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Form 990
2008Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

Form 990

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

A For the 2008 calendar year, or tax year beginning 08-01-2008 and ending 07-31-2009

<input type="checkbox"/> 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 PHOEBE PUTNEY HEALTH SYSTEM INC		D Employer identification number 58-2001014	
		Doing Business As		E Telephone number (229) 312-1000	
		Number and street (or P O box if mail is not delivered to street address) P O DRAWER 1828		Room/suite	
		City or town, state or country, and ZIP + 4 ALBANY, GA 31702		G Gross receipts \$ 185,650,744	
		F Name and address of Principal Officer JOEL WERNICK CEO P O DRAWER 1828 ALBANY, GA 31702		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list See instructions)			
J Web site: ► WWW.PHOEBEPUTNEY.ORG		H(c) Group Exemption Number ►			
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other ►		L Year of Formation 1990		M State of legal domicile GA	

Part I Summary

1 Briefly describe the organization's mission or most significant activities	TO DEVELOP AND OPERATE A FINANCIALLY VIABLE FAMILY OF RELATED HEALTH CARE ORGANIZATIONS WHICH COLLECTIVELY SEEK TO ENHANCE THE QUALITY OF LIFE OF SOUTHWEST GEORGians	
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
3 Number of voting members of the governing body (Part VI, line 1a)	3	11
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	4
5 Total number of employees (Part V, line 2a)	5	100
6 Total number of volunteers (estimate if necessary)	6	
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0
7b Net unrelated business taxable income from Form 990-T, line 34	7b	

8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
9 Program service revenue (Part VIII, line 2g)		0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	56,630,669	64,420,047
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	344,945	43,441
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,829,588	-147,383
	58,805,202	64,316,105

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		1,386,444
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)	34,809,338	37,676,657
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b (Total fundraising expenses, Part IX, column (D), line 25) 0		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	17,370,374	15,153,789
18 Total expenses—add lines 13-17 (must equal Part IX, line 25, column (A))	52,179,712	54,216,890
19 Revenue less expenses Subtract line 18 from line 12	6,625,490	10,099,215

20 Total assets (Part X, line 16)	Beginning of Year	End of Year
21 Total liabilities (Part X, line 26)	314,213,837	297,662,955
22 Net assets or fund balances Subtract line 21 from line 20	10,782,902	16,693,758
	303,430,935	280,969,197

Part II Signature Block

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge		
	*****	2010-06-14	Date
	Signature of officer		
	KERRY LOUDERMILK CFO		
	Type or print name and title		

Paid Preparer's Use Only	Preparer's signature ► R JEREMY WILSON	Date 2010-06-14	Check if self-employed ► <input type="checkbox"/>	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ► DRAFFIN & TUCKER LLP PO BOX 6			EIN ►
	ALBANY, GA 317020006			Phone no ► (229) 883-7878
	May the IRS discuss this return with the preparer shown above? (See instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

Part III Statement of Program Service Accomplishments (See the instructions.)**1** Briefly describe the organization's mission

TO DEVELOP AND OPERATE A FINANCIALLY Viable FAMILY OF RELATED HEALTH CARE ORGANIZATIONS WHICH COLLECTIVELY SEEK TO ENHANCE THE QUALITY OF LIFE OF SOUTHWEST GEORGians

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 \$ 37,295,427 including grants of \$ 1,386,444) (Revenue \$ 62,313,160)
GUIDE THE TAX-EXEMPT ACTIVITIES OF RELATED ORGANIZATIONS, COORDINATE CAPITAL BUDGET AND BORROWINGS, OVERSEE INSURANCE RISK MANAGEMENT, COORDINATE CHARITY CARE, PERSONNEL POLICIES, AND COMMUNITY SERVICE PROGRAMS**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 \$ 37,295,427 Must equal Part IX, Line 25, column (B).

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

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

4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

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

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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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

10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

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

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

13 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the U.S.?

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

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

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

17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

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

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

23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J

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

b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?

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?

d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

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

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

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

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

	Yes	No
1	Yes	
2		No
3		No
4	Yes	
5		
6		No
7		No
8		No
9		No
10		No
11	Yes	
12	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20		No
21	Yes	
22		No
23	Yes	
24a		No
24b		
24c		
24d		
25a		No
25b		No
26		No
27		No

Part IV Checklist of Required Schedules (Continued)

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
- b** Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV
- 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

29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

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

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

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

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

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

	Yes	No
28a	Yes	
28b	Yes	
28c	Yes	
29		No
30		No
31		No
32		No
33	Yes	
34	Yes	
35		No
36		No
37		No

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	39
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	100
2b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? <i>Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	No
3b	If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	Yes
b	If "Yes," enter the name of the foreign country <u>CJ</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
5c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	<i>Organizations that may receive deductible contributions under section 170(c).</i>	7a	No
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7b	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	8	No
8	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
9	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>	9b	
a	Did the organization make any taxable distributions under section 4966?	10a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	10b	
10	<i>Section 501(c)(7) organizations.</i> Enter	11a	
a	Initiation fees and capital contributions included on Part VIII, line 12	11b	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	12a	
11	<i>Section 501(c)(12) organizations</i> Enter	12b	
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	<i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041?	12b	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

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	11
b Enter the number of voting members that are independent . . .	1b	4
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	Yes
14 Does the organization have a written document retention and destruction policy?	14	Yes
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a The organization's CEO, Executive Director, or top management official?	15a	Yes
b Other officers or key employees of the organization?	15b	Yes
Describe the process in Schedule O		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

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

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
 KERRY LOUDERMILK CFO
 PO DRAWER 1828
 ALBANY, GA 31702
 (229) 312-4068

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.

Part VII Continued

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable

compensation from the organization

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

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

(A)	Name and business address	(B)	Description of services	(C)	Compensation
BAUDINO LAW GROUP PLC	2600 GRAND AVENUE				
SUITE 300					
DES MOINES, IA	50312				3,385,024
PARKER HUDSON RAINER DOBBS	1500 MARQUIS TWO TOWER				
285 PEACHTREE CTR AVE NE					
ATLANTA, GA	30303				1,164,756
SOUTHWIND HEALTH PARTNERS LLC	3100 WEST END AVENUE				
SUITE 700					
NASHVILLE, TN	37203				664,382
SONNESCHEIN NATH & ROSENTHAL LLP	DEPT 7247-6670				
PHILADELPHIA, PA	191706670				413,971
LANGLEY & LEE LLC	1604 W THIRD AVENUE				
ALBANY, GA	317020607				413,346

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

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				
	g Noncash contributions included in lines 1a-1f \$ 1f				
	h Total (Add lines 1a-1f) 1f				
Program Service Revenue	Business Code				
			2a EMPLOYEE SVCS REIMBURSEMENT	32,445,531	32,445,531
	b ADMINISTRATIVE SVCS REIMB	31,974,516	31,974,516		
	c				
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f 2f ► \$ 64,420,047				
Other Revenue	Business Code				
			3 Investment income (including dividends, interest other similar amounts) 3	4,056,664	
	4 Income from investment of tax-exempt bond proceeds 4				
	5 Royalties 5				
		(i) Real	(ii) Personal		
	6a Gross Rents	1,959,504			
	b Less rental expenses				
	c Rental income or (loss)	1,959,504			
d Net rental income or (loss) 5				1,959,504	
Other Revenue	(i) Securities				
			7a Gross amount from sales of assets other than inventory	117,321,416	
	b Less cost or other basis and sales expenses	121,334,639			
	c Gain or (loss)	-4,013,223			
	d Net gain or (loss) 7				-4,013,223
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 a				
	b Less direct expenses . . . b				
	c Net income or (loss) from fundraising events 8				
9a Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000					
a					
b Less direct expenses . . . b					
c Net income or (loss) from gaming activities 9					
10a Gross sales of inventory, less returns and allowances a					
b Less cost of goods sold . . . b					
c Net income or (loss) from sales of inventory 10					
Miscellaneous Revenue	Business Code				
11a LOSSES FROM SUBSIDIARIES		-2,106,887	-2,106,887		
b					
c					
d All other revenue _____					
e Total. Add lines 11a-11d 11 ► \$ -2,106,887					
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e 12	64,316,105	62,313,160		2,002,945	

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	1,386,444	1,386,444		
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	3,363,293		3,363,293	
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	28,138,279	27,813,158		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	293,792	259,393	34,399	
9 Other employee benefits	4,774,675	4,215,624	559,051	
10 Payroll taxes	1,106,618	977,048	129,570	
11 Fees for services (non-employees)				
a Management				
b Legal	9,071,900		9,071,900	
c Accounting				
d Lobbying				
e Professional fundraising See Part IV, line 17 . . .				
f Investment management fees	706,589		706,589	
g Other	2,113,964	499,286	1,614,678	
12 Advertising and promotion	117,502	1,089	116,413	
13 Office expenses	42,178	29,688	12,490	
14 Information technology				
15 Royalties				
16 Occupancy	340,711	307,790	32,921	
17 Travel	421,259	260,365	160,894	
18 Payments of travel or entertainment expenses for any Federal, state or local public officials				
19 Conferences, conventions and meetings				
20 Interest	25		25	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,733,316	1,121,282	612,034	
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 DUES AND SUBSCRIPTIONS	268,462	106,404	162,058	
b RECRUITMENT	202,289	198,784	3,505	
c REPAIRS AND MAINTENANCE	87,647	86,447	1,200	
d BAD DEBTS	31,268	31,268		
e MISCELLANEOUS	16,679	1,357	15,322	
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	54,216,890	37,295,427	16,921,463	0
26 Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets				
1	Cash—non-interest-bearing	3,575,395	1	4,537,564
2	Savings and temporary cash investments		2	
3	Pledges and grants receivable, net		3	
4	Accounts receivable, net		4	
5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	
6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6	
7	Notes and loans receivable, net	1,050,862	7	678,764
8	Inventories for sale or use		8	
9	Prepaid expenses and deferred charges		9	
10a	Land, buildings, and equipment cost basis	10a	57,272,339	
b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	10b	13,332,911	42,322,683 10c 43,939,428
11	Investments—publicly traded securities		11	216,792,015
12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12	7,078,714
13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13	
14	Intangible assets		14	
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>		15	24,636,470
16	Total assets. Add lines 1 through 15 (must equal line 34)		16	314,213,837 297,662,955
17	Accounts payable and accrued expenses		17	10,782,902 16,693,758
18	Grants payable		18	
19	Deferred revenue		19	
20	Tax-exempt bond liabilities		20	
21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21	
22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22	
23	Secured mortgages and notes payable to unrelated third parties		23	
24	Unsecured notes and loans payable		24	
25	Other liabilities <i>Complete Part X of Schedule D</i>		25	
26	Total liabilities. Add lines 17 through 25		26	10,782,902 16,693,758
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
27	Unrestricted net assets	303,430,935	27	280,969,197
28	Temporarily restricted net assets		28	
29	Permanently restricted net assets		29	
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
30	Capital stock or trust principal, or current funds		30	
31	Paid-in or capital surplus, or land, building or equipment fund		31	
32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	303,430,935	33	280,969,197
34	Total liabilities and net assets/fund balances	314,213,837	34	297,662,955
Net Assets or Fund Balances				

Part XI Financial Statements and Reporting

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

SCHEDULE A
(Form 990 or 990EZ)**Public Charity Status and Public Support****2008****Open to Public
Inspection**

**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.

Department of the Treasury
Internal Revenue Service

Name of the organization

PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-2001014

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

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

1 A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i)**.
 2 A school described in **Section 170(b)(1)(A)(ii)**. (Attach Schedule E)
 3 A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii)**. (Attach Schedule H)
 4 A medical research organization operated in conjunction with a hospital described in **Section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state
 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv)**. (Complete Part II)
 6 A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v)**.
 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II)
 8 A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II)
 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2)**. (Complete Part III)
 10 An organization organized and operated exclusively to test for public safety See **Section 509(a)(4)**. (See instructions)
 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 a Type I b Type II c Type III - Functionally Integrated d Type III - Other
 e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
 f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
 g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
 (ii) a family member of a person described in (i) above?
 (iii) a 35% controlled entity of a person described in (i) or (ii) above?
 h Provide the following information about the organizations the organization supports

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

(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	
PHOEBE PUTNEY MEMORIAL HOSPITAL INC	581928247	3	Yes		Yes		Yes		0
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 (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
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 any other additional information. (see instructions)

Facts and Circumstances Test

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

A Check if the filing organization belongs to an affiliated group
B Check if the filing organization checked box A and "limited control" provisions apply

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

4-Year Averaging Period Under Section 501(h)

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

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

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

	(a)		(b)	
	Yes	No	Amount	
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
a Volunteers?		No		
b Paid staff or management (include compensation in expenses reported on lines c through i)?	Yes			
c Media advertisements?		No		
d Mailings to members, legislators, or the public?		No		
e Publications, or published or broadcast statements?		No		
f Grants to other organizations for lobbying purposes?		No		
g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		441,081	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No		
i Other activities If "Yes," describe in Part IV		No		
j Total lines 1c through 1i			441,081	
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No		
b If "Yes" enter the amount of any tax incurred under section 4912				
c If "Yes" enter the amount of any tax incurred by organization managers under section 4912				
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No		

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE C, PART IV	SCHEDULE C, PART II-B, LINE 1G LOBBYING ACTIVITIES WERE RELATED TO CARRYING OUT HEALTHCARE PROGRAMS TO SERVE THE RESIDENTS OF SOUTHWEST GEORGIA. LOBBYING ACTIVITIES PERFORMED INCLUDE THE USE OF VOLUNTEERS, MANAGEMENT MEMBERS AND PAID STAFF MEMBERS TO WRITE LETTERS TO PUBLIC OFFICIALS ON ISSUES THAT IMPACT THE ORGANIZATION'S ABILITY TO CONTINUE TO PROVIDE HEALTH SERVICES TO THE COMMUNITIES SERVED. MANAGEMENT MAY ORGANIZE AND/OR HOST MEETINGS AMONG HOSPITAL EXECUTIVES AND THEIR LEGISLATORS ON ISSUES THAT IMPACT THE ORGANIZATION'S ABILITY TO CONTINUE PROVIDING HEALTHCARE SERVICES TO ITS PATIENTS AND ON WAYS TO CONTINUE TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

Part IV Supplemental Information

2008

Open to Public Inspection

SCHEDULE D
(Form 990)**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.

Department of the Treasury
Internal Revenue Service**Name of the organization**

PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-20001014

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?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 important 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
2a	
2b	
2c	
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 d Loan or exchange programs
 b Scholarly research e Other
 c Preservation for future generations

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
1c	
1d	
1e	
1f	

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

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

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

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

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

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

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

(i) unrelated organizations
 (ii) related organizations

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

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

Yes	No
3a(i)	No
3a(ii)	No
3b	No

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	12,257,080			12,257,080
1b Buildings	27,094,720	4,189,138		22,905,582
1c Leasehold improvements	16,808,213	8,262,713		8,545,500
1d Equipment	1,112,326	881,060		231,266
1e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ►				43,939,428

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
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
DUE RELATED PARTIES	24,590,368
OTHER RECEIVABLES	46,102
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.) ►	24,636,470

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25.) ►	

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	64,316,105
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	54,216,890
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	10,099,215
4	Net unrealized gains (losses) on investments	4	-32,560,953
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	-32,560,953
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-22,461,738

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	31,048,563
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-32,560,953
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	-32,560,953
3	Subtract line 2e from line 1	3	63,609,516
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	706,589
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	706,589
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	64,316,105

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

1	Total expenses and losses per audited financial statements	1	53,510,301
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	53,510,301
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	706,589
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	706,589
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	54,216,890

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

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

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization

PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-2001014

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed.

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

3 Enter total number of other organizations 

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

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

2008

Open to Public
Inspection**Schedule J**
(Form 990)**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.

Department of the Treasury
Internal Revenue Service**Name of the organization**

PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-2001014

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> 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

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?

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

<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> 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?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

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?

b Any related organization?

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?

b Any related organization?

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

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
1b	Yes	
2		No
4a		No
4b	Yes	
4c		No
5a		No
5b		No
6a		No
6b		No
7		No
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				
JOEL WERNICK	(i) 511,913 (ii)	215,321	14,942	382,977	20,398	1,145,551	
KERRY LOUDERMILK	(i) 312,416 (ii)	158,546	10,914	123,577	8,797	614,250	
JIM HOBSON	(i) 285,242 (ii)	115,003	18,427	43,216	11,684	473,572	
FRANK MIDDLETON III	(i) 322,660 (ii)	115,079	18,497	216,946	15,183	688,365	
DOUGLAS PATTEN	(i) 298,752 (ii)	85,040	6,695	39,039	12,029	441,555	
CHIRAG JANI	(i) 960,003 (ii)	288,000	983	4,400	12,029	1,265,415	
JOSE TONGOL	(i) 890,928 (ii)	104,998	1,567	4,400	12,029	1,013,922	
ANTHONY HOOTS	(i) 700,003 (ii)	210,000	1,794	4,400	12,029	928,226	
CHARLES HOLLEY	(i) 700,007 (ii)	210,000	1,170	4,400	12,029	927,606	
FRANCIS HERRBOLD	(i) 700,025 (ii)	210,000	702	4,400	12,029	927,156	
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							

Part III **Supplemental Information**

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

Software ID:
Software Version:
EIN: 58-2001014
Name: PHOEBE PUTNEY HEALTH SYSTEM INC

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JOEL WERNICK	(i) (ii) 511,913	215,321	14,942	382,977	20,398	1,145,551	
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FRANCIS HERRBOLD	(i) (ii) 700,025	210,000	702	4,400	12,029	927,156	

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.****Name of the organization**

PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-2001014

Identifier	Return Reference	Explanation
FINANCIAL ACCOUNTS IN FOREIGN COUNTRIES	FORM 990, PART V, LINE 4B	CAYMAN ISLANDS, BERMUDA, IRELAND, ANTILLES, NETHERLANDS, CANADA

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 10	THE INDEPENDENT ACCOUNTING FIRM THAT PREPARES THE FORM 990 (BASED UPON INFORMATION PROVIDED BY THE ORGANIZATION) PROVIDES A COPY OF THE RETURN TO BE REVIEWED BY MANAGEMENT. UPON REVIEW, THE FORM 990 IS THEN FORWARDED TO THE FINANCE COMMITTEE FOR THEIR REVIEW, TO GAIN THEIR COMMENTS AND APPROVAL. UPON APPROVAL FROM THE FINANCE COMMITTEE, THE FORM 990 AND RELATED SCHEDULES ARE PROVIDED TO ALL BOARD MEMBERS FOR REVIEW AND FEEDBACK. ONCE THE FORM 990 IS REVIEWED BY ALL APPLICABLE PARTIES A COPY OF THE FINAL VERSION IS PROVIDED TO ALL MEMBERS OF THE GOVERNING BODY PRIOR TO FILING

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	AN EMPLOYEE ATTENDS NEW EMPLOYEE ORIENTATION CLASSES WHEN BEGINNING EMPLOYMENT WITH THE ORGANIZATION. AS PART OF ORIENTATION TRAINING, THE EMPLOYEE RECEIVES INSTRUCTION FROM THE COMPLIANCE DEPARTMENT REGARDING THE CODE OF BUSINESS CONDUCT. THE CODE OF BUSINESS CONDUCT CONTAINS THE CONFLICT OF INTEREST POLICY. THE EMPLOYEE THEN SIGNS AN ACKNOWLEDGEMENT AND CERTIFICATION STATEMENT WHICH DEMONSTRATES HE/SHE UNDERSTANDS AND WILL ADHERE TO THE ORGANIZATIONAL CODE OF BUSINESS CONDUCT. THEN ON AN ANNUAL BASIS, CURRENT EMPLOYEES ARE REQUIRED TO RECEIVE COMPLIANCE TRAINING AS PART OF THIS, THE CODE OF BUSINESS CONDUCT IS AGAIN HIGHLIGHTED AND EMPLOYEES ARE AGAIN DIRECTED TO REPORT ANY ACTUAL OR PERCEIVED VIOLATIONS TO THE COMPLIANCE DEPARTMENT. ALLEGED VIOLATIONS OF THIS POLICY ARE TO BE REPORTED TO THE EMPLOYEE'S SENIOR VICE PRESIDENT, THE CHIEF COMPLIANCE OFFICER, OR THE TOLL FREE EMPLOYEE HOTLINE. THE INVESTIGATION BY THE COMPLIANCE DEPARTMENT AND RESOLUTION OF SUSPECTED POLICY VIOLATIONS ARE GIVEN PRIORITY OVER OTHER RESPONSIBILITIES OF MANAGEMENT INVOLVED. THE COMPLIANCE DEPARTMENT MAKES REGULAR REPORTS TO THE ORGANIZATION'S BOARD OF DIRECTORS REGARDING ANY ALLEGED POLICY VIOLATIONS

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	THE ORGANIZATION'S FORMAL PROCESS FOR DETERMINING TOTAL COMPENSATION FOR THE CEO AND OTHER OFFICERS AND KEY EMPLOYEES IS INTENDED TO PROVIDE REASONABLE COMPENSATION FOR ACCOMPLISHING THE ORGANIZATION'S MISSION, ACHIEVE ITS STRATEGIC GOALS, TO RECOGNIZE PERFORMANCE, AND TO OPERATE IN KEEPING WITH THE ORGANIZATION'S OBLIGATIONS AS A TAX-EXEMPT CHARITABLE ORGANIZATION. THE EXECUTIVE COMPENSATION COMMITTEE OF THE ORGANIZATION'S BOARD OF DIRECTORS CONDUCTS AN ANNUAL REVIEW OF THE COMPENSATION OF THE CEO AND OTHER OFFICERS AND KEY EMPLOYEES. THE COMMITTEE RETAINS A QUALIFIED INDEPENDENT COMPENSATION CONSULTANT TO CONDUCT COMPETITIVE MARKET ANALYSIS OF THE MARKET RANGES OF BASE, INCENTIVