY/TRAUMA CENTER, A MULTI-ROOM MAJOR SURGERY SUITE WITH DEDICATED OPEN-HEART OPERATING ROOMS, AN ENDOSURGERY CENTER, AN EXTENSIVE DIAGNOSTIC RADIOLOGY AREA, AN AMBULATORY SURGERY CENTER, AND A CHILDREN'S HOSPITAL AND HEALTH CENTER DUH ALSO FUNCTIONS AS A RESEARCH HOSPITAL WHERE MEDICAL ADVANCES ARE ACHIEVED AND APPLIED, AND AS A TEACHING HOSPITAL FOR STUDENTS OF MEDICINE, NURSING, AND THE APPLIED HEALTH SCIENCES FTE'S 6,275 NUMBER OF LICENSED BEDS 943 ADULT DISCHARGES IN FISCAL YEAR 2009 38,488 OUTPATIENT VISITS IN FISCAL YEAR 2009 986,441 DURHAM REGIONAL HOSPITAL (DRH) A FULL-SERVICE COMMUNITY-BASED HOSPITAL WITH TERTIARY CARE SERVICES, DRH PLACES A STRONG FOCUS ON PROVIDING OUTSTANDING MEDICAL CARE WITH COMPASSIONATE, PERSONALIZED SERVICE THE 32-YEAR-OLD REGIONAL HOSPITAL PROVIDES INPATIENT, OUTPATIENT, AND EMERGENCY CARE AS WELL AS COMPREHENSIVE SPECIALTY SERVICES SERVICES INCLUDE HEMATOLOGY/ONCOLOGY, CARDIOLOGY, BEHAVIORAL HEALTH/PSYCHIATRY, EMERGENCY MEDICINE, SURGERY (INCLUDING BARIATRICS), GENERAL MEDICINE, ORTHOPEDICS, OUTPATIENT DIAGNOSTIC SERVICES, REHABILITATION AND WOMEN'S SERVICES FTE'S 1,660 NUMBER OF LICENSED BEDS 369 ADULT DISCHARGES IN FISCAL YEAR 2009 16,095 OUTPATIENT VISITS IN FISCAL YEAR 2009 119,488 DUKE RALEIGH HOSPITAL (DRAH) LOCATED AT 3400 WAKE FOREST ROAD IN RALEIGH, DRAH IS A FULL SERVICE HOSPITAL DRAH BLENDS COMMUNITY-BASED PHYSICIANS AND OTHER DEDICATED HEALTH PROFESSIONALS WITH A GROWING NUMBER OF SPECIALIZED SERVICES DRAH OFFERS DIAGNOSTIC, THERAPEUTIC, REHABILITATION, PREVENTION, SUPPORT AND HEALTH EDUCATION SERVICES, A CANCER CENTER, CARDIOVASCULAR CENTER, MUSCULOSKELETAL CENTER, DIABETES CENTER, SURGICAL SERVICES, INTENSIVE CARE, A SLEEP LAB, NEUROSCIENCES, AND EMERGENCY SERVICES FTE'S 947 NUMBER OF LICENSED BEDS 186 ADULT DISCHARGES IN FISCAL YEAR 2009 6,263 OUTPATIENT VISITS IN FISCAL YEAR 2009 106,184 DUKE UNIVERSITY AFFILIATED PHYSICIANS (DUAP) THESE PRIMARY CARE PHYSICIANS ARE PART OF A NETWORK OF CLINICS AND A CONTINUUM OF CARE IN THE DUKE UNIVERSITY HEALTH SYSTEM THE NETWORK FORMED IN 1994 AND NOW COVERS 22 LOCATIONS IN SEVEN COUNTIES SERVING THE GREATER TRIANGLE AREA OVER 100 PHYSICIANS PLUS PHYSICIAN ASSISTANTS AND NURSE PRACTITIONERS PROVIDE HEALTHCARE DUAP PHYSICIANS HAVE APPOINTMENTS AS CONSULTING ASSOCIATE FACULTY WITH DUKE IN THE RESPECTIVE DEPARTMENTS OF COMMUNITY AND FAMILY MEDICINE, MEDICINE AND PEDIATRICS DUAP SUPPORTS DUKE UNIVERSITY HEALTH SYSTEM'S MISSION OF EDUCATION, RESEARCH AND PATIENT CARE THROUGH THE DEVELOPMENT AND INTEGRATION OF A FULL-SERVICE PRIMARY CARE NETWORK DUAP PRACTICES INCLUDE PRIMARY CARE, PEDIATRIC AND ADULT SPECIALTY CARE, PREVENTION AND WELLNESS AND URGENT CARE DUKE HOMECARE & HOSPICE (DHCH) DHCH OFFERS HOME CARE SERVICES THROUGH FOUR PROGRAMS -- DUKE HOME INFUSION - PROVIDING INTRAVENOUS (IV) THERAPY AND NUTRITION, SUCH AS CHEMOTHERAPY, PAIN MANAGEMENT AND ANTIBIOTIC THERAPY TO PATIENTS IN THEIR HOME -- DUKE HOME HEALTH - PROVIDES CERTIFIED HOME HEALTH SERVICES FOR ADULTS AND PEDIATRIC PATIENTS NEEDING NURSING, REHABILITATION AND HOME HEALTH AIDES THESE SERVICES HELP PATIENTS ADAPT AND RECOVER FROM ILLNESS OR INJURY IN THE COMFORT OF THEIR OWN HOME -- DUKE HOSPICE - CARE FOR PATIENTS SEEKING PALLIATIVE END OF LIFE CARE DESIGNED TO MANAGE SYMPTOMS AND PROVIDE EMOTIONAL AND SPIRITUAL CARE SERVICES ARE PROVIDED IN THE HOME, NURSING HOMES AND IN TWO REGIONAL IN-PATIENT FACILITIES WITH A COMBINED 18 BEDS -- DUKE COMMUNITY BEREAVEMENT SERVICES - SUPPORT AND CARE FOR PRIMARY CAREGIVERS/FAMILIES OF DUKE HOSPICE PATIENTS AND ANY OTHER MEMBERS OF THE COMMUNITY SUFFERING FROM A LOSS CHARITY CARE IN FULFILLING ITS VISION, DUKE UNIVERSITY HEALTH SYSTEM (DUHS), INCLUDING ITS PHYSICIANS, NURSES, AND STAFF, HAS BEEN DEVOTED TO MAKING SURE THAT PEOPLE ACROSS THE REGION ARE ABLE TO GET THE MEDICAL CARE THEY NEED REGARDLESS OF THEIR ABILITY TO PAY DUHS IS ONE OF THE LARGEST PROVIDERS OF CHARITY CARE IN THE STATE DESPITE A POOR ECONOMY, FEDERAL CUTS IN REIMBURSEMENTS, AND INCREASING COSTS IN PROVIDING CARE EACH YEAR, DUHS REPORTS CHARITY CARE AND OTHER BENEVOLENT SUPPORT TO THE NORTH CAROLINA MEDICAL CARE COMMISSION (NCMCC) USING GUIDELINES THEY DEVELOPED DUHS REPORTED PROVIDING \$227 0 MILLION IN COMMUNITY BENEFITS IN FISCAL 2009, AN INCREASE OF 15% FROM 2008 THERE IS CURRENTLY MUCH DEBATE ABOUT HOW HOSPITALS MEASURE COMMUNITY BENEFITS HOWEVER IT APPEARS THE INDUSTRY IS AGREEING ON THE CATEGORIES AND DEFINITIONS USED BY THE IRS MOST DEFINITIONS EXCLUDE BAD DEBT EXPENSE AS DOES THE NCMCC AND IRS DEFINITIONS ADDITIONALLY, THE IRS DEFINITION EXCLUDES UNREIMBURSED COSTS OF TREATING MEDICARE PATIENTS DUHS HAS USED THE NCMCC DEFINITION CONSISTENTLY SINCE 2001 PARTNERS AND PROGRAMS IN ADDITION TO PROVIDING DIRECT CONVENTIONAL HEALTH CARE SERVICES IN ITS OWN FACILITIES, DUHS ALSO PARTNERS WITH ITS PARENT, DUKE UNIVERSITY, AND NUMEROUS LOCAL AND REGIONAL ORGANIZATIONS IN SUPPORT OF COMMUNITY INITIATIVES TO IMPROVE THE QUALITY AND ACCESSIBILITY OF HEALTH CARE SERVICES SOME EXAMPLES INCLUDE PROJECT ACCESS LINCOLN COMMUNITY HEALTH CENTER (LCHC), THE PDC PHYSICIANS AND DUHS ARE TEAMING UP TO PROVIDE SPECIALIST SERVICES TO THE UNDERSERVED IN DURHAM COUNTY THIS PROGRAM IS DESIGNED TO PROVIDE SPECIALTY CARE TO INDIVIDUALS THAT MAY NORMALLY NEVER PURSUE TREATMENT BEYOND A "FREE-CLINIC" LCHC WILL SCREEN INDIVIDUALS FOR ELIGIBILITY (MUST MEET CHARITY CARE THRESHOLDS) AND ISSUE A PROJECT ACCESS CARD ANY PROVIDER IN THE "NETWORK" WILL RECOGNIZE THE CARD AND PROVIDE SERVICE DUHS IS PROVIDING TECHNICAL SERVICES SUPPORTING THE CLINIC VISITS AS WELL AS ADMINISTRATIVE OVERSIGHT OVER THIS VERY NEW PROGRAM THE SCHOOL-BASED CLINIC PROGRAM THE PROGRAM CONSISTS OF FOUR PUBLIC SCHOOL-BASED WELLNESS CLINICS THAT PROVIDE HEALTH CARE SERVICES DURING SCHOOL HOURS TO CHILDREN TO KEEP THEM HEALTHY AND READY TO LEARN THE CLINICS ARE LOCATED AT SOUTHERN HIGH SCHOOL AND E K POWE, GEORGE WATTS, AND GLENN ELEMENTARY SCHOOLS THE ONE AT GEORGE WATTS ELEMENTARY ALSO PROVIDES MENTAL HEALTH CARE SERVICES ANY CHILD AT THE SCHOOLS CAN RECEIVE SERVICES REGARDLESS OF THE ABILITY TO PAY LYON PARK CLINIC THE IDEA BEHIND LYON PARK CLINIC IS THAT MAKING SURE ALL PEOPLE WHO LIVE IN A NEIGHBORHOOD HAVE ACCESS TO GOOD HEALTH CARE IS ONE OF THE KEYS TO BUILDING A BETTER AND STRONGER COMMUNITY LYON PARK PROVIDES SERVICES FOR RESIDENTS OF THE WEST END AREA OF SOUTHWEST CENTRAL DURHAM THE CLINIC IS OPERATED JOINTLY BY THE DUKE DIVISION OF COMMUNITY HEALTH (PART OF DUKE UNIVERSITY), LCHC AND OTHER COMMUNITY ORGANIZATIONS DUHS PROVIDES CERTAIN STAFFING, CLINICAL CREDENTIALING AND A STRUCTURE FOR TRAINING AND SUPPORT FOR THE NURSE PRACTITIONERS AND PHYSICIAN ASSISTANTS ON STAFF AT THE CLINIC THIS CLINIC GIVES THE COMMUNITY, ESPECIALLY THE UNDERSERVED, ANOTHER ACCESS POINT FOR HEALTH CARE IT IS ALSO TUNED INTO THE NEEDS OF THE COMMUNITY IT SERVES BY OVERCOMING LANGUAGE AND FINANCIAL BARRIERS AND PROVIDING PRIMARY HEALTH CARE SERVICES AND PREVENTATIVE SERVICES TO DETECT PROBLEMS EARLY WHILE THEY ARE SMALL AND OFTEN TREATABLE THE CLINIC ACCEPTS ALL INSURANCE AND THE FEES ARE BASED ON A SLIDING SCALE FOR THE UNINSURED SERVICE IS PROVIDED REGARDLESS OF THE PATIENT'S ABILITY TO PAY THE STAFF CAN MAKE REFERRALS TO SPECIALISTS AT DUHS AND OTHERS IN THE COMMUNITY WALLTOWN NEIGHBORHOOD CLINIC THE WALLTOWN NEIGHBORHOOD CLINIC IS MODELED AFTER THE SUCCESS OF THE LYON PARK CLINIC THE CLINIC IS A PARTNERSHIP BETWEEN DUKE UNIVERSITY, LCHC AND WALLTOWN NEIGHBORHOOD MINISTRIES AND IS OPERATED AS A SATELLITE CLINIC OF LINCOLN THE CLINIC PROVIDES HEALTH CARE SERVICES TO DURHAM RESIDENTS REGARDLESS OF THEIR ABILITY TO PAY IT ACCEPTS ALL INSURANCE INCLUDING MEDICARE AND MEDICAID, AND HAS A SLIDING SCALE FOR THOSE WHO DON'T HAVE INSURANCE JUST FOR US THIS PROGRAM IS A PARTNERSHIP BETWEEN THE DUKE DIVISION OF COMMUNITY HEALTH,

4b	(Code) (Expenses \$ including grants of \$) (Revenue \$)
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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 \$ 1,377,891,833 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)? <i>If "Yes," complete Schedule A</i> 	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? <i>If "Yes," complete Schedule C, Part I</i> 	3	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i> 	4	Yes
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? <i>If "Yes," complete Schedule C, Part III</i>	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? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	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? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10	Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	Yes
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i> 	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? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> 	12	No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	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 ? <i>If "Yes," complete Schedule F, Part I</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? <i>If "Yes," complete Schedule F, Part II</i>	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? <i>If "Yes," complete Schedule F, Part III</i>	16	No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i> 	17	No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> 	18	Yes
19	Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> 	19	No
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> 	20	Yes
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> 	21	Yes
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> 	22	No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i> 	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? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i> 	24a	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
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	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i> 	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? <i>If "Yes," complete Schedule L, Part III</i> 	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)? <i>If "Yes," complete Schedule L, Part IV</i> 	28a Yes	
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	28b Yes	
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? <i>If "Yes," complete Schedule L, Part IV</i> 	28c Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> 	29 Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> 	30	No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> 	31	No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i> 	33 Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> 	34 Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	35 Yes	
36	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	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? <i>If "Yes," complete Schedule R, Part VI</i> 	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, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	378	
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, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	15,418	
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b	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	Yes	
b	If "Yes," enter the name of the foreign country <u>BD , CJ , UK , EI , FR , VI</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes	
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	0	
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		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		No
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI

Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

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

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		No
6	Does the organization have members or stockholders?		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	the governing body?	Yes	
8b	each committee with authority to act on behalf of the governing body?	Yes	
9a	Does the organization have local chapters, branches, or affiliates?		No
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	Yes	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
15a	The organization's CEO, Executive Director, or top management official?	Yes	
15b	Other officers or key employees of the organization? Describe the process in Schedule O	Yes	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NC
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. <input type="checkbox"/> own website <input checked="" type="checkbox"/> another's website <input checked="" type="checkbox"/> 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. MIKE LAZAR DUKE UNIV HEALTH SYSTEM DURHAM, NC 27705 (919) 613-8997	

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

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

Form 990 (2008)

Part VII

Continued[illegible]

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **776**

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 Yes	
4	For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	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)	(B)	(C)
Name and business address	Description of services	Compensation
PRIVATE DIAGNOSTIC CLINIC PLLC DUMC 3810 DURHAM, NC 27710	PHYSICIAN SERVICES	21,812,277
BEK BUILDING GROUP INC 5400 TRINITY ROAD STE 303 RALEIGH, NC 27607	CONSTRUCTION SERVICE	8,083,114
KELLY SERVICES INC 999 W BIG BEAVER ROAD TROY, MI 48084	TEMPORARY STAFFING	5,918,073
SKANSKA USA PO BOX 2860 DURHAM, NC 27715	CONSTRUCTION SERVICE	21,187,903
AMN HEALTHCARE INC 12400 HIGH BLUFF DRIVE SUITE 100 SAN DIEGO, CA 92130	NURSING SERVICES	6,201,150

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

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514				
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a								
	b	Membership dues									
			1b								
	c	Fundraising events		83,190							
			1c								
	d	Related organizations . . .	1d	46,968							
	e	Government grants (contributions)	1e	925,945							
	f	All other contributions, gifts, grants, and similar amounts not included above		4,738,686							
			1f								
g	Noncash contributions included in lines 1a-1f \$ 129,921										
h	Total (Add lines 1a-1f)			5,794,789							
Program Service Revenue			Business Code								
	2a	PATIENT REVENUE	621,990	1,924,771,832	1,924,771,832						
	b	MEDICAL SERVICES	621,990	2,053,185	2,053,185						
	c	ANCILLARY MEDICAL	621,990	20,080,903	20,080,903						
	d	SERVICES									
	e										
	f	All other program service revenue									
	g	Total. Add lines 2a-2f									
		➤ \$ 1,946,905,920									
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		59,051,479			59,051,479				
	4	Income from investment of tax-exempt bond proceeds		56,505			56,505				
	5	Royalties		5,018,912			5,018,912				
	6a	Gross Rents	(i) Real	(ii) Personal	595,094			595,094			
			16,478,659								
			15,883,565								
			595,094								
	b	Less rental expenses									
	c	Rental income or (loss)									
	d	Net rental income or (loss)									
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	11,409,175			11,409,175			
			48,627,303	515,622							
			36,917,565	816,184							
			11,709,738	-300,562							
	b	Less cost or other basis and sales expenses									
	c	Gain or (loss)									
	d	Net gain or (loss)									
	8a	Gross income from fundraising events (not including \$ 30,180 of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000		83,190	-28,736			-28,736			
									a		
									b	Less direct expenses	58,916
									c	Net income or (loss) from fundraising events	
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000			0						
									a		
									b	Less direct expenses	
	c	Net income or (loss) from gaming activities									
	10a	Gross sales of inventory, less returns and allowances			0						
									a		
b									Less cost of goods sold		
c	Net income or (loss) from sales of inventory										
Miscellaneous Revenue		Business Code									
11a	BILLING FEES	621,990	31,905,829	31,905,829							
b	TUITION REVENUE	900,099	1,642,164	1,642,164							
c	STAFFING REIMBURSEMENT	621,990	1,563,573	1,563,573							
d	All other revenue		6,958,369				6,958,369				
e	Total. Add lines 11a-11d										
	\$ 42,069,935										
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			2,070,873,073	1,982,017,486		83,060,798				

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	4,877,307	4,877,307		
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	4,879,958	55,392	4,771,608	52,958
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	134,606	27,073	107,533	
7	Other salaries and wages	776,254,262	553,772,184	107,533	31,619
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	24,297,959	14,863,656	9,429,090	5,213
9	Other employee benefits	88,702,462	47,591,390	41,107,716	3,356
10	Payroll taxes	50,157,695	35,081,964	15,070,069	5,662
11	Fees for services (non-employees)				
a	Management	31,071,267	30,944,145	127,122	
b	Legal	4,729,284	120,241	4,609,043	
c	Accounting	564,409	332	564,077	
d	Lobbying	14,184		14,184	
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	28,458		28,458	
g	Other	84,525,192	33,925,786	50,598,456	950
12	Advertising and promotion	4,958,150	824,431	4,133,719	
13	Office expenses	431,126,988	415,400,841	15,705,620	20,527
14	Information technology	22,096,078	3,334,979	18,760,724	375
15	Royalties	0			
16	Occupancy	47,865,774	35,102,323	12,763,334	117
17	Travel	6,459,263	4,518,351	1,939,751	1,161
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	279		279	
19	Conferences, conventions and meetings	2,919,873	425,095	2,492,986	1,792
20	Interest	26,109,552	213,963	25,895,589	
21	Payments to affiliates	25,509,912		23,909,912	1,600,000
22	Depreciation, depletion, and amortization	80,290,351	62,384,645	17,905,706	
23	Insurance	-1,068,555	3,617,251	-4,685,806	
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	EQUIPMENT RENTAL & MAINTENANCE	64,194,438	44,213,289	19,980,576	573
b	BAD DEBT	75,334,096	75,334,096		
c	LAUNDRY	7,338,983	7,265,126	73,857	
d	SHARED EXPENSES	3,186,109		3,186,109	
e	MISCELLANEOUS	5,547,962	3,997,973	1,548,975	1,014
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	1,872,106,296	1,377,891,833	492,489,146	1,725,317
26	Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X **Balance Sheet**

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	36,583	1	42,833
	2 Savings and temporary cash investments	136,577,541	2	252,280,350
	3 Pledges and grants receivable, net	16,000,000	3	16,335,698
	4 Accounts receivable, net	278,122,801	4	294,577,491
	5 Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6	
	7 Notes and loans receivable, net	0	7	7,533,382
	8 Inventories for sale or use	48,957,236	8	50,844,228
	9 Prepaid expenses and deferred charges	8,375,676	9	9,704,871
	10a Land, buildings, and equipment cost basis	10a 1,650,150,868		
	b Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	10b 822,792,934	645,594,567	10c 827,357,934
	11 Investments—publicly traded securities	14,791,331	11	9,316,627
	12 Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	1,429,362,924	12	1,041,060,692
	13 Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13	
	14 Intangible assets	0	14	722,069
	15 Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	352,231,638	15	108,569,660
16 Total assets. Add lines 1 through 15 (must equal line 34)	2,930,050,297	16	2,618,345,835	
Liabilities	17 Accounts payable and accrued expenses	214,076,571	17	236,877,817
	18 Grants payable		18	
	19 Deferred revenue	1,353,601	19	1,946,693
	20 Tax-exempt bond liabilities	565,711,867	20	555,448,104
	21 Escrow account liability <i>Complete Part IV of Schedule D</i>		21	
	22 Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities <i>Complete Part X of Schedule D</i>	256,309,897	25	431,903,984
	26 Total liabilities. Add lines 17 through 25	1,037,451,936	26	1,226,176,598
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,856,870,143	27	1,348,045,004
	28 Temporarily restricted net assets	24,734,176	28	33,550,898
	29 Permanently restricted net assets	10,994,042	29	10,573,335
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		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	1,892,598,361	33	1,392,169,237
	34 Total liabilities and net assets/fund balances	2,930,050,297	34	2,618,345,835

Part XI **Financial Statements and Reporting**

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

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury

Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization DUKE UNIVERSITY HEALTH SYSTEM INC	Employer identification number 56-2070036
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Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

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

1

☐

A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i).**

2

☐

A school described in **Section 170(b)(1)(A)(ii).** (Attach Schedule E)

3

☒

A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii).** (Attach Schedule H)

4

☐

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

5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv).** (Complete Part II)

6

☐

A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v).**

7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

8

☐

A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2).** (Complete Part III)

10

☐

An organization organized and operated exclusively to test for public safety See **Section 509(a)(4).** (See instructions)

11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally Integrated

d

☐

Type III - Other

e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the organizations the organization supports

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

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

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

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

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

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		<input type="checkbox"/>
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		<input type="checkbox"/>
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		<input type="checkbox"/>

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts 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						
cTotal of lines 7a and 7b						
8Public Support (Subtract 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
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First 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

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

To be completed by organizations described below. Attach to Form 990 or Form 990-EZ

OMB No 1545-0047

2008

Open to Public
Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)

- Section 501(c)(3) organizations complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations complete Part I-A only

If the organization answered “Yes,” to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
 - Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A
- If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax)
- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization DUKE UNIVERSITY HEALTH SYSTEM INC	Employer identification number 56-2070036
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Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations. (See the instructions for Schedule C for details.)

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV	
2	Political expenditures	\$ 0
3	Volunteer hours	0

Part I-B To be completed by all organizations exempt under section 501(c)(3). (See the instructions for Schedule C for details.)

1	Enter the amount of any excise tax incurred by the organization under section 4955	\$ 0
2	Enter the amount of any excise tax incurred by organization managers under section 4955	\$ 0
3	If the organization incurred in a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If "Yes," describe in Part IV	

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3). (See the instructions for Schedule C for details.)

