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A For the 2008 calendar year, or tax year beginning 07-01-2008, and ending 06-30-2009				
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Ketchikan General Hospital Foundation		D Employer identification number 65-1225184
		Number and street (or P O box, if mail is not delivered to street address) 3100 Tongass Avenue		E Telephone number (907) 228-8300
		City or town, state or country, and ZIP + 4 Ketchikan, AK 99901		F Group Exemption Number

☒ **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**
☐ **Accounting method** ☐ Cash ☒ Accrual
 Other (specify) ▶



I Website: <input checked="" type="checkbox"/> <u>peacehealth.org/southeastalaska/foundation/</u>		H Check <input type="checkbox"/> if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)
J Organization type (check only one)— <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		

K Check ☐ if the organization is not a section 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

Part I	Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I)
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Revenue	1	Contributions, gifts, grants, and similar amounts received		1	246,974
	2	Program service revenue including government fees and contracts		2	
	3	Membership dues and assessments		3	
	4	Investment income		4	9,470
	5a	Gross amount from sale of assets other than inventory	5a		
	b	Less cost or other basis and sales expenses	5b		
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule)		5c	
	6	Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here <input type="checkbox"/>			2,038
	a	Gross revenue (not including \$ <u>21,159</u> of contributions reported on line 1)	6a	14,767	
b	Less direct expenses other than fundraising expenses	6b	12,729		
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)		6c		
7a	Gross sales of inventory, less returns and allowances	7a			
b	Less cost of goods sold	7b			
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)		7c		
8	Other revenue (describe <input type="checkbox"/> _____)			8	
9	Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)			9	258,482
Expenses	10	Grants and similar amounts paid (attach schedule) <input checked="" type="checkbox"/>		10	175,661
	11	Benefits paid to or for members		11	
	12	Salaries, other compensation, and employee benefits		12	
	13	Professional fees and other payments to independent contractors		13	
	14	Occupancy, rent, utilities, and maintenance		14	
	15	Printing, publications, postage, and shipping		15	
	16	Other expenses (describe <input checked="" type="checkbox"/> _____)		16	54,447
	17	Total expenses (add lines 10 through 16)		17	230,108
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)		18	28,374
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)		19	627,669
	20	Other changes in net assets or fund balances (attach explanation) <input checked="" type="checkbox"/>		20	-1,655
	21	Net assets or fund balances at end of year (combine lines 18 through 20)		21	654,388

Part II Balance Sheets—If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ

(See the instructions for Part II)		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments	501,384	22 545,145
23	Land and buildings		23
24	Other assets (describe )	141,765	24 125,526
25	Total assets	643,149	25 670,671
26	Total liabilities (describe )	15,480	26 16,283
27	Net assets or fund balances (line 27 of column (B) must agree with line 21) .	627,669	27 654,388

Part III Statement of Program Service Accomplishments (See the instructions for Part III)		Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others)	
What is the organization's primary exempt purpose? THE KETCHIKAN GENERAL HOSPITAL FOUNDATION EXISTS TO ACQUIRE AND RECOGNIZE CHARITABLE GIFTS AND BEQUESTS THAT ASSIST KETCHIKAN GENERAL HOSPITAL IN FULFILLING ITS MISSION, ADHERING TO ITS CORE VALUES AND PROVIDING EXCEPTIONAL MEDICINE AND COMPASSIONATE CARE TO THE SOUTHEAST ALASKA REGION THE KETCHIKAN GENERAL HOSPITAL FOUNDATION WILL -PROVIDE INDIVIDUALS AND INSTITUTIONS WITH AN OPPORTUNITY TO EXTEND THE GIFT OF HEALTH TO CITIZENS IN SOUTHEAST ALASKA PHILANTHROPIC OPPORTUNITIES SHOULD ENHANCE THE ABILITY OF KETCHIKAN GENERAL HOSPITAL TO PROVIDE HEALING AND COMPASSIONATE HEALTHCARE, RESPECTING EVERYONE'S PERSONAL HUMAN DIGNITY -SUPPORT THE APPLICATION OF INNOVATIVE PATIENT CARE SERVICES TO IMPROVE THE HEALTH CARE SERVICES OF THIS AREA -ACHIEVE A HIGHER LEVEL OF MUTUAL UNDERSTANDING AND INVOLVEMENT WITH THE COMMUNITIES AND PEOPLE KETCHIKAN GENERAL HOSPITAL SERVES			
Describe what was achieved in carrying out the organization's exempt purposes In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title			
28 SUPPORT OF KETCHIKAN GENERAL HOSPITAL FOR ACCESS CARE, TECHNOLOGY ADVANCEMENT AND CAPITAL IMPROVEMENTS (Grants \$ 175,661) If this amount includes foreign grants, check here . . . <input type="checkbox"/>		28a	175,661
29 (Grants \$) If this amount includes foreign grants, check here . . . <input type="checkbox"/>		29a	
30 (Grants \$) If this amount includes foreign grants, check here . . . <input type="checkbox"/>		30a	
31 Other program services (attach schedule) (Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>		31a	
32 Total program service expenses (add lines 28a through 31a) <input type="checkbox"/>		32	175,661
Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated (See the instructions for Part IV)			

