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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2008

Open to Public Inspection

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

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

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

C Name of organization
East Tennessee Children's Hospital Association Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO Box 15010

City or town, state or country, and ZIP + 4
Knoxville, TN 379015010

D Employer identification number
62-6002604

E Telephone number
(865) 854-8154

G Gross receipts $ 137,751,957

F Name and address of Principal Officer
Keith Goodwin
PO Box 15010
Knoxville, TN 379015010

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(c) Group Exemption Number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site: ▶ http //www etch com/

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

L Year of Formation 1937

M State of legal domicile TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
AT ETCH, CHILDREN ARE OUR ONLY CONCERN, PROVIDING THE BEST HEALTHCARE TO EVERY CHILD SERVED

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	17
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
5	Total number of employees (Part V, line 2a)	5	2,097
6	Total number of volunteers (estimate if necessary)	6	10,875
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,283,136	5,205,354
9	Program service revenue (Part VIII, line 2g)	122,478,181	130,190,693
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,574,913	-1,258,658
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,060,876	2,052,783
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	129,397,106	136,190,172
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
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)	69,733,826	79,071,814
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	(Total fundraising expenses, Part IX, column (D), line 25 982,790)		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	55,294,882	56,409,621
18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	125,028,708	135,481,435
19	Revenue less expenses Subtract line 18 from line 12	4,368,398	708,737

		Beginning of Year	End of Year
20	Total assets (Part X, line 16)	214,649,847	205,423,266
21	Total liabilities (Part X, line 26)	85,760,753	86,439,028
22	Net assets or fund balances Subtract line 21 from line 20	128,889,094	118,984,238

Part II Signature Block

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

Please Sign Here

****** | 2010-05-05
Signature of officer | Date

ZANE GOODRICH chIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-empolyed ▶ ☐ | Preparer's PTIN (See Gen Inst)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Pershing Yoakley & Associates P C
One Cherokee Mills 2220 Sutherland
Knoxville, TN 379192363

EIN ▶

Phone no ▶ (865) 673-0844

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

See Additional Data Table

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 $ 118,611,964 including grants of $) (Revenue $ 129,307,433)

East Tennessee Children's Hospital ("ETCH") is the only medical center in East Tennessee dedicated exclusively to the care of children Since 1937, ETCH has provided excellent pediatric health care for children from birth to 21 years of age ETCH is certified by the state of Tennessee as the only Comprehensive Regional Pediatric Center in East Tennessee ETCH offers more pediatric subspecialties than any other hospital in the region, serving children from East Tennessee, Southwest Virginia, Southeast Kentucky and Western North Carolina The subspecialties available at ETCH include Adolescent GynecologyAdolescent MedicineNeonatologyPediatricsPediatric Allergy & ImmunologyPediatric AnesthesiologyPediatric Cardiology Pediatric Critical CarePediatric Dentistry/PedodonticsPediatric DermatologyPediatric Emergency MedicinePediatric EndocrinologyPediatric GastroenterologyPediatric Hematology/OncologyPediatric Infectious DiseasesPediatric NephrologyPediatric NeurologyPediatric NeurosurgeryPediatric OphthalmologyPediatric OrthopedicsPediatric OtolaryngologyPediatric PhysiatryPediatric Plastic/Reconstructive SurgeryPediatric PulmonologyPediatric RadiologyPediatric SurgeryPediatric UrologyPediatric PerinatologySleep MedicineIn Addition, ETCH provides the following Medical/Surgical Services The Emergency Department is staffed with licensed physicians and nursing personnel to provide treatment for all types of emergencies 24 hours a day, seven days a week The department provides evaluation and treatment for patients up to 21 years of age with varying levels of illness and injury, from minor to life threatening The hospital's Pediatric Intensive Care Unit (PICU) provides sophisticated, 24-hour-a-day treatment for critically ill and injured children The PICU is staffed with doctors and nurses specifically trained and experienced in the care of critically ill children Patients in the PICU receive a high level of monitoring and/or treatment until they are well enough to be transferred to a regular patient room or discharged home In the Neonatal Intensive Care Unit (NICU), tiny and fragile infants born prematurely or facing life-threatening illnesses receive treatment from a team of board-certified neonatologists, with valuable assistance from specially trained nurses, respiratory therapists, lactation consultants and other medical professionals The NICU treats more than 600 newborns each year, and 97 percent of the babies go home As a regional referral center for East Tennessee, ETCH offers neonatal and pediatric transport from outlying hospitals in LIFELINE, a mobile intensive care unit specially designed to maintain the same quality of care during transport as patients receive in the hospital's critical care units Lifeline carries almost 1,000 supplies to administer care to patients, from the tiniest premature infant to an adult-size pediatric patient, during transport to the hospital In addition to the special equipment, the Lifeline medical team may include a neonatologist, neonatal nurse practitioner, pediatric/neonatal RN, respiratory therapist and an EMT, depending on the condition of the patient The hospital's two Lifeline vehicles travel tens of thousands of miles each year to dozens of different hospitals in Tennessee and surrounding states, and transport hundreds of pediatric patients to ETCH ETCH meets a wide range of pediatric surgical needs, from common outpatient procedures such as tonsillectomies to more complicated procedures, such as reconstructive surgery or neurosurgery Five departments comprise ETCH's Surgical Services Outpatient Surgery, Surgery, Post-Anesthesia (the operating rooms) Care Unit ("wake up" or recovery room), Inpatient Surgery and Anesthesia These departments work together to make sure each child's surgery and recovery is as quick and painless as possible The doctors, nurses, anesthesiologists and other surgical staff are trained in pediatric medicine At any given time and for various reasons, a child may need to be admitted to ETCH as an inpatient Doctors and nurses continuously monitor and treat inpatients according to their individual needs Along with providing comprehensive medical and nursing care, ETCH is dedicated to making a child's stay in the hospital as comfortable as possible Each room has a TV/DVD player with access to movie channels, and play rooms are located on each floor Other services such as Child Life, Nutrition, Pastoral Care and Social Work provide for the physical and emotional needs of the child The Respiratory Care Department at ETCH is staffed with licensed and accredited respiratory therapists whose roles include treating patients with lung and/or heart diseases such as asthma, pneumonia, premature lungs and cystic fibrosis Treatments provided by respiratory care practitioners include aerosol medications, delivery of oxygen and other medical gases, ventilator management and many other procedures Respiratory care practitioners help patients throughout the hospital, from the emergency department to the NICU They are also members of the pediatric transport team that helps bring sick and injured children to the hospital for specialized care Education is also a key role of respiratory care practitioners, they teach patients and their families how to care for certain conditions at home Patients in a variety of hospital departments may benefit from sedation during some painful tests and procedures In addition, young children may need sedation to remain still during long tests, such as MRIs To meet these needs, ETCH offers PASS on Pain, provided by Pediatric Analgesia and Sedation Specialists (PASS) While the hospital cannot eliminate pain for some children, it is our goal to keep painful or uncomfortable situations to a minimum PASS on Pain is a dedicated service that utilizes the most current sedation techniques to help children undergoing lengthy or painful procedures at ETCH A multispecialty team sees each child, including a pediatric sedation physician and pediatric nurses who are specifically prepared to work with childrens' sedation Diagnostic Services The Clinical Lab is responsible for all diagnostic testing, which includes the following areas hematology, chemistry, microbiology, immunology, serology and blood bank Neurology Lab/Sleep Lab -The Neurology Lab offers a variety of diagnostic tests for patients dealing with seizures, hearing problems, sleep disorders and other conditions involving the brain The most common tests offered in the Neurology Laboratory are the electroencephalogram (EEG) for children having seizures and other neurological problems, and the brainstem auditory evoked response (BAER) hearing test, offered most often to infants who fail newborn hearing screenings and toddlers who are speech delayed Children's Sleep Medicine Center - The Children's Sleep Medicine Center offers sleep study testing for children who are having problems with sleep The sleep studies take place overnight, during the child's regular sleep cycle, to find the cause of such problems as sleep terrors and sleepwalking The Pulmonary Function Lab, a vital part of the Respiratory Care Department, performs tests to diagnose lung and heart diseases The department is staffed by specially trained respiratory care practitioners Services provided include spirometry testing, metabolic studies, cardiac stress testing, lung volumes and the cystic fibrosis clinic The Radiology Department serves as an "imaging" center for children These images include x-ray, ultrasound, CT scan, nuclear medicine, magnetic resonance imaging (MRI), echocardiogram and fluoroscopy Outpatient Services Children's Hospital Home Health Care, which is a hospital-based home health agency, supports the philosophy, mission and policies of ETCH and is dedicated to meeting the needs of children Home Health provides follow-up supportive care to patients newborn to 21 years of age who do not require hospitalization or constant skilled supervision Home Health is licensed to provide services in 16 East Tennessee counties All patients are accepted on the basis of physician referral, the ability of Home Health to meet the patient's specific needs, and when the physician, child's family and the Home Health staff agree that in-home care would be an appropriate and effective means of treatment Available services include registered nursing, respiratory therapy, home infusion, nutritional support, home medical equipment, supplies, physical therapy, speech therapy and occupational therapy

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses $ 118,611,964 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	Yes	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19	Yes	
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	Yes	
21	Did the organization report more than $5,000 on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		No
22	Did the organization report more than $5,000 on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25*	24a	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? *If "Yes," complete Schedule L, Part I*	25a		No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No