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	\$	_____
2	Enter the amount of the filing organization's internal funds contributed to other organizations for section 527 exempt funtion activities	\$	_____
3	Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b	\$	_____
4	Did the filing organization file Form 1120-POL for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No
5	State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV		

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's internal funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-

Part II-A

To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures— (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount Enter the amount from the following table in both columns— If the amount on line 1e, column (a) or (b) is: Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 The lobbying nontaxable amount is: 20% of the amount on line 1e \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000		
g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a Enter -0- if line g is more than line a		
i	Subtract line 1f from line 1c Enter -0- if line f is more than line c		
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

		(a)		(b)
		Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of a Volunteers? b Paid staff or management (include compensation in expenses reported on lines c through i)? c Media advertisements? d Mailings to members, legislators, or the public? e Publications, or published or broadcast statements? f Grants to other organizations for lobbying purposes? g Direct contact with legislators, their staffs, government officials, or a legislative body? h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means? i Other activities If "Yes," describe in Part IV j Total lines 1c through 1i				
		No		
		No		
			No	
			No	
			No	
			No	
	Yes		165,920	
		No		
	Yes		78,115	
			244,035	
	2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b If "Yes" enter the amount of any tax incurred under section 4912				
c If "Yes" enter the amount of any tax incurred by organization managers under section 4912				
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No		

Part III-A

To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). (See the instructions for Schedule C for details.)

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B

To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." (See the instructions for Schedule C for details.)

1	Dues, assessments and similar amounts from members	1 \$
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	
	a Current Year	2a \$
	b Carryover from last year	2b \$
	c Total	2c \$
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3 \$
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4 \$
5	Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5 \$

Part IV

Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i
Also, complete this part for any additional information

Identifier	Return Reference	Explanation
LOBBYING ACTIVITIES	SCHEDULE C, PART II-B, LINE 1i	DUKE UNIVERSITY HEALTH SYSTEM, INC PAYS MEMBERSHIP DUES TO OTHER ORGANIZATIONS PER THE MEMBERSHIP DUES INVOICES, SOME OF THESE ORGANIZATIONS ESTIMATE LOBBYING EXPENSES PAID BY THE ORGANIZATION WITH THE DUES RECEIVED

Supplemental Information

Identifier	Return Reference	Explanation
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SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► 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.

Name of the organization
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

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

4

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

5

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

☐ Yes ☐ No

6

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

7

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

8

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

☐ Yes ☐ No

9

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

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

1a

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

b

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

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

► \$

(ii) Assets included in Form 990, Part X

► \$

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

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

Cat No 52283D

Schedule D (Form 990) 2008

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance	27,386,785			
b	Contributions	66,908			
c	Investment earnings or losses	-6,187,893			
d	Grants or scholarships				
e	Other expenditures for facilities and programs	1,170,121			
f	Administrative expenses				
g	End of year balance	20,095,679			

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶ 100 %

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

Yes

(ii)

related organizations

3a(ii)

Yes

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		33,566,049		33,566,049
b Buildings		993,771,791	400,484,369	593,287,422
c Leasehold improvements				
d Equipment		402,025,288	263,292,470	138,732,818
e Other		220,787,740	159,016,095	61,771,645
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				827,357,934

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other POOLED INVESTMENTS	973,788,646	F
Other DOMESTIC BOND FUNDS	21,088,691	F
Other DOMESTIC STOCK FUNDS	16,406,145	F
Other INTERNATIONAL STOCK FUNDS	12,231,924	F
Other HEDGED STRATEGY FUNDS	17,545,286	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	1,041,060,692	

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
PREPAID PENSION COST	102,983,000
OTHER ASSETS	5,586,660
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	108,569,660

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
INTEREST PAYABLE	8,205,471
PROFESSIONAL LIABILITY COSTS	83,262,054
POST RETIREMENT BENEFIT OBLIGATION	69,473,000
INTERCOMPANY PAYABLE	598,615
CAPITAL LEASE OBLIGATION	132,870,397
DERIVATIVE INSTRUMENTS	82,346,627
OTHER NON-CURRENT LIABILITIES	55,147,820
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	431,903,984

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

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

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

Part XIV Supplemental Information
--

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	THE INTENDED USE FOR THE ORGANIZATION'S ENDOWMENT FUNDS IS TO SUPPORT HEALTH EDUCATION AND DUKE PATIENTS AND THEIR FAMILIES
LIABILITY FOR UNCERTAIN TAX POSITIONS UNDER FIN 48	SCHEDULE D, PART X	DUHS ADOPTED THE REQUIREMENTS OF FIN 48 AND CONSIDERED ITS TAX POSITIONS BASED ON THAT ANALYSIS, THE PROVISIONS OF FIN 48 ARE DEEMED IMMATERIAL TO THE DUHS FINANCIAL STATEMENTS AND THEREFORE NO FIN 48 SPECIFIC DISCLOSURES ARE MADE IN THE AUDITED FINANCIAL STATEMENTS OF DUHS, INC AND ITS AFFILIATES FOR FISCAL YEAR ENDED JUNE 30, 2009

OMB No 1545-0047

56-2070036

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		<u>GALA</u> (event type)	<u>NONE</u> (event type)	<u>0</u> (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts	113,370	0	113,370
	2	Less Charitable contributions	83,190	0	83,190
	3	Gross revenue (line 1 minus line 2)	30,180	0	30,180
Direct Expenses	4	Cash Prizes	0	0	0
	5	Non-cash Prizes	39,400	0	39,400
	6	Rent/Facility costs	12,207	0	12,207
	7	Other direct expenses	7,309	0	7,309
	8	Direct expense summary Add lines 4 through 7 in column (d) ▶			58,916
	9	Net income summary Combine lines 3 and 8 in column (d). ▶			-28,736

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Direct Expenses	1	Gross revenue			
	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

		Yes	No
9	Enter the state(s) in which the organization operates gaming activities _____		
a	Is the organization licensed to operate gaming activities in each of these states?	9a	
b	If "No," Explain _____ _____		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b	If "Yes," Explain _____ _____		
11	Does the organization operate gaming activities with nonmembers?	11	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

	Yes	No
13 Indicate the percentage of gaming activity operated in		
a The organization's facility 13a		
b An outside facility 13b		
14 Provide the name and address of the person who prepares the organization's gaming/special events books and records		
Name ►		
Address ►		
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? 15a		
b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
c If "Yes," enter name and address		
Name ►		
Address ►		
16 Gaming manager information		
Name ►		
Gaming manager compensation ► \$ _____		
Description of services provided ►		
<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor		
17 Mandatory distributions		
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? 17a		
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.

Name of the organization
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

Part I

Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	
b	If "Yes," is it a written policy?	1b	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <input type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> Generally tailored to individual hospitals		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care	3a	
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	
6a	Does the organization prepare an annual community benefit report?	6a	
6b	If "Yes," does the organization make it available to the public?	6b	
Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from worksheets 1 and 2)						
b Unreimbursed Medicaid (from worksheet 3, column a)						
c Unreimbursed costs—other means-tested government programs (from worksheet 3, column b)						
d Total Charity Care and Means-Tested Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from worksheet 4)						
f Health professions education (from worksheet 5)						
g Subsidized health services (from worksheet 6)						
h Research (from worksheet 7)						
i Cash and in-kind contributions to community groups (from worksheet 8)						
j Total Other Benefits						
k Total (line 7d and 7j)						

Part IICommunity Building Activities

(Complete this table if the organization conducted any community building activities) (Optional for 2008)

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development					
3	Community support					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total					

Part IIIBad Debt, Medicare, & Collection Practices

(Optional for 2008)

Section A. Bad Debt Expense

		Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?		
2	Enter the amount of the organization's bad debt expense (at cost)		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	
7	Enter line 5 less line 6—surplus or (shortfall)	7	
8	Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?	9a	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.	9b	

Part IVManagement Companies and Joint Ventures

(Optional for 2008)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Part V

Facility Information (Required for 2008)

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
DUKE UNIVERSITY HOSPITAL 2301 ERWIN ROAD PRIMARY CAMPUS DURHAM, NC 27710	X	X	X	X		X	X		
DURHAM REGIONAL HOSPITAL 3643 ROXBORO ROAD DURHAM, NC 27704	X	X					X		
DUKE RALEIGH HOSPITAL 3400 WAKE FOREST ROAD RALEIGH, NC 27609	X	X					X		
HOSPICE OF MEADOWLANDS 1001 CORPORATE DRIVE HILLSBOROUGH, NC 27278									HOSPICE
HOCK FAMILY PAVILION 4023 NORTH ROXBORO ROAD DURHAM, NC 27704									HOSPICE
DUKE UNIVERSITY AFFILIATED PHYSICIANS 16 LOCATIONS VARIOUS, NC 27710									PRIMARY CARE PHYSICIAN PRACTICES
DUKE UNIVERSITY AFFILIATED PHYSICIANS 2 LOCATIONS DURHAM, NC 27710									URGENT CARE CENTERS
DUKE UNIVERSITY AFFILIATED PHYSICIANS 2 LOCATIONS DURHAM, NC 27710									PEDIATRIC PHYSICAN PRACTICES
ASSOCIATED HEALTH SERVICES INC 120 EAST CARVER STREET DURHAM, NC 27704									AMBULATORY SURGICAL CENTER
DUKE INTEGRATIVE MEDICINE 3475 ERWIN ROAD DURHAM, NC 27710									CLINICAL & THERAPEUTIC SERVICES CENTER
DIET & FITNESS CENTER 501 DOUGLAS STREET DURHAM, NC 27705									HEALTHY WEIGHT LOSS TREATMENT CENTER