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-.)	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
See Additional Data Table				

Part V

Other Information (Note the statement requirements in the instructions for Part VI.)

Yes

No


33

Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity

33

No

34

Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes 

34

Yes

35

If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but **not** reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T

a

Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?

35a

No

b

If "Yes," has it filed a tax return on **Form 990-T** for this year?

35b


36

Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Schedule N

36

No

37a

Enter amount of political expenditures, direct or indirect, as described in the instructions 

37a

 0

b

Did the organization file **Form 1120-POL** for this year?

37b

38a

Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?

38a

No

b

If "Yes," complete Schedule L, Part II and enter the total amount involved .

38b

39

501(c)(7) organizations. Enter

a

Initiation fees and capital contributions included on line 9




39a

b

Gross receipts, included on line 9, for public use of club facilities

39b

40a

Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under section 4911  0 , section 4912  0 , section 4955  0


b

Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I.


40b

No

c

Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958  0

d

Enter amount of tax on line 40c reimbursed by the organization  0


e

All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?



40e

No



41

List the states with which a copy of this return is filed  AK

42a

The books are in care of  CAROLYN FOSTER Telephone no  (360) 788-6446

809 E Chestnut St

Located at  Bellingham, WA ZIP + 4  98225


b

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)?

42b

Yes

No

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**.

c



At any time during the calendar year, did the organization maintain an office outside of the U S ?


42c

No

If "Yes," enter the name of the foreign country  _____

43

Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here  

and enter the amount of tax-exempt interest received or accrued during the tax year  43

44

Did the organization maintain any donor advised funds? If "Yes", Form 990 must be completed instead of Form 990-EZ.

44

Yes

No

45

Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes", Form 990 must be completed instead of Form 990-EZ.

45

No

Part VI

Section 501(c)(3) organizations only. All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

46	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	Yes	No
47	Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		No
48	Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "yes," complete Schedule E		No
49a	Did the organization make any transfers to an exempt non-charitable related organization?		No
b	If "Yes," was the related organization(s) a section 527 organization?		
50	Complete this table for the five highest compensated employees (other than officers, directors, trustees, and key employees) who received more than \$100,000 of compensation from the organization. If there are none, enter "None."		

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$100,000				

51	Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there are none, enter "None."		
(a)	Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
	NONE		
	Total number of other independent contractors receiving over \$100,000		

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	***** Signature of officer		2010-04-12 Date	
Paid Preparer's Use Only	PATRICK BRANCO, CEO, PEACEHEALTH SOUTHEAST ALASKA Type or print name and title			
	Preparer's signature Sara Elizabeth J Hyre		Date	Preparer's PTIN (See Gen. Inst. X)
	Firm's name (or yours if self-employed), address, and ZIP + 4 Clark Nuber PS 10900 NE 4th Street Suite 1700 Bellevue, WA 98004			EIN
				Phone no. (425) 454-4919
May the IRS discuss this return with the preparer shown above? See instructions.				

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 Ketchikan General Hospital Foundation		Employer identification number 65-1225184
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Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

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

1	<input type="checkbox"/>	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input type="checkbox"/>	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	<input checked="" type="checkbox"/>	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	<input type="checkbox"/>	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See Section 509(a)(2). (Complete Part III)
10	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	<input type="checkbox"/>	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 <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally Integrated d <input type="checkbox"/> Type III - Other
e	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	<input type="checkbox"/>	Provide the following information about the organizations the organization supports

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

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

Part II

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

Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	95,924	212,130	229,787	568,674	246,974	1,353,489
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	95,924	212,130	229,787	568,674	246,974	1,353,489
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)						236,455
6 Public Support subtract line 5 from line 4						1,117,034

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	95,924	2,140	229,787	568,674	246,974	1,353,489
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	475	2,140	2,671	7,554	9,470	22,310
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)						1,375,799
12 Gross receipts from related activities, etc (See instructions)					12	29,283

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	81.190 %				
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15					

- 16a 33 1/3% Test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒
- b 33 1/3% Test - 2007.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐
- 17a 10% Facts and Circumstances Test - 2008.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐
- b 10% Facts and Circumstances Test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐
- 18 Private Foundation.** If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ☐

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

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

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

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

Computation of Investment Income Percentage		
17Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h	18	
19a33 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		
b33 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		
20Private 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: 65-1225184

Name: Ketchikan General Hospital Foundation

Form 990EZ, Part IV - List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
GEORGIANNA ZIMMERLE 3100 TONGASS AVE KETCHIKAN,AK 99901	PRESIDENT 2 00	0	0	0
HENRY C KEENE JR 3100 TONGASS AVE KETCHIKAN,AK 99901	VICE PRESIDENT 2 00	0	0	0
ANGELA SALAZAR 3100 TONGASS AVE KETCHIKAN,AK 99901	TREASURER 2 00	0	0	0
CAROLYN WILSIE 3100 TONGASS AVE KETCHIKAN,AK 99901	SECRETARY 2 00	0	0	0
PATRICK J BRANCO 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
RICHARD L BURTON 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
VALETTA VAL'EE GRAY 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
NORMAN HERRON MD 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
DAVID E JOHNSON MD 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
PATTI MACKEY 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
PENNY PEDERSEN 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
SHERRIE SLICK 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
REBECCA VALENTINE 3100 TONGASS AVE KETCHIKAN,AK 99901	DIRECTOR 2 00	0	0	0
GRETCHEN KLEIN 3100 TONGASS AVE KETCHIKAN,AK 99901	DEVELOP MGR 40 00	0	0	0

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
Ketchikan General Hospital Foundation

Employer identification number
65-1225184

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?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total		►				

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

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

Revenue			(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
			AUCTION			(Add col (a) through col (c))
			(event type)	(event type)	(total number)	
	1	Gross receipts	35,926			35,926
Direct Expenses	2	Less Charitable contributions	21,159			21,159
	3	Gross revenue (line 1 minus line 2)	14,767			14,767
	4	Cash Prizes				
	5	Non-cash Prizes	955			955
	6	Rent/Facility costs	1,396			1,396
	7	Other direct expenses	10,378			10,378
	8	Direct expense summary Add lines 4 through 7 in column (d)				12,729
	9	Net income summary Combine lines 3 and 8 in column (d).				2,038

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.

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

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

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

TY 2008 General Explanation Attachment**Name:** Ketchikan General Hospital Foundation**EIN:** 65-1225184

Identifier	Return Reference	Explanation
FORM 990-EZ, PART IV	OFFICER'S COMPENSATION	GRETCHEN KLEIN, THE DEVELOPMENT MANAGER AND TOP MANAGEMENT OFFICIAL OF THE FOUNDATION, IS COMPENSATED BY A RELATED ORGANIZATION, PEACEHEALTH

TY 2008 Grants and Similar Amounts Paid Schedule**Name:** Ketchikan General Hospital Foundation**EIN:** 65-1225184

Item No.	1
Class of Activity	PATIENT SUPPORT
Donee's Name	KETCHIKAN GENERAL HOSPITAL
Donee's Address	3100 TONGASS AVE KETCHIKAN, AK 99901
Amount (FMV)	175,661
Purpose of Payment to Affiliate	
Relationship	NONE
Description	
Book Value	
How BV Determined	
How FMV Determined	
Date of Gift	

TY 2008 Other Assets Schedule

Name: Ketchikan General Hospital Foundation

EIN: 65-1225184

Description	Beginning of Year Amount	End of Year Amount
PLEDGES RECEIVABLE	141,765	125,526

TY 2008 Other Changes in Net Assets Schedule**Name:** Ketchikan General Hospital Foundation**EIN:** 65-1225184

Description	Amount
CHANGE IN SPLIT INTEREST AGREEMENT	-407
UNREALIZED INVESTMENT INCOME	-1,248

TY 2008 Other Expenses Schedule

Name: Ketchikan General Hospital Foundation

EIN: 65-1225184

Description	Amount
BANK FEES	494
OFFICE SUPPLIES	53,953

TY 2008 Other Liabilities Schedule**Name:** Ketchikan General Hospital Foundation**EIN:** 65-1225184

Description	Beginning of Year Amount	End of Year Amount
ANNUITY LIABILITY	6,980	7,387
PAYABLES	8,500	8,896

**TY 2008 Transfers Personal Benefits
Contracts Declaration**

Name: Ketchikan General Hospital Foundation

EIN: 65-1225184

Declaration: The organization did not, during the year, receive any funds, directly,or indirectly, to pay premiums on a personal benefit contract.The organization, did not, during the year, pay any premiums, directly,or indirectly, on a personal benefit contract.