Part IV Checklist of Required Schedules *(Continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV* .	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35**	Yes	
36	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**	Yes	
37	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	108		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	6		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	2,097		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? **Note:** *If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.*	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** *Report of Foreign Bank and Financial Accounts.*				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, *Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?*	5c			
6a	Did the organization solicit any contributions that were not tax deductible?	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	*Organizations that may receive deductible contributions under section 170(c).*				
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of $75 or more?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			No
8	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.*				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	*Section 501(c)(7) organizations.* Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	*Section 4947(a)(1) non-exempt charitable trusts.* Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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

Section A. Governing Body and Management

			Yes	No
	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.			
1a	Enter the number of voting members of the governing body	1a 17		
b	Enter the number of voting members that are independent	1b 11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	the governing body?	8a	Yes	
b	each committee with authority to act on behalf of the governing body?	8b	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11		No

Section B. Policies

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed TN

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ own website ☐ another's website ☑ upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

Zane Goodrich
PO Box 15010
Knoxville, TN 379015010
(865) 541-8154

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed
* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

* List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations

* List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations

* List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

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

(A) Name and Title	**(B)** Average hours per week	**(C)** Position (check all that apply)						**(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			

Part VII Continued

(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			
1b Total ▶								2,628,013	0	205,645

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶ 44

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Southeastern Emergency Physicians 1900 North Winston Road Knoxville, TN 37919	Physician Services	13,192,184
CHildren's Anesthesiologists PC 2018 W Clinch Avenue Knoxville, TN 37916	Physician services	7,212,734
Cardinal Health Pharmacy Division 7000 Cardinal Place Dublin, OH 43017	Pharmacy Services	6,376,874
Owens & Minor 3551 Workman Road knoxville, TN 37950	healthcare services	3,926,893
Children's Hospital Pediatric Gastroente 1701 Alcott Manor Lane Knoxville, TN 37922	Physician Services	2,496,177

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 152

Part VIII Statement of Revenue

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 5,205,354				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total (Add lines 1a-1f)**	5,205,354			
Program Service Revenue		Business Code				
	2a	Patient care revenue 623,990	128,382,911	128,382,911		
	b	Other healthcare servi 621,300	1,385,108	1,385,108		
	c	Passthrough revenue 621,110	422,674	422,674		
	d					
	e					
	f	All other program service revenue				
	g	**Total. Add lines 2a-2f** ▶ $ 130,190,693				
	3	Investment income (including dividends, interest other similar amounts)	-1,272,583	-1,272,583		
	4	Income from investment of tax-exempt bond proceeds				
	5	Royalties				
		(i) Real / (ii) Personal				
	6a	Gross Rents 614,001				
	b	Less rental expenses				
	c	Rental income or (loss) 614,001				
	d	Net rental income or (loss)	614,001	614,001		
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 13,925				
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss) 13,925				
	d	Net gain or (loss)	13,925	13,925		
Other Revenue	8a	Gross income from fundraising events (not including $ 809,819 of contributions reported on line 1c) See Part IV, line 18 *Attach Schedule G if total exceeds $15,000* a 2,229,874				
	b	Less direct expenses b 1,073,461				
	c	Net income or (loss) from fundraising events	-263,642	-263,642		
	9a	Gross income from gaming activities See part IV, line 19 *Complete Schedule G if total exceeds $15,000* a 37,454				
	b	Less direct expenses b 12,415				
	c	Net income or (loss) from gaming activities	25,039	25,039		
	10a	Gross sales of inventory, less returns and allowances a 624,283				
	b	Less cost of goods sold b 475,909				
	c	Net income or (loss) from sales of inventory	148,374			148,374
		Miscellaneous Revenue / Business Code				
	11a	Cafeteria Sales 722,210	1,081,704			1,081,704
	b	Miscellaneous 900,099	447,307			447,307
	c					
	d	All other revenue				
	e	**Total. Add lines 11a-11d** $ 1,529,011				
	12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶	136,190,172	129,307,433	0	1,677,385