Part VI **Supplemental Information** *(Optional for 2008)*

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

This image shows a full page of white paper with horizontal black lines, resembling notebook paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

2 Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves

3 Patient Education of Eligibility for Assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

4 Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 Community Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
DUKE UNIVERSITY HEALTH SYSTEM INC

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

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

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number
56-2070036

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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations 21

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

Software ID:
Software Version:
EIN: 56-2070036
Name: DUKE UNIVERSITY HEALTH SYSTEM INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
AIDS COMMUNITY RESIDENCE ASSOCIATION 331 W MAIN STREET SUITE 506 DURHAM,NC 27702	56-1609845	501(C)(3)	15,000				GENERAL SUPPORT
ALICE AYCOCK POE CENTER224 SUNNYBROOK RD RALEIGH,NC 27610	56-1500678	501(C)(3)	29,251				GENERAL SUPPORT
ALLIANCE MEDICAL MINISTRY101 DONALD ROSS DRIVE RALEIGH,NC 27610	56-2168673	501(C)(3)	26,500				GENERAL SUPPORT
AMERICAN CANCER SOCIETYPO BOX 10144 RALEIGH,NC 27605	23-7040934	501(C)(3)	10,000				GENERAL SUPPORT
AMERICAN HEART ASSOCIATION3131 RDU CENTER DRIVE SUITE 100 MORRISVILLE,NC 27560	13-5613797	501(C)(3)	10,000				GENERAL SUPPORT
AMERICAN LUNG ASSOCIATION OF NC3801 LAKE BOONE TRAIL SUITE 190 RALEIGH,NC 27607	56-0547515	501(C)(3)	15,000				GENERAL SUPPORT
BOYS & GIRLS CLUB701 N RALEIGH BLVD RALEIGH,NC 27610	56-0863051	501(C)(3)	12,599				GENERAL SUPPORT
DUKE SCHOOL FOR CHILDREN3716 OLD ERWIN RD DURHAM,NC 27705	58-1521494	501(C)(3)	15,000				GENERAL SUPPORT
DURHAM ACADEMY3130 PICKETT ROAD DURHAM,NC 27705	56-0538019	501(C)(3)	50,000				GENERAL SUPPORT
GREATER DURHAM CHAMBERPO BOX 3829 DURHAM,NC 27702	56-0207530	501(C)(3)	31,250				GENERAL SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
MARCH OF DIMES6504 FALLS OF NEUSE RD SUITE 100 RALEIGH, NC 27615	13-1846366	501(C)(3)	15,000				GENERAL SUPPORT
NORTH CAROLINA PHYSICIANS220 HORIZON DRIVE 201 RALEIGH, NC 27615	56-1846599	501(C)(3)	12,000				GENERAL SUPPORT
ONCOLOGY NURSING SOCIETY FOUNDATION PO BOX 3258 PITTSBURGH, PA 15230	25-1410081	501(C)(3)	10,000				GENERAL SUPPORT
RALEIGH SCHOOL OF NURSE ANESTHESIA 3900 BARRETT DR SUITE 200 RALEIGH, NC 27609	56-1684241	501(C)(3)	56,507				GENERAL SUPPORT
SENIOR PHARMASSIST INC406 RIGSBEE AVE SUITE 201 DURHAM, NC 27701	56-2084639	501(C)(3)	10,000				GENERAL SUPPORT
THRESHOLD INC609 GARY STREET DURHAM, NC 27703	56-1458745	501(C)(3)	10,000				GENERAL SUPPORT
WAKE COUNTY MEDICAL SOCIETY COMMUNITY HEALTH FUND2500 BLUE RIDGE ROAD RALEIGH, NC 27607	56-2205175	501(C)(3)	20,000				GENERAL SUPPORT
WAKE TECHNICAL COMMUNITY COLLEGE 9101 FAYETTEVILLE ROAD RALEIGH, NC 27603	23-7017752	501(C)(3)	10,000				GENERAL SUPPORT
LINCOLN COMMUNITY HEALTH CENTER1301 FAYETTEVILLE STREET DURHAM, NC 27701	56-1031244	501(C)(3)	2,475,000				GENERAL SUPPORT
EMS - DURHAM COUNTY 402 STADIUM DRIVE DURHAM, NC 27704	56-6000297	GOVERNMENTAL	1,850,000				GENERAL SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
OAKLEIGHDURHAM COUNTY200 EAST MAIN ST DURHAM,NC 27701	56-6000297	GOVERNMENTAL	100,000				GENERAL SUPPORT

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
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

Part I

Questions Regarding Compensation

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

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

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

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

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

Software ID:

Software Version:

EIN: 56-2070036

Name: DUKE UNIVERSITY HEALTH SYSTEM INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
RICHARD H BRODHEAD	(i)	0	0	0	0	0	0	0
	(ii)	696,448	0	38,777	28,172	61,358	824,755	0
HARVEY JAY COHEN MD	(i)	0	0	0	0	0	0	0
	(ii)	345,842	30,333	11,751	28,172	9,121	425,219	0
VICTOR J DZAU MD	(i)	0	0	0	0	0	0	0
	(ii)	979,435	983,654	24,807	200,672	13,349	2,201,917	0
DANNY O JACOBS MD	(i)	0	0	0	0	0	0	0
	(ii)	251,678	31,500	13,833	28,172	13,549	338,732	0
FRANCES D MAUNEY	(i)	0	0	0	0	0	0	0
	(ii)	115,857	59,203	20,500	24,030	3,468	223,058	0
R SANDERS WILLIAMS MD	(i)	0	0	0	0	0	0	0
	(ii)	534,147	72,172	36,000	28,172	14,196	684,687	0
MONTE D BROWN MD	(i)	277,540	113,550	31,072	28,172	19,394	469,728	0
	(ii)	0	0	0	0	0	0	0
WILLIAM J FULKERSON JR MD	(i)	539,994	318,799	36,000	28,172	4,433	927,398	0
	(ii)	0	0	0	0	0	0	0
MARK D GUSTAFSON	(i)	0	0	0	0	0	0	0
	(ii)	224,156	25,500	18,500	28,172	12,612	308,940	0
KENNETH C MORRIS	(i)	567,173	264,691	51,861	28,172	4,844	916,741	0
	(ii)	0	0	0	0	0	0	0
NANCY C ANDREWS MD	(i)	0	0	0	0	0	0	0
	(ii)	403,771	95,266	43,580	28,172	10,857	581,646	0
ASIF AHMAD	(i)	332,585	196,544	30,108	28,172	11,683	599,092	0
	(ii)	0	0	0	0	0	0	0
MARY ANN FUCHS	(i)	232,139	62,253	26,564	28,172	6,522	355,650	0
	(ii)	0	0	0	0	0	0	0
PAUL R NEWMAN	(i)	194,046	104,267	20,784	28,172	10,335	357,604	0
	(ii)	0	0	0	0	0	0	0
KEVIN W SOWERS	(i)	303,656	177,702	20,500	28,172	6,021	536,051	0
	(ii)	0	0	0	0	0	0	0
DOUGLAS B VINSEL	(i)	312,734	164,901	36,000	28,172	15,114	556,921	0
	(ii)	0	0	0	0	0	0	0
KERRY R WATSON	(i)	272,138	33,399	36,000	28,172	11,599	381,308	0
	(ii)	0	0	0	0	0	0	0
JOHN M KELSCH	(i)	263,068	59,977	41,055	28,172	12,550	404,822	0
	(ii)	0	0	0	0	0	0	0
MARK S LOUDEN	(i)	268,151	88,220	11,066	28,172	16,701	412,310	0
	(ii)	0	0	0	0	0	0	0
MARK F MILLER	(i)	213,363	95,382	31,000	28,172	15,720	383,637	0
	(ii)	0	0	0	0	0	0	0
CECELIA B MOORE	(i)	285,211	86,405	34,793	28,172	8,141	442,722	0
	(ii)	0	0	0	0	0	0	0
MOLLY K ONEILL	(i)	302,051	190,138	33,305	28,172	9,834	563,500	0
	(ii)	0	0	0	0	0	0	0
JAMES R KELLY	(i)	0	0	0	0	0	0	0
	(ii)	5,741	0	10,898	430	8,849	25,918	0
FRANK A SLOAN	(i)	0	0	0	0	0	0	0
	(ii)	199,143	77,390	20,500	28,172	4,915	330,120	0
TALLMAN TRASK III	(i)	0	0	0	0	0	0	0
	(ii)	470,922	0	36,000	28,172	14,985	550,079	0
DAVID B ADCOCK	(i)	0	0	0	0	0	0	0
	(ii)	119,489	25,000	20,500	20,524	13,855	199,368	0
MICHAEL S CUFFE MD	(i)	0	0	0	0	0	0	0
	(ii)	260,158	203,063	31,000	28,172	12,808	535,201	0
RALPH SNYDERMAN	(i)	0	0	0	0	0	0	0
	(ii)	993,084	0	22,541	28,172	11,008	1,054,805	0