APPROVED AT 9/24/2009 KGH FOUNDATION BOARD MEETING

PROPOSED RESOLUTION – 3RD AMENDED AND RESTATED BYLAWS

WHEREAS, at its August 21, 2008 meeting, the Ketchikan General Hospital Foundation approved the officers and Executive Director applying to the IRS for a conversion in status from 509(a)(3) to (509)(a)(1); and

WHEREAS, the IRS has approved that change as reflected on the attached IRS determination letter dated April 21, 2009; and

WHEREAS, the current Foundation Bylaws in Section 1.3.3 list the Foundation as a 509(a)(3); and

WHEREAS, the Bylaws have been revised to change Section 1.3.3 from a 509(a)(3) to a 509(a)(1); and

NOW, THEREFORE BE IT RESOLVED THAT the Third Amended and Restated Bylaws are approved.

PROPOSED MOTION

Propose to adopt the third amended and restated bylaws as presented in the Packet for the 9-24-2009 KGHF Board of Directors Meeting.

Conditions to Adopt Amended Bylaws: Must have 70% of KGHF Board of Directors then in office present and no less than 2/3 of the Directors and the Ex-Officio Director (the CEO) vote in favor of the proposed amended Bylaws.

**THIRD AMENDED AND RESTATED
BYLAWS
OF
KETCHIKAN GENERAL HOSPITAL FOUNDATION**

(An Alaska Nonprofit Corporation)

**1.
NAME PURPOSE, AND POWERS**

- 1.1 Name. The name of this Alaska nonprofit corporation is "Ketchikan General Hospital Foundation" hereinafter the "Foundation".
- 1.2 Purpose. The Foundation is organized and shall be operated exclusively for the purpose of supporting Ketchikan General Hospital and its related operations including Long Term Care and physician clinics located in Ketchikan, Alaska in furtherance of the healthcare mission of its owner, PeaceHealth (a Washington nonprofit corporation which is exempt from federal income taxation pursuant to Sections 501(c)(3), 509(a)(1) and 170(b)(1)(A)(iii) of the Internal Revenue Code, by soliciting, receiving, managing, administering, and distributing funds or other gifts to or for the benefit of Ketchikan General Hospital.
- 1.3 Powers. The Foundation shall have and exercise exclusively in furtherance of the Purpose set forth in Section 1.2 of these Bylaws all powers conferred upon nonprofit corporations by AS 10.20, as presently or hereafter amended (or any successor statutes), subject to the following limitations:
- 1.3.1 The Foundation shall have no power to undertake any act which would violate any provision of its Articles of Incorporation;
- 1.3.2 The Foundation shall operate so that no part of the Foundation's net earnings shall inure to the benefit of any private individual; no substantial part of the Foundation's activities shall consist of the carrying on of propaganda or otherwise attempting to influence legislation (except to the extent permitted by the Internal Revenue Code); the Foundation shall not participate in or intervene in any political campaign on behalf of any candidate for public office (including the publishing or distributing of statements). The Foundation shall operate so that it does not unlawfully discriminate upon the basis of race, sex, age, creed, color, condition, ancestry or national origin;
- 1.3.3 The Foundation shall have no power to undertake any act which would jeopardize the Foundation's status as an Alaska nonprofit corporation or as a public charity under Section 509(a)(1) of the Internal Revenue Code to which contributions are deductible by donors under Section 170(c)(2)(B) of the Internal Revenue Code;
- 1.3.4 The Foundation shall have no power to issue shares of stock or adopt emergency Bylaws. The Foundation shall have no power to make any

disbursement of income or loan of money or credit to its Officers or Directors. The Foundation shall be empowered, however, to reimburse reasonable expenses incurred on its behalf, and to make payments and distributions in furtherance of the Purposes stated in section 1.2.

- 1.4 Principal Office. The principal office of the Foundation shall be and hereafter remain in Ketchikan Gateway Borough, Alaska. The principal office of the Foundation shall be on the campus of Ketchikan General Hospital located at 3100 Tongass Avenue, Ketchikan, Alaska 99901.

2. NO MEMBERS

- 2.1 Members. The Foundation shall have no members.

3. DIRECTORS

- 3.1 Directors. The affairs of the Foundation shall be managed by its Board of Directors consisting of no fewer than three (3) and no more than thirty (30) members, with the qualification, terms, and the manner of election as prescribed in these Bylaws; provided, however, the Board of Directors shall include the following individuals:

3.1.1 The person appointed by PeaceHealth to serve as the Southeast Alaska Region CEO (by whatever title that position may be called) shall automatically, for a term coextensive with service in that position, become a member of the Foundation's Board of Directors and a member of all committees, which the Foundation may establish, with full voting rights.

3.1.2 The President of the Ketchikan General Hospital Auxiliary shall automatically, for a term coextensive with service in that position, become a member of the Foundation's Board of Directors with full voting rights.

The remaining Director positions shall be filled by such individuals as from time to time are nominated and elected by a majority vote of the Directors then in office and by the affirmative vote of the Director described in Paragraph 3.1.1 above.

- 3.2 Elections. Regular elections of Directors shall take place at the Foundation's Annual Meeting and shall be conducted by oral vote or show of hands or, at the request of any Director, by secret ballot. In nominating members of the Foundation's Board of Directors, the Board of Directors or a Nominating Committee shall solicit and consider recommendations from PeaceHealth, the local citizens who comprise the Southeast Alaska Regional Board and recommendations from the local citizens who comprise the Foundation's Board of Directors.

Any directorship which becomes vacant between Annual Meetings or which may be created between Annual Meetings shall be filled using the process above described, except that the election shall be held as soon after the vacancy has occurred as is practical.

- 3.3 Management of Foundation. The affairs of the Foundation shall be managed by its Board of Directors of no fewer than three (3) and no more than thirty (30) members. The Southeast Alaska Region CEO (and his or her successors) shall automatically, upon assuming the office, become a member of the Foundation's Board of Directors. The Southeast Alaska Region CEO shall also be a member of all committees that the Foundation may establish, with full voting rights. To serve in the event of any absence or unavailability of the Southeast Alaska Region CEO, PeaceHealth shall appoint an individual to serve as an alternate, who in the event his/her service is needed shall automatically become a substitute member of the Foundation's Board of Directors and a substitute member of all committees which the Foundation may establish, with full voting rights.
- 3.4 Terms for Board Members. In order to maintain a continuity of leadership, the terms for the regular Board of Directors shall be set so that no more than forty percent (40%) of the Board will be up for reappointment at any one time. Each Director shall hold office for a term of three (3) years (except in the case of the Southeast Alaska Region CEO whose term shall be coextensive with length of service in that position) or for the remaining unexpired term of a vacant position being filled, whichever is shorter. A Director may be reappointed with the approval of the Chairperson and the Southeast Alaska Region CEO.
- 3.5 Resignation of Director. Any Director may resign at any time by providing notice in writing to the Board of Directors, which may be effective when received or at a date specified in the notice.
- 3.6 Regular Meetings, Special Meetings, and Annual Meetings. The last regular meeting of each fiscal year shall be the annual meeting of the Board of Directors. Special meetings shall be called by the President or Secretary when requested to do so by any three (3) Directors or by the Southeast Alaska Region CEO.

Meetings of the Board of Directors may be held at any location within the State of Alaska or without the State of Alaska pursuant to a resolution of the Board.

Any action that could be accomplished at a meeting may be accomplished without a meeting if a consent (including consents submitted in counterparts) in writing (including e-mail) setting forth the action taken shall be signed, or in the case of e-mail, electronically transmitted, by all members of the Board of Directors then in office. Such a document shall be filed in the corporate minute book and have the same force and effect as a unanimous vote taken at a duly called meeting.

- 3.7 Notice of Meetings. Written notice of the time and place of each regular meeting of the Board of Directors shall be given to each Director not less than ten (10) days before the date of such meeting, which notice shall generally specify the purposes of the meeting. Notice of each special meeting of the Board of Directors shall be given to each Director not less than three (3) days before the date of such meeting, which notice shall limit the matters to be considered to the specific matters listed in the meeting notice. Such notice shall be given either by personal delivery or by mail, telegram, telecopy, facsimile, email, or other written or electronic media. The giving of notice shall be deemed to have been waived by any Director who shall have attended and participated in a meeting (unless

attendance was for the contemporaneously expressed purpose of objecting that the meeting had not been lawfully called or convened).

- 3.8 Waivers, Quorum, Calculations, and Voting. Any Director entitled to notice of an event may waive the requirement of notice by a written waiver of notice, executed either before or after the event and such an executed waiver shall be considered the equivalent of notice having been given.

All references in these Bylaws or state statutes to "the number of Directors fixed by the Bylaws" shall be defined to mean "the number of Directors actually appointed, qualified and serving, excluding vacant positions".

A quorum for the transaction of business shall be fifty percent (50%) of all Directors then in office, with the act of a majority at such a meeting being the act of the Foundation, except for those items set forth in section 3.9 below. Any Director who abstains from voting shall, nevertheless, be counted for purposes of the quorum.