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,714,058	1,468,740	227,391	17,927
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	59,917,308	51,341,877		626,650
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,223,465	2,762,119	427,633	33,713
9 Other employee benefits	9,341,174	8,004,255	1,239,224	97,695
10 Payroll taxes	4,875,809	4,177,978	646,837	50,994
11 Fees for services (non-employees)				
a Management				
b Legal	108,718		108,718	
c Accounting	89,364		89,364	
d Lobbying				
e Professional fundraising *See Part IV, line 17*				
f Investment management fees				
g Other	11,779,635	9,579,277	2,182,791	17,567
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	3,145,487	2,967,199	177,910	378
17 Travel	223,141	95,237	125,994	1,910
18 Payments of travel or entertainment expenses for any Federal, state or local public officials				
19 Conferences, conventions and meetings				
20 Interest	2,366,480	2,366,480		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,740,875	6,239,565	499,398	1,912
23 Insurance				
24 Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a supplies	22,359,052	21,963,504	381,151	14,397
b equipment rental/mnt	2,441,668	1,419,103	1,008,838	13,727
c postage	294,815	29,767	250,080	14,968
d Telephone	294,564	100,041	194,523	
e printing and pubs	289,576	152,581	76,238	60,757
f All other expenses	6,276,246	5,944,241	301,810	30,195
25 **Total functional expenses.** Add lines 1 through 24f	135,481,435	118,611,964	15,886,681	982,790
26 **Joint Costs.** Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		21,118,677	1	10,675,112
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net		649,300	3	
	4	Accounts receivable, net		30,594,879	4	29,085,461
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties *Complete Part II of Schedule L*			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) *Complete Part II of Schedule L*			6	
	7	Notes and loans receivable, net		27,817,415	7	30,864,458
	8	Inventories for sale or use		2,211,120	8	2,436,757
	9	Prepaid expenses and deferred charges		1,817,786	9	1,859,109
	10a	Land, buildings, and equipment cost basis	10a 144,876,029			
	b	Less accumulated depreciation *Complete Part VI of Schedule D*	10b 66,347,787	80,830,202	10c	78,528,242
	11	Investments—publicly traded securities		45,585,804	11	51,690,354
	12	Investments—other securities See Part IV, line 11 *Complete Part VII of Schedule D*		680,992	12	
	13	Investments—program-related See Part IV, line 11 *Complete Part VIII of Schedule D*			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11 *Complete Part IX of Schedule D*		3,343,672	15	283,773
	16	**Total assets.** *Add lines 1 through 15 (must equal line 34)*		214,649,847	16	205,423,266
Liabilities	17	Accounts payable and accrued expenses		17,073,720	17	17,876,293
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		46,544,724	20	45,626,992
	21	Escrow account liability *Complete Part IV of Schedule D*			21	
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable			24	
	25	Other liabilities *Complete Part X of Schedule D*		22,142,309	25	22,935,743
	26	**Total liabilities.** *Add lines 17 through 25*		85,760,753	26	86,439,028
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		109,411,133	27	101,420,920
	28	Temporarily restricted net assets		5,890,913	28	3,754,145
	29	Permanently restricted net assets		13,587,048	29	13,809,173
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		128,889,094	33	118,984,238
	34	Total liabilities and net assets/fund balances		214,649,847	34	205,423,266

Part XI Financial Statements and Reporting

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

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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
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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 331/3% 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 331/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2).** (Complete Part III)

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

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

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally Integrated **d** ☐ Type III - Other

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

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

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

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the organizations the organization supports

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

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

Public Support

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

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total Support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

13 **First Five Years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶

Computation of Public Support Percentage

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f **15**

16a **33 1/3% Test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

b **33 1/3% Test - 2007.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

17a **10% Facts and Circumstances Test - 2008.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶

b **10% Facts and Circumstances Test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶

18 **Private Foundation.** If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶

Part III Support Schedule for Organizations Described in IRC 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total** Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Total of lines 7a and 7b						
8 **Public Support** (Substract line 7c from line 6)						

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total Support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ☐

Computation of Public Support Percentage

15	Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15
16	Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	16

Computation of Investment Income Percentage

17	Investment Income Percentage for **2008** (line 10c column (f) divided by line 13 column (f))	17
18	Investment Income Percentage from **2007** Schedule A, Part IV-A, line 27h	18

19a **33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

b **33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ☐

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

Facts and Circumstances Test

Additional Data

Software ID:
Software Version:
EIN: 62-6002604
Name: East Tennessee Children's Hospital Association 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			
Dennis B Ragsdale , Chairman	2 00	X		X				0	0	0
Jeff Jennings MD , Vice Chairman	2 00	X		X				0	0	0
Michael C Crabtree , Secretary/Treasurer	2 00	X		X				0	0	0
Steven D Harb , Board member	2 00	X						0	0	0
Danni B Varlan , Board member	2 00	X						0	0	0
Debbie Christiansen Md , Board member	2 00	X						0	0	0
Dawn Ford , Board member	2 00	X						0	0	0
Lewis W Harris Md , Board member	2 00	X						0	0	0
Dee Haslam , Board member	2 00	X						0	0	0
A David Martin , Board member	2 00	X						0	0	0
dugan mclaughlin , Board member	2 00	X						0	0	0
christopher miller md , Board member	2 00	X						0	0	0
david a nickels md , Board member	2 00	X						0	0	0
stephen a south , Board member	2 00	X						0	0	0
william f terry md , Board member	2 00	X						0	0	0
j laurens tullock , Board member	2 00	X						0	0	0
Keith Goodwin , Chief Executive Officer	40 00	X		X				489,410	0	15,937
Rudolph Mckinley , Vice President Operation	40 00			X				248,881	0	26,030
laura preston barnes , Vice President Ptnt ser	40 00			X				185,520	0	20,267
paul c bates , Vice President Human Res	40 00			X				169,937	0	20,534
zane d goodrich , Vice President Finance	40 00			X				143,462	0	18,258
Bruce Anderson , vice president legal ser	40 00			X				100,098	0	-23
carmen diez tapiador , Physician	40 00					X		226,613	0	21,758
alexandra p eidelwein , Physician	40 00					X		171,620	0	14,674
james dallas cathey , Director Pharmacy	40 00					X		152,416	0	15,519
deborah richardson , registered nurse	40 00					X		142,629	0	17,731
james keith jordan , pharmacist	40 00					X		141,244	0	13,271
Robert F Koppel , Former CEO , emeritus	40 00						X	340,603	0	20,853
rebecca colker , former vp finance	40 00						X	115,580	0	836