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds	OMB No 1545-0047
		2008
		Open to Public Inspection

**To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.**

Department of the Treasury Internal Revenue Service	Name of the organization DUKE UNIVERSITY HEALTH SYSTEM INC	Employer identification number 56-2070036
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Part I

Bond Issues (Required for 2008)

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	657902V33	05-19-2005	322,140,000	REFUND PREVIOUSLY ISSUED BONDS		X		X
B NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	657902S57	11-15-2006	150,715,000	REFUND LOC & FUND CAPITAL PROJECTS		X		X
C NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402		11-01-2005	40,000,000	TO ENTER INTO LEASES		X		X
D NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402		12-01-2008	40,000,000	TO ENTER INTO LEASES		X		X

Part II

Proceeds (Optional for 2008)

		A		B		C		D		E	
1	Total Proceeds of Issue										
2	Gross Proceeds in Reserve Funds										
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds										
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds										
8	Year of Substantial Completion										
9	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III

Private Business Use (Optional for 2008)

		A		B		C		D		E	
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
2	Are there any lease arrangements with respect to the financed property which may result in private business use?										

Part III Private Business Use *(Continued)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b Are there any research agreements with respect to the financed property which may result in private business use?										
3c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4 Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6 Total of lines 4 and 5										
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage *(Optional for 2008)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T been filed wth respect to the bond issue?										
2 Is the bond issue a variable rate issue?										
3a Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?										
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?										
6 Did the bond issue qualify for an exception to rebate?										

Schedule L
(Form 990 or 990-EZ)

OMB No 1545-0047

2008

Open to Public Inspection

Transactions with Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

Name of the organization
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2

Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

▶ \$

3

Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

▶ \$

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No

Total ▶ \$

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Additional Data

Software ID:
Software Version:
EIN: 56-2070036
Name: DUKE UNIVERSITY HEALTH SYSTEM INC

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
GENZYME CORPORATION	BOARD MEMBER IS DIRECTOR	213,769	PAYMENT FOR GOODS OR SERVICES		No
MEDTRONIC INC	BOARD MEMBER IS DIRECTOR	19,652,877	PAYMENT FOR GOODS OR SERVICES		No
BOSTON SCIENTIFIC	BD MEMBERS ARE DIRECTORS	7,090,306	PAYMENT FOR GOODS OR SERVICES		No
WELLS FARGO WACHOVIA	BOARD MEMBER IS DIRECTOR	25,000,000	PAYMENT ON LINE OF CREDIT		No
WELLS FARGO WACHOVIA	BOARD MEMBER IS DIRECTOR	226,820	INTEREST AND FEES		No
DUKE PRIVATE DIAGNOSTIC	BD MEMBER IS KEY EMPLOYEE	3,846,851	PAYMENT FOR GOODS OR SERVICES		No
LABCORP OF AMERICA	FORMER BD MEM IS DIRECTOR	638,535	PAYMENT FOR GOODS OR SERVICES		No
GENESE NEWMAN	FAMILY MEMBER OF KEY EMP	107,533	SALARY PAID		No
TAMELA VINSEL	FAMILY MEMBER OF KEY EMP	27,073	SALARY PAID		No

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Non-Cash Contributions

To be completed by organizations that answered
"Yes" on Form 990, Part IV, lines 29 or 30.
Attach to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

Part I

Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art	X	29	8,093	FMV
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications	X		193	FMV
5 Clothing and household goods	X		33,940	FMV
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	8	59,802	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution (historic structures)				
14 Qualified conservation contribution (other)				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles	X	11	2,250	FMV
19 Food inventory	X	5	30	FMV
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other (describe <u>EVENT TICKETS</u>)	X	9	1,668	FMV
26 Other (describe <u>GIFT CARDS/CERTIFICATES</u>)	X	26	4,030	FMV
27 Other (describe <u>JEWELRY</u>)	X	12	1,641	FMV
28 Other (describe <u>SERVICES</u>)	X	28	5,799	FMV
Other (describe <u>MISCELLANEOUS</u>)	X	47	12,065	FMV
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement			29	0

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes", describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?

b If "Yes", describe in Part II

33 If the organization did not report revenues in Column (c) for a type of property for which Column (a) is checked, describe in Part II

Yes

No

30a

No

31

Yes

32a

Yes

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

Cat No 51227J

Schedule M (Form 990) 2008

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

[illegible]

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
DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number
56-2070036

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS AVAILABILITY TO PUBLIC	FORM 990, PART VI - SECTION C, LINE 19	DUKE UNIVERSITY HEALTH SYSTEM'S GOVERNING DOCUMENTS (ARTICLES OF INCORPORATION AND ANY SUBSEQUENT AMENDMENTS OR RESTATEMENTS) ARE AVAILABLE TO THE PUBLIC ON THE NORTH CAROLINA SECRETARY OF STATE WEBSITE DUKE UNIVERSITY HEALTH SYSTEM MAKES ITS CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
GOVERNING BODY REVIEW PROCESS OF FORM 990	FORM 990, PART VI - SECTION A, LINE 10	AFTER STAFF PREPARATION AND MANAGEMENT REVIEW, THE DUHS FORM 990 FILING IS PRESENTED TO THE DUHS COMPLIANCE/AUDIT COMMITTEE OF THE BOARD OF DIRECTORS FOR REVIEW AND DISCUSSION BOARD LEVEL COMMENT AND DISCUSSION ARE INCORPORATED INTO THE FORM AS APPROPRIATE PRIOR TO FILING A FINAL VERSION OF THE FORM IS POSTED TO THE BOARD OF DIRECTORS COMMUNICATION PORTAL ON THE INTERNET

Identifier	Return Reference	Explanation
BUSINESS RELATIONSHIPS OF DUHS DIRECTORS AND OFFICERS	FORM 990, PART VI - SECTION A, LINE 2	DIRECTORS HONORABLE DANIEL T BLUE, JR , RICHARD BRODHEAD, FRANK E EMORY , JR , ROBERT K STEEL, AND THOMAS M GORRIE ARE TRUSTEES OF DUKE UNIVERSITY PRESIDENT/CEO VICTOR J DZAU IS AN OFFICER OF DUKE UNIVERSITY THE FOLLOWING INDIVIDUALS ARE EMPLOYEES OF DUKE UNIVERSITY HARVEY JAY COHEN MD, DANNY O JACOBS MD, AND NANCY A ANDREWS MD DIRECTORS ERNEST MARIO AND UWE E REINHARDT ARE ALSO DIRECTORS OF BOSTON SCIENTIFIC OFFICER KENNETH MORRIS AND KEY EMPLOYEE KERRY WATSON ARE BOTH OFFICERS OF ASSOCIATED HEALTH SERVICES, INC OFFICERS KENNETH MORRIS AND WILLIAM J FULKERSON, JR , MD ARE BOTH OFFICERS OF DUKE UNIVERSITY AFFILIATED PHYSICIANS OFFICER KENNETH MORRIS AND KEY EMPLOYEE PAUL NEWMAN ARE BOTH DIRECTORS AND OFFICERS OF HEALTH SYSTEM MEDICAL STRATEGIES, INC DIRECTOR AND PRESIDENT/CEO VICTOR J DZAU, OFFICERS KENNETH C MORRIS, WILLIAM J FULKERSON, JR , MD AND KEY EMPLOYEE PAUL NEWMAN ARE DIRECTORS OF DURHAM CASUALTY COMPANY, LTD

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY COMPLIANCE MONITORING METHOD	FORM 990, PART VI - SECTION B, LINE 12c	DUKE UNIVERISTY HEALTH SYSTEM MONITORS AND ENFORCES COMPLIANCE RELATED TO CONFLICT OF INTEREST VIA AN ANNUAL CONFLICT OF INTEREST QUESTIONNAIRE, RELYING ON SELF DISCLOSURE OF ALL THOSE SUBJECT TO THE COI POLICY

Identifier	Return Reference	Explanation
PURPOSE OF TAX-EXEMPT BONDS	SCHEDULE K, PART I	BOND ISSUE (A) TO (1) REFUND THE 1996C BONDS ISSUED ON 10/24/1996, 1998A BONDS ISSUED ON 8/27/1998, AND THE 1998B BONDS ISSUED ON 10/13/1998, AND (2) PAY ALL OR A PORTION OF THE EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS BOND ISSUE (B) TO REFUND THE PRIOR LINE OF CREDIT AND HELP FUND FOLLOWING AREAS OF CAPITAL EXPENDITURES ROUTINE INFRASTRUCTURE, RENOVATION AND IMPROVEMENT PROJECTS AT DUKE UNIVERSITY HOSPITAL AND DUKE RALEIGH HOSPITAL, IMPROVEMENTS TO INFORMATION SYSTEMS, RENOVATION AND EXPANSION OF EMERGENCY DEPARTMENT AT DUKE UNIVERSITY HOSPITAL, HELIPORT AND NEW ROOF IMPROVEMENTS AT DUKE UNIVERISTY HOSPITAL, AND PHASES 1 AND 2 OF AN OPERATING ROOM SUITE RENOVATION AND EXPANSION AT DUKE UNIVERSITY HOSPITAL BOND ISSUE (C) TO ENTER INTO LEASES WITH CITIMORTGAGE, INC IN ORDER TO FINANCE OR REFINANCE THE COST OF HEALTH CARE FACILITIES, INCLUDING MAJOR MEDICAL EQUIPMENT, VEHICLES AND OTHER EQUIPMENT OR SYSTEMS BOND ISSUE (D) TO ENTER INTO LEASES WITH BANC OF AMERICA PUBLIC CAPITAL CORP IN ORDER TO FINANCE OR REFINANCE THE COST OF HEALTH CARE FACILITIES, INCLUDING MAJOR MEDICAL EQUIPMENT, VEHICLES AND OTHER EQUIPMENT OR SYSTEMS

Identifier	Return Reference	Explanation
AVERAGE HOURS PER WEEK DEVOTED TO RELATED ORGANIZATIONS	FORM 990, PART VII, SECTION A, COLUMN B	THE FOLLOWING INDIVIDUALS LISTED IN PART VII, SECTION A, COLUMN A DEVOTE AN AVERAGE OF 40 HOURS PER WEEK TO RELATED ORGANIZATION, DUKE UNIVERSITY RICHARD H BRODHEAD HARVEY JAY COHEN VICTOR J DZAU DANNY O JACOBS MARK BRANCH, III NANCY C ANDREWS FRANCES D MAUNEY R SANDERS WILLIAMS JAMES R KELLY FRANK A SLOAN TALLMAN TRASK, III MARK D GUSTAFSON MICHAEL S CUFFE RALPH SNYDERMAN DAVID ADCOCK PROVIDES CONSULTING SERVICES FOR RELATED ORGANIZATION, DUKE UNIVERSITY, FROM TIME TO TIME

Identifier	Return Reference	Explanation
FINANCIAL STATEMENTS AND REPORTING	FORM 990, PART XI, LINE 2B	THE ORGANIZATION'S FINANCIAL STATEMENTS WERE PART OF CONSOLIDATED FINANCIAL STATEMENTS AUDITED BY AN INDEPENDENT ACCOUNTANT

Identifier	Return Reference	Explanation
ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 3A	DUKE UNIVERSITY HEALTH SYSTEM, INC AND RELATED ENTITY, DUKE UNIVERSITY MANAGE THEIR INVESTMENT FUNDS IN ACCORDANCE WITH THE UNIFORM MANAGEMENT OF INSTITUTIONAL FUNDS ACT OF NORTH CAROLINA THESE INVESTMENT POOLS ARE MANAGED, HELD AND ADMINISTERED BY ORGANIZATIONS THAT ARE RELATED TO DUKE UNIVERSITY HOWEVER, ACCORDING TO THE DEFINITION OF "RELATED" PROVIDED IN THE INSTRUCTIONS TO THE FORM 990, THESE ORGANIZATIONS ARE UNRELATED TO DUKE UNIVERSITY HEALTH SYSTEM, INC

Identifier	Return Reference	Explanation
DECISIONS OF GOVERNING BODY	FORM 990, PART VI, LINE 7B	THE DUHS BY-LAWS PROVIDE THAT DUHS MUST OBTAIN DUKE UNIVERSITY BOARD OF TRUSTEES APPROVAL FOR DEBT ISSUANCES, CAPITAL ACQUISITIONS AND TANGIBLE PERSONAL PROPERTY SALES IN EXCESS OF \$50 MILLION EACH AS WELL AS REAL PROPERTY SALES IN EXCESS OF \$10 MILLION EACH

Identifier	Return Reference	Explanation
COMPENSATION POLICY	FORM 990, PART VI, SECTION B, LINES 15A & 15B and SCHEDULE J, LINE 3	THE DUHS COMPENSATION COMMITTEE, COMPRISED OF MEMBERS OF THE DUHS BOARD OF DIRECTORS, REVIEWS AND APPROVES ALL EXECUTIVE COMPENSATION FOR ALL DISQUALIFIED PERSONS AND OTHER KEY EMPLOYEES THE DUHS COMPENSATION COMMITTEE REVIEWS AND RECOMMENDS TO THE DUKE UNIVERSITY COMPENSATION COMMITTEE THE COMPENSATION FOR THE PRESIDENT AND CEO OF DUHS WHO IS ALSO AN OFFICER OF DUKE UNIVERSITY DUHS HAS ADOPTED A STATEMENT OF COMPENSATION PHILOSOPHY THAT ARTICULATES BROAD OBJECTIVES TO HELP GUIDE THE DUHS COMPENSATION COMMITTEE IN ITS MISSION THE DUHS COMPENSATION COMMITTEE ENGAGES THE SERVICES OF AN OUTSIDE EXECUTIVE COMPENSATION CONSULTING FIRM TO ESTABLISH COMPARABILITY DATA OF OTHER HEALTH CARE SYSTEMS OF SIMILAR SIZE AND COMPLEXITY AS DUHS THE DUHS COMPENSATION COMMITTEE REVIEWS THE MARKET ANALYSIS THEN DETERMINES THE REASONABLENESS AND APPROPRIATENESS OF ALL ASPECTS OF EXECUTIVE COMPENSATION THE DUHS COMPENSATION COMMITTEE ALSO SETS THE METRICS AND APPROVES THE PAYOUTS FOR THE DUHS INCENTIVE COMPENSATION PLANS FOR THESE INDIVIDUALS THE DELIBERATIONS AND CONCLUSIONS OF THE DUHS COMPENSATION COMMITTEE ARE KEPT BY A RECORDING SECRETARY WHO RECORDS THE MINUTES OF THE COMMITTEE MEETINGS

Identifier	Return Reference	Explanation
SIGNIFICANT CHANGES TO THE ORGANIZATIONAL DOCUMENTS	FORM 990, PART VI, SECTION A, LINE 4	Duke University Health System, Inc. and its Board of Directors have revised and approved the amendment of Duke University Health System Articles of Incorporation and its Bylaws Significant changes are summarized as follows The Amended and Restated Duke University Health System, Inc Articles of Incorporation reduced the number of ex officio board members from 7 to 5 The Vice Chair of the Board of Trustees of Duke University, the Chair of the Department of Medicine of the Duke University School of Medicine and the Chair of the Department of Surgery of Duke University School of Medicine were removed as ex officio voting members The President of Duke University School of Medicine Faculty Practice Plan has been added as an ex officio voting member In addition, at least one member of the Board of Directors shall be a Chair of a Clinical Department in the Duke University School of Medicine The Amended Duke University Health System, Inc Bylaws added President of Duke University School of Medicine Faculty Practice Plan to serve as ex officio voting member The Chair of the Department of Medicine of the Duke University School of Medicine, the Chair of the Department of Surgery of the Duke University School of Medicine and the Vice Chair of the Board of Trustees of Duke University were removed from serving as ex officio voting members In addition, two positions on the Board of Directors shall be reserved for current members of the Durham County Hospital Corporation Board of Trustees selected from nominees determined by the Durham County Hospital Corporation and Durham County At least one member of the Board of Directors shall be a Chair of a Clinical Department in the Duke University School of Medicine The requirement that the Secretary be the Health System Counsel has been removed from the Amended and Restated Bylaws

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS OF GOVERNING BODY	FORM 990, PART VI, LINE 7A	THE MEMBERS OF THE BOARD OF DIRECTORS OF DUHS, OTHER THAN THE EX OFFICIO MEMBERS, WILL BE NOMINATED BY THE BOARD OF DIRECTORS OF DUHS, AND WILL BE APPOINTED BY THE BOARD OF TRUSTEES OF DUKE UNIVERSITY MEMBERS OF THE BOARD OF DIRECTORS OF DUHS WILL BE SUBJECT TO REMOVAL AT THE DISCRETION OF THE BOARD OF TRUSTEES OF DUKE UNIVERSITY IN ACCORDANCE WITH THE BYLAWS OF DUHS

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

DUKE UNIVERSITY HEALTH SYSTEM INC

Employer identification number

56-2070036

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
DUKE PRMO LLC 615 DOUGLAS STREET SUITE 700 DURHAM, NC 27705 56-2070036	MEDICAL BILLI	NC	97,511,335	12,605,909	

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
DUKE UNIVERSITY AFFILIATED PHYSICIANS 615 DOUGLAS STREET SUITE 700 DURHAM, NC27705 56-1902501	HEALTH CARE	NC	501(c)(3)	TYPE I	N/A
ASSOCIATED HEALTH SYSTEMS INC 615 DOUGLAS STREET SUITE 700 DURHAM, NC27705 56-1845329	HEALTH CARE	NC	501(c)(3)	TYPE I	N/A
DUKE UNIVERSITY 324 BLACKWELL STREET STE 920 DURHAM, NC27701 56-0532129	EDUCATION	NC	501(C)(3)	2	NA
DUKE HOSPITAL AUXILIARY INC PO BOX 2895 DUMC DURHAM, NC27710 56-1825604	SUPPORT	NC	501(C)(3)	TYPE III	N/A

Part III

Identification of Related Organizations Taxable as a Partnership

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

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
HEALTH SYSTEM MEDICAL STRATEGIES INC 615 DOUGLAS STREET SUITE 700 DURHAM, NC27705 56-2222444	HEALTH CARE	NC	N/A	C Corp	52,630	18,082	100 %
DURHAM CASUALTY COMPANY LTD CRAIG APPIN HOUSE 8 WESLEY STREET HAMILTON, BERMUDA BD 98-0113277	INSURANCE	BD	NA	C Corp	27,254,675	113,085,359	100 %

Part V

Transactions with Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

Yes

No

No

Yes

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) DUKE UNIVERSITY AFFILIATED PHYSICIANS INC	B	23,667,652
(2) ASSOCIATED HEALTH SYSTEMS INC	C	2,439,822
(3) DURHAM CASUALTY COMPANY LTD	Q	26,252,132
(4) DURHAM CASUALTY COMPANY LTD	E	11,000,000
(5) ASSOCIATED HEALTH SERVICES INC	N	4,000,143
(6)		

Schedule R (Form 990) 2008

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

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 56-2070036

Name: DUKE UNIVERSITY HEALTH SYSTEM INC

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
THE HONORABLE DANIEL T BLUE JR , DIRECTOR	1 0	X						0	0	0
RICHARD H BROADHEAD , DIRECTOR	1 0	X						0	735,225	88,534
HARVEY JAY COHEN MD , DIRECTOR	1 0	X						0	387,926	36,788
VICTOR J DZAU MD , CEO/DIRECTOR/PRESIDENT	40 0	X		X				0	1,987,896	212,629
FRANK E EMORY JR , DIRECTOR	1 0	X						0	0	0
JAMES F GOODMON , DIRECTOR	1 0	X						0	0	0
THOMAS M GORRIE , DIRECTOR	1 0	X						0	0	0
DANNY O JACOBS MD , DIRECTOR	1 0	X						0	297,011	41,348
REBECCA TRENT KIRKLAND md , DIRECTOR	1 0	X						0	0	0
ERNEST MARIO , DIRECTOR	1 0	X						0	0	0
JOHN H MCARTHUR , DIRECTOR	1 0	X						0	0	0
UWE E REINHARDT , DIRECTOR	1 0	X						0	0	0
ROBERT KING STEEL , DIRECTOR	1 0	X						0	0	0
PETER W VAN ETEN , DIRECTOR	1 0	X						0	0	0
HENRY C KNIGHT , DIRECTOR	1 0	X						0	0	0
LLOYD B MORGAN , DIRECTOR	1 0	X						0	0	0
MARK BRANCH III MD , DIRECTOR	1 0	X						0	20,000	1,720
NANCY C ANDREWS MD , DIRECTOR	1 0	X						0	542,617	38,443
REV KENNETH R HAMMOND , DIRECTOR	1 0	X						0	0	0
MONTE D BROWN MD , VP OF ADMINISTRATION/SECRETARY	40 0			X				422,162	0	47,157
WILLIAM J FULKERSON JR MD , CEO , DUKE HOSP/SVP, ACUTE CARE	40 0			X				894,793	0	31,828
KENNETH C MORRIS , SVP, CFO, TREASURER	40 0			X				883,725	0	32,201
ASIF AHMAD , VP, PDC AND CIO, DUHS	40 0				X			559,237	0	39,369
MARY ANN FUCHS , CHIEF NURSING OFFICER	40 0				X			320,956	0	32,188
PAUL R NEWMAN , CEO , ADMINISTRATIVE DIRECTOR	20 0				X			319,097	0	38,214
KEVIN W SOWERS , CHIEF OPERATING OFFICER	40 0				X			501,858	0	33,747
DOUGLAS B VINSEL , CEO, DUKE RALEIGH HOSPITAL	40 0				X			513,635	0	42,827
KERRY R WATSON , CEO, DRH CORPORATE ADMIN	40 0				X			341,537	0	39,369
JOHN M KELSCH , PHYSICIAN	40 0					X		364,100	0	40,333
MARK S LOUDEN , PHYSICIAN	40 0					X		367,437	0	44,477

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARK F MILLER , ASSOCIATE VP, DUHS	40 0					X		339,745	0	43,572
CECELIA B MOORE , CHIEF OPERATING OFFICER, PRMO	40 0					X		406,409	0	35,893
MOLLY K ONEILL , VP, BUSINESS DEVELOPMENT	40 0					X		525,494	0	36,187
FRANCES D MAUNEY , FORMER DIRECTOR	0 0						X	0	195,560	27,315
R SANDERS WILLIAMS MD , FORMER DIRECTOR	0 0						X	0	642,319	41,599
JAMES R KELLY , FORMER DIRECTOR	0 0						X	0	16,639	9,250
FRANK A SLOAN , FORMER DIRECTOR	0 0						X	0	297,033	32,787
TALLMAN TRASK III , FORMER DIRECTOR	0 0						X	0	506,922	42,477
MARK D GUSTAFSON , FORMER OFFICER	0 0						X	0	268,156	40,449
DAVID B ADCOCK , FORMER OFFICER	0 0						X	0	164,989	34,191
MICHAEL S CUFFE MD , FORMER OFFICER	0 0						X	0	494,221	36,012
RALPH SNYDERMAN , FORMER OFFICER	0 0						X	0	1,015,625	37,769