Voting by proxy shall not be allowed. Some or all members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment which enables all persons participating in the meeting to hear each other at the same time and participation by such means shall constitute presence at a meeting.

- 3.9 Notwithstanding any other provision of these Bylaws, the following actions shall require the affirmative vote of two-thirds (2/3) of the Directors at a meeting at which at least seventy percent (70%) of the Directors then in office are present plus the affirmative vote of the ex-officio Director under Section 3.1.1.

- 3.9.1 Any amendment, alteration, repeal, replacement, or restatement of these Articles of Incorporation or Bylaws;
- 3.9.2 Dissolution or liquidation of the Foundation;
- 3.9.3 Approval of a plan of merger or plan of consolidation or the sale, lease, exchange, or other disposition of all or substantially all assets of the Foundation;
- 3.9.4 The mortgage or pledge of any or all property and assets of the Foundation;
- 3.9.5 Approval of a guarantee by the Foundation respecting the contracts, securities, or obligation of any person;
- 3.9.6 Approval of any plan of distribution or voluntary dissolution of the Foundation.

4. OFFICERS

- 4.1 Positions, Qualifications, and Terms. The Officers of the Foundation shall be elected by the Foundation Board of Directors from among the members of the Board of Directors (except for Assistants, who need not be Board Members) and shall consist of the President (who Shall serve as Chairperson of the Board), a Vice-President, a Secretary, a Treasurer and such number of Assistant Secretaries or Assistant Treasurers, if any, as the Board of Directors considers necessary or desirable. Any two or more offices may be held by the same person, except the offices of President and Secretary or Assistant Secretary. The terms of office for each Officer and Assistant, if any, shall be for one (1) year or until their successors have been elected and assumed their duties.
- 4.2 Foundation Director. The Board may, at its discretion, appoint a Foundation Director who need not be a member of the Board. If a Foundation Director is appointed, he/she shall, subject to the authority of the Board, have general charge and control over the business and affairs of the Foundation on a day-to-day basis.
- 4.3 Duties of Chairperson. The Chairperson shall call all meetings of the Board to order, ascertain whether a quorum is present; work with the Foundation Director and the Secretary to develop the agenda for all meetings and announce the order of business; state and put to vote all questions that legitimately come before the Board; announce the results of each vote; rule on questions of parliamentary procedure; preside over elections, and declare the winners at the annual meeting; declare meetings adjourned; and authenticate by signature, when necessary, all actions of the Board.
- 4.4 Duties of the President. The President shall be the Chief Operating Officer of the Foundation and, subject to the authority of the Board of Directors, shall have general charge, supervision and control over the business and affairs of the Foundation in the event a Foundation Director is not appointed. The President shall perform such duties as may from time to time be requested by the Board of Directors. The President shall regularly report to the Board of Directors on all matters of significance in a timely fashion and shall coordinate closely with and respond to inquiries from the Southeast Alaska Region CEO. The Foundation's President shall work closely with the Foundation Director, if any, in developing the Agenda for all meetings.
- 4.5 Duties of Vice President. The Vice President shall perform such duties as from time to time shall be requested by the President or assigned by the Board of Directors. In the event of the absence or unavailability of the President, the Vice President shall fulfill the duties of the presidency (without assuming the title or any variation of the title) for the period of such absence or unavailability or until a successor President shall have been elected and assumed office, whichever occurs first.
- 4.6 Duties of the Secretary. The Secretary shall, either personally or through supervising the work of others: create the minutes of the Board's meetings and maintain the official copies of those minutes, including all committee reports, the Foundation's annual approved budgets, all Board approved policies and all banking or financial institution Resolutions for the establishment of accounts or investment or custody of funds; sign all documents certifying to official acts of the Foundation; maintain custody of the corporate seal and affix it to documents when appropriate; maintain at each meeting for use by the

Chairperson and other Board members a copy of the Foundation's current Articles of Incorporation, Bylaws, minutes for the past year, a current copy of all Board approved policies, a current list of Board Members and their terms, and a current list of all committees and their members; officially notify individuals on the Foundation's behalf of their election or appointment; furnish the Board, its members and committees such documents as may be required for the performance of their duties; give notice of all meetings; work with the Chairperson and President, prepare an Agenda for use at each meeting setting forth the order and items of business; deliver copies of the Agenda and necessary back up information to all Board members prior to the meeting and preferably at the same time the notice of meeting is given; maintain for availability for the public to inspect upon request such documents as the public shall by law be entitled to inspect, such as a copy of the Foundation's Articles of Incorporation and Bylaws, a copy of the Foundation's IRS Determination Letter, a copy of the Foundation's Application for Recognition of Exemption which was submitted to the IRS (together with all accompanying information) and a copy of the Foundation's tax returns for the past (3) three years.

- 4.7 Duties of the Treasurer. The Treasurer shall (either personally or through supervising the work of other individuals) have custody, care and control of the Foundation's funds and securities. The Treasurer shall be responsible for placing all funds in the Foundation's name in such depositories or investments as may be approved by the Board of Directors. The Treasurer shall be responsible for authorizing disbursement of the Foundation's funds in payment of just debts or as may be ordered by the Foundation's Board of Directors. The Treasurer shall provide financial reports to the Board of Directors from time to time, as requested, but at least quarterly. The Treasurer shall serve as Chairperson of the Finance Committee, if any.
- 4.8 Duties of Assistant Secretaries or Assistant Treasurers. Assistant Secretaries or Assistant Treasurers, if any, shall perform such portions of the duties of those offices as may be specifically delegated to them or may at the request of the President or Chairperson of the Board perform the full duties of those offices in the event of absence or unavailability of the Secretary or Treasurer.
- 4.9 Elections. Elections of Officers shall take place at the Foundation's Annual Meeting and shall be conducted by oral vote, or show of hands or, at the request of any Director, by secret ballot. Any member of the Board may make nominations, which shall not require a second. Voting shall then take place.

Any office that becomes vacant between Annual Meetings or may be created between Annual Meetings shall be filled using the process above-described, except that the election shall be held as soon after the vacancy has occurred as is practical.

- 4.10 Removal or Resignation of Officers. The Board may remove any Officer at any time, either with or without cause. Election or appointment shall not of itself create any contract rights. An officer may resign at any time by delivering notice to the corporation. The resignation shall be effective when received or at a date specified in the notice.
- 4.11 Salaries. There shall be no salaries paid by the Foundation to any Directors or Officers of the Foundation.

5. COMMITTEES

- 5.1 Executive Committee. The Board of Directors may by resolution designate an Executive Committee (comprised solely of Board Members, including at a minimum the President, Secretary and Treasurer) which shall to the extent provided in such resolution, have and exercise all the authority of the full Board of Directors, except that such committee shall not have the authority to:
- 5.1.1 Hold elections for any office;
 - 5.1.2 Delegate any portion of its authority to any other person or group;
 - 5.1.3 Meet in place of the Board of Directors at its annual meetings;
 - 5.1.4 Authorize distributions;
 - 5.1.5 Approve or recommend to members dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets;
 - 5.1.6 Elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; or
 - 5.1.7 Adopt, amend, or repeal the Articles or Bylaws.
- 5.2 Standing Committees and Special Committees. If established, the Executive Committee shall be a standing committee. The Board of Directors by resolution may establish such other standing committees or special committees (committees which go out of existence as soon as they have accomplished a specific task) as the Board may desire. All committees, except the Executive Committee, shall be advisory to the Board of Directors. Non-board members may be appointed to any committee except the Executive Committee. The Southeast Alaska Region CEO shall be an additional member of all committees, with full voting rights.

6. GIFTS TO FOUNDATION

- 6.1 General Policies. The Board of Directors shall adopt written policies establishing acceptable methods of soliciting, receiving, administering, managing, and distributing gifts to or for the benefit of Ketchikan General Hospital.
- 6.2 Acceptance of Gifts. The Board Of Directors shall develop specific written policies for determining what types of gifts are acceptable, what types of donor restrictions are acceptable, and what types of gifts should be respectfully declined. The Foundation shall not accept any gifts requiring the Foundation guarantee payment or performance by a third party without having received the prior written consent of PeaceHealth.
- 6.3 Investment Policy. The Board of Directors shall adopt a specific written investment policy directing investments in accordance with sound business principles in a fiscally prudent manner.

7.
AUDITORS AND FISCAL YEAR

The Board of Directors shall from time to time as necessary, by resolution designate a firm of independent certified public accountants to perform the Foundation's annual audit. The Foundation's fiscal year shall end on the last day of June of each year.

8.
BOOKS AND RECORDS

- 8.1 Minutes. All records to be kept by the Secretary as described in Section 4.6 shall be permanently maintained at the Foundation's principal place of business or at such other place permitted by law as the Foundation's Board of Directors may by resolution designate.
- 8.2 Official Acts. Any person desiring to rely upon an act as being an official act of the Foundation may accept as conclusive evidence thereof a copy of any such action certified by the Secretary or Assistant Secretary as true, correct, complete, and in full force and effect.
- 8.3 Financial Records. Such financial books and records as may be required by law or by sound business practice shall be maintained in accordance with generally accepted accounting principles applicable to public charity foundations and be permanently maintained at the Foundation's principal place of business or at such other place permitted by law as the Foundation's Board of Directors may by resolution designate.