Form 990, Part III, Line 1 - Briefly describe the organization's mission:

EAST TENNESSEE CHILDREN'S HOSPITAL ("ETCH") WILL IMPROVE THE HEALTH OF CHILDREN THROUGH EXCEPTIONAL COMPREHENSIVE FAMILY-CENTERED CARE, WELLNESS, AND EDUCATION. ETCH BELIEVES BECAUSE CHILDREN ARE SPECIAL, THEY DESERVE THE BEST POSSIBLE HEALTH CARE GIVEN IN A POSITIVE, CHILD/FAMILY CENTERED ATMOSPHERE OF FRIENDLINESS, COOPERATION, AND SUPPORT - REGARDLESS OF RACE, RELIGION, OR ABILITY TO PAY; THEIR MEDICAL NEEDS ARE CLOSELY RELATED TO THEIR EMOTIONAL AND INFORMATIONAL NEEDS; THEREFORE, THE TOTAL CHILD MUST BE CONSIDERED IN TREATING ANY ILLNESS OR INJURY; THEIR HEALTH CARE REQUIRES FAMILY INVOLVEMENT, SPECIAL UNDERSTANDING, SPECIAL EQUIPMENT, AND SPECIALLY TRAINED PERSONNEL WHO RECOGNIZE THAT CHILDREN ARE NOT MINIATURE ADULTS; THEIR HEALTH CARE CAN BEST BE PROVIDED BY A FACILITY WITH A WELL TRAINED MEDICAL AND HOSPITAL STAFF WHOSE ONLY INTERESTS AND CONCERNS ARE WITH THE TOTAL HEALTH AND WELL-BEING OF INFANTS, CHILDREN AND ADOLESCENTS.

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate Contributions to (during year)		
3	Aggregate Grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $

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

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

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

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

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

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

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

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

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

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

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

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

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

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		8,536,966		8,536,966
b Buildings		90,696,354	35,941,140	54,755,214
c Leasehold improvements				
d Equipment		45,642,709	30,406,647	15,236,062
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				78,528,242

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

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

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

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

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

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

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Investment in subsidiaries	22,935,743
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	22,935,743

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
Part X	Description of Uncertain Tax Positions Under FIN 48	THE AUDIT FOR ETCH AND ITS SUBSIDIARIES IS PREPARED ON A CONSOLIDATED BASIS EFFECTIVE FOR THE YEAR ENDED JUNE 30, 2009, THE COMPANY IS REQUIRED TO EVALUATE UNCERTAIN TAX POSITIONS IN ACCORDANCE WITH FASB INTERPRETATION NO 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES ("FIN 48") THIS EVALUATION WOULD INCLUDE A QUANTIFICATION OF TAX RISK IN AREAS SUCH AS UNRELATED BUSINESS TAXABLE INCOME AND THE TAXATION OF FOR-PROFIT SUBSIDIARIES THE ENTITY WAS AUDITED BY AN UNRELATED, INDEPENDENT ACCOUNTING FIRM THAT DEEMED THAT THE ADOPTION OF FIN 48 DID NOT HAVE A MATERIAL EFFECT ON THE COMPANY'S STATEMENT OF OPERATIONS FOR THE YEAR ENDED JUNE 30, 2009

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than $15,000 on Form 990-EZ, line 6a.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

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

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

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

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	(iii) No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
Total			▶			

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

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

		(a) Event #1 fantasy of trees (event type)	(b) Event #2 telethon (event type)	(c) Other Events 3 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	1,348,759	1,186,099	504,835	3,039,693
	2 Less Charitable contributions	616,340	1,186,099	427,435	2,229,874
	3 Gross revenue (line 1 minus line 2)	732,419		77,400	809,819
Direct Expenses	4 Cash Prizes			1,600	1,600
	5 Non-cash Prizes	7,500			7,500
	6 Rent/Facility costs	59,262		81,220	140,482
	7 Other direct expenses	597,662	131,695	194,522	923,879
	8 Direct expense summary Add lines 4 through 7 in column (d) ▶				1,073,461
	9 Net income summary Combine lines 3 and 8 in column (d) ▶				-263,642

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue			37,454	37,454
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes			7,500	7,500
	4 Rent/facility costs				
	5 Other direct expenses			4,915	4,915
	6 Volunteer labor	☐ Yes % ☐ No	☐ Yes % ☐ No	☑ Yes 100 000 % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				12,415
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				25,039

			Yes	No
9	Enter the state(s) in which the organization operates gaming activities TN			
a	Is the organization licensed to operate gaming activities in each of these states?	9a	Yes	
b	If "No," Explain			
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		No
b	If "Yes," Explain			
11	Does the organization operate gaming activities with nonmembers?	11	Yes	
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		No

			Yes	No
13	Indicate the percentage of gaming activity operated in			
a	The organization's facility	**13a**		
b	An outside facility	**13b**	100 000 %	

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ Zane goodrich

Address ▶ po box 15010
Knoxville, TN 379015010

15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?	**15a**		No

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 ▶ Elizabeth Thomas

Gaming manager compensation ▶ $ _____

Description of services provided ▶ Elizabeth Thomas is the Director of Volunteer Services THe volunteer services Department is responsible for the Fantasy of Trees The Raffle Tree is the gaming event held within the Fantasy of trees Volunteer Services fosters the relationship with raffle sponsors and decides where/ how the area is designed on the floor Volunteer services recruits voluteers to sell raffle tickets, lock the drum, and arrange the ticket drawing and delivery

☐ Director/officer ☑ Employee ☐ 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**	Yes	

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 ▶ $ 25,039

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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 ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ 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 ☐ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a		
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 ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b		
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			
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 eligibile 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 II Community 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 III Bad 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?	1		
2	Enter the amount of the organization's bad debt expense (at cost)	2		
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	3		
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 Mecicare (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		

☐ Cost accounting system ☐ Cost to charge ratio ☐ 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 IV Management 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)
East Tennessee Children's Hospital PO Box 15010 Knoxville, TN 379015010			X				X		

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

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 communites served

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

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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
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☑ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a			
a	Receive a severance payment or change of control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Keith Goodwin	(i) (ii)	425,142	5,000	59,268	11,500	4,437	505,347	
Rudolph Mckinley	(i) (ii)	228,113		20,768	24,280	1,750	274,911	
laura preston barnes	(i) (ii)	164,011		21,509	18,350	1,917	205,787	
paul c bates	(i) (ii)	149,437		20,500	16,989	3,545	190,471	
zane d goodrich	(i) (ii)	129,145		14,317	13,941	4,317	161,720	
carmen diez tapiador	(i) (ii)	105,830	105,224	15,559	18,456	3,302	248,371	
alexandra p eidelwein	(i) (ii)	158,172		13,448	11,919	2,755	186,294	
james dallas cathey	(i) (ii)	135,311		17,105	10,555	4,964	167,935	
deborah richardson	(i) (ii)	129,176		13,453	13,234	4,497	160,360	
james keith jordan	(i) (ii)	125,053		16,191	13,271		154,515	
Robert F Koppel	(i) (ii)	319,704		20,899	16,963	3,890	361,456	
rebecca colker	(i) (ii)	96,269	10,580	8,731		836	116,416	
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	Health or social club dues or initiation fees In cases where corporate memberships are not available, a membership may be obtained in an executive's name with a "business use only" restriction At this time ETCH has one such membership

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 62-6002604
Name: East Tennessee Children's Hospital Association 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				
Keith Goodwin	(I) (II)	425,142	5,000	59,268	11,500	4,437	505,347	
Rudolph Mckinley	(I) (II)	228,113		20,768	24,280	1,750	274,911	
laura preston barnes	(I) (II)	164,011		21,509	18,350	1,917	205,787	
paul c bates	(I) (II)	149,437		20,500	16,989	3,545	190,471	
zane d goodrich	(I) (II)	129,145		14,317	13,941	4,317	161,720	
carmen diez tapiador	(I) (II)	105,830	105,224	15,559	18,456	3,302	248,371	
alexandra p eidelwein	(I) (II)	158,172		13,448	11,919	2,755	186,294	
james dallas cathey	(I) (II)	135,311		17,105	10,555	4,964	167,935	
deborah richardson	(I) (II)	129,176		13,453	13,234	4,497	160,360	
james keith jordan	(I) (II)	125,053		16,191	13,271		154,515	
Robert F Koppel	(I) (II)	319,704		20,899	16,963	3,890	361,456	
rebecca colker	(I) (II)	96,269	10,580	8,731		836	116,416	

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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 Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523ud8	02-15-2003	965,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
B	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523uf3	02-15-2003	1,150,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
C	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523ue6	02-15-2003	3,155,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
D	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523ug1	02-15-2003	3,810,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
E	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523tt5	02-15-2003	11,470,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		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					

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?										
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 Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
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?										

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523tu2	02-15-2003	4,085,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
B	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523tv0	02-15-2003	9,505,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		X		X
C	The Health Educational and Housing Facility board of knox county tennessee	62-1220275	499523uh9	02-15-2003	11,790,000	DEBT SERVICE AND FUTURE CAPITAL PROJECTS		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					

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
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	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
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?										

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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	(c) Corrected? 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? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) 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	(e) No
knoxville pediatric cardiology pc	Provider of medical services to ETCH	783,963	JEFFORY JENNINGS, M D IS A SHAREHOLDER IN KNOXVILLE PEDIATRIC CARDIOLOGY, P C , WHICH PROVIDES MEDICAL SERVICES TO ETCH		No
CHild Neurology services PC	Provider of medical services to ETCH	399,560	CHRISTOPHER MILLER, M D , member of the ETCH board of directors, IS A SHAREHOLDER IN CHILD NEUROLOGY SERVICES, P C		No
Martin Company Inc	provider of financial services to etch	229,842	DAVID MARTIN, member of the etch board of directors, IS THE PRESIDENT OF MARTIN & COMPANY, INC		No
neurosurgical associates pc	provider or medical services to etch	163,399	LEWIS HARRIS, M D , member of the etch board of directors, IS A SHAREHOLDER IN NEUROSURGICAL ASSOCIATES, P C		No

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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
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

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				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded				
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				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other (describe gala auction items)	X	107	65,967	property selling price
26	Other (describe Food/misc support items)	X	103	161,762	market value
27	Other (describe)				
28	Other (describe)				

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	

			Yes	No
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?	30a		No
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?	31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a		No
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			

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.

Identifier	ReturnReference	Explanation

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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
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The 2008 Form 990 and the related schedules are prepared by an unrelated, independent accounting firm and then submitted to the ETCH CFO for internal review A draft is also provided to the ETCH board of directors finance committee for review The CFO is available to answer any questions received from the board and address any significant disclosures within the Form 990 and related schedules prior to filing

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		Each member of the board of directors is asked to review the conflict of interest policy and provide disclosure of any activities which could constitute a conflict of interest or potential conflict of interest These conflict of interest disclosures are reviewed by ETCH's general counsel to assure compliance with this policy Additionally, board members are asked to recuse themselves on any matters of interest before the board in which a conflict of interest may exist Any such recusal is documented within the minutes of the board or committee

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		The executive committee of the ETCH board of directors reviews and approves the compensation of the CEO State and national comparability data is used to assist in determining appropriate compensation While such review process was not in place for other officers and key employees of as June 30, 2009, the organization is planning to establish a review and approval process going forward

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		All ETCH governing documents, the conflict of interest policy and financial statements are available upon request Additionally, financial statements are provided to bondholders, local hospitals and donors and the conflict of interest policy is posted on ETCH's intranet

Identifier	Return Reference	Explanation
FORM 990, PART XI, LINE 2B	CONSOLIDATED AUDIT	CONSOLIDATED FINANCIAL STATEMENTS ARE PREPARED FOR EAST TENNESSEE CHILDREN'S HOSPTIAL ASSOCIATION, INC AND SUBSIDIARIES AND ARE AUDITIED ANNually BY INDEPENDEDNT ACCOUNTANTS