9.
LEGAL OBLIGATIONS AND INDEMNIFICATION OF OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES

- 9.1 Standard of Conduct. Each Officer, Director, agent or employee (hereinafter in this Bylaw 9 collectively referred to as an "individual") shall perform all duties, including duties as a committee member, in good faith, in a manner such individual believes to be in the best interest of the Foundation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing duties, each individual shall be entitled to rely upon information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (1) one or more Officers or employees of the Foundation whom the individual believes to be reliable and competent in the matter presented; (2) counsel, public accountants, or other persons as to matters which the individual believes to be within such person's professional or expert competence; or (3) a committee of the Board duly established in accordance with a provision of the Bylaws, as to matters within its designated authority, which committee the individual believes to merit confidence; so long as, in any such case, the individual acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.
- 9.2 Limitation on Personal Liability. So long as an individual acts in accordance with the above standards and the standards of the Foundation's written conflict of interest policy referred to in Section 9.3, such individual shall not be personally liable to the Foundation for monetary damages for conduct in the capacity in which the individual serves or

served, provided that this provision shall not limit or eliminate the liability of an individual for acts or omissions that involve that individual's intentional misconduct or a knowing violation of law or for any transaction from which the individual or a member of the individual's family will personally receive a benefit in money, property, loans or services to which the individual is not legally entitled.

9.3 Conflict of Interest Policy. The Foundation shall adopt a written conflict of interest policy to be followed by Officers, Directors, agents, and employees which shall be and remain consistent with PeaceHealth's written conflict of interest policy, as such now exists or may hereafter be amended.

9.4 Indemnification. The Foundation may by resolution of the Board of Directors indemnify any individual who has been made a party to any proceeding or threatened proceeding (whether civil, criminal, arbitration, administrative, or investigative) because the individual is or was an Officer, Director, agent, or employee of the Foundation against all loss or liability (including judgments, fines, settlements, taxes, interest, penalties and reasonable costs, expenses, and attorneys' fees), excluding liability by an individual to the Foundation for intentional misconduct or improper benefit as described in Section 9.2, if:

9.4.1 The individual complied with all the requirements of Sections 9.1, 9.2 and 9.3;

9.4.2 In the case of conduct in an official capacity the individual reasonably believed that the individual's conduct was in the Foundation's best interest;

9.4.3 In the case of conduct not in an official capacity, the individual's conduct was at least not opposed to the Foundation's best interests; and

9.4.4 In the case of any criminal proceeding, the individual had no reasonable cause to believe the individual's conduct was unlawful.

The Board's indemnification resolution may include indemnity against all reasonable costs, expenses, and attorneys' fees and may be subject to conditions. The benefit of any granted indemnity shall extend to the benefit of such individual's marital community, heirs, executors, and administrators.

9.5 Advance Payment of Expenses. The Foundation may by resolution of the Board of Directors directly pay in advance of final disposition of the matter an individual's costs, expenses, and attorneys' fees arising out of a proceeding for which the Board has resolved to indemnify the individual if:

9.5.1 The individual furnishes the Foundation a personally executed written affirmation of the individual's good faith belief that the individual has met the standards of conduct described in Section 9.4; and

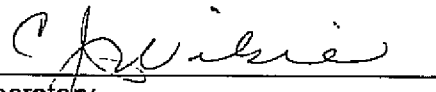
9.5.2 The individual furnishes the Foundation a personally executed written undertaking agreeing to repay the advances if it is ultimately determined that the individual did not meet the standards of conduct described in Section 9.4.

CERTIFICATE OF ADOPTION

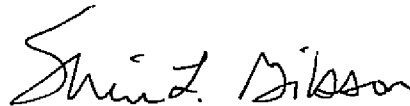
The undersigned, being the Board President and Secretary of Ketchikan General Hospital Foundation, hereby certify that the foregoing are the Bylaws adopted by the Board to be effective September 24, 2009. The Board took this action at its meeting on September 24, 2009 at which no less than seventy percent (70%) of the Directors then in office were present, and no less than two-thirds of the Directors, and the ex-officio Director described in Section 3.1.1, voted in favor of these Bylaws.

By: 
President

Date: 10/08/09

By: 
Secretary

Date: 10-8-09



Sheila L. Gibson
My Commission Ends June 01, 2011