Identifier	Return Reference	Explanation
Form 990, Part III, Line 4a	Continuation of Program Service Accomplishments	The Children's Hospital Rehabilitation Center was established in 1947 by a group of parents whose children had cerebral palsy, and it has been an ETCH department since 1995 The center provides rehab evaluation and treatment services to inpatients at ETCH and the center, as well as home health rehab through Children's Hospital Home Health Care Patients range from those with mild developmental delays to multiple handicapping conditions All services are designed to help children reach their greatest independent function and developmental potential In addition to outpatient physical and occupational therapy and speech pathology at the center, outpatient services also include the Children's Corner medical day treatment program, nutrition, psychology, summer day camp, transportation, parent training and outpatient clinics at ETCH The center also provides high-risk follow-up and seating clinics The Children's Hospital Rehabilitation center is a United Way agency ETCH also provides comprehensive consultation, evaluation, diagnostic services and treatment for pediatric patients with acute, chronic and/or complex conditions through the James S Bush Outpatient Care Center Several clinics for specific conditions are offered including craniofacial, cystic fibrosis, dermatology, diabetes, gynecology, hematology/oncology, high risk, infectious diseases, metabolic diseases, multispeciality, rheumatology, special attention and spasticity A clinic visit may include treatment and consultation with physicians, nurses and staff from Nutrition, Social Work, Child Life, Rehabilitation or Respiratory Care Additional Services The Social Work Department at ETCH helps patients and their families deal with emotional stress caused by illness, injury or the hospitalization itself Social Work services include information and referral, short-term supportive counseling for patients and parents, crisis intervention assistance, discharge planning, financial assistance, information on support and advocacy groups, and assistance with concrete needs, including Ronald McDonald House referrals The department also coordinates translation of much of the hospital's printed material into Spanish to give the Hispanic population communication access when medical services are provided Social Work also provides several interpretation services for ETCH Optimal Phone Interpreters is a telephone service that provides interpreters in more than 204 languages and dialects Interpreters can be arranged for face-to-face interactions between Spanish-speaking patients and parents and the physician and/or other hospital staff member Sign language interpreters are also available for hearing impaired patients and families Hospitalization, medical procedures, illness and pain are often fearful times for people of all ages The Child Life Department at ETCH is responsible for helping children cope with their hospitalization through education, medical play and activities The Child Life staff assesses the child's fears and needs, explain procedures in language children can understand and use distractions to make procedures, such as the placement of an IV line, less intimidating The Child Life staff members hold degrees in education, child development or therapeutic recreation They have expertise in dealing with a child's concerns and reactions to the hospital and his or her illness In addition to its work within the hospital, the Child Life Department also coordinates several activities for children in the community Pastoral Care - Chaplains are available 24 hours a day to provide spiritual and emotional support to patients, families and staff at ETCH Chaplains also provide consultation concerning ethical issues related to patient care Food and Nutrition Services - ETCH's Cafeteria is open daily Vending machines on the ground floor near the dining room and in the Scott M Niswonger Emergency Department waiting area provide sandwiches, snacks and beverages 24 hours a day For patients with no dietary restrictions, Food and Nutrition Services offers a selective menu of in-room meals Also, registered dietitians provide clinical nutrition services, and medical nutrition therapy is available to inpatients and outpatients who attend specialty clinics or who have individual appointments These services include nutrition assessment, feeding recommendations, intake evaluation and nutrition counseling ETCH's Healthy Kids program is a community education initiative of the Community Relations Department The program serves as an education resource for parents, grandparents and other caretakers by offering classes, literature, a quarterly newsletter and other opportunities for learning how to improve the health and well-being of children ETCH is the lead organization for an important area coalition Safe Kids of the Greater Knox Area The mission of the local Safe Kids coalition is to reduce unintentional injuries in children up to age 14 in the East Tennessee region by promoting awareness and implementing prevention initiatives The local Safe Kids is part of Safe Kids Worldwide, a network of coalitions whose primary purpose is to prevent unintentional injuries in children by providing children and adults caring for them with information about how to stay safe HOPP is Hematology/Oncology Patients and Parents, an official support group of ETCH that provides support for families dealing with a child with cancer For the year ended June 30, 2009 ETCH had 38,240 total inpatient days, 173,730 total outpatient visits and 70,303 emergency department visits

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
East Tennessee Children's Hospital Association Inc

Employer identification number
62-6002604

Part I Identification of Disregarded Entities

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

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproprtionate allocations? Yes	(H) No	(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner? Yes	(J) No
Children's West Surgery Center LLC 1020 CHildrens Way Knoxville, TN37922 62-1872553	Medical Surgery Center	TN	east tennessee children's hospital inc	related	422,674	768,857		No			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
children's primary care center PO Box 15010 knoxville, TN37901 62-1573297	pediatric clinic holding company	TN	east tennessee children's hospital inc	C	21,570,553	4,963,361	100 000 %

Part V Transactions with Related Organizations

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

		Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	**1a**		**No**
b	Gift, grant, or capital contribution to other organization(s)	**1b**		**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**		**No**
d	Loans or loan guarantees to or for other organization(s)	**1d**	**Yes**	
e	Loans or loan guarantees by other organization(s)	**1e**		**No**
f	Sale of assets to other organization(s)	**1f**		**No**
g	Purchase of assets from other organization(s)	**1g**		**No**
h	Exchange of assets	**1h**		**No**
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**		**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**		**No**
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**		**No**
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		**No**
n	Sharing of paid employees	**1n**		**No**
o	Reimbursement paid to other organization for expenses	**1o**		**No**
p	Reimbursement paid by other organization for expenses	**1p**		**No**
q	Other transfer of cash or property to other organization(s)	**1q**		**No**
r	Other transfer of cash or property from other organization(s)	**1r**		**No**

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

	(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)	Children's Primarty Care Center	D	2,854,445
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership

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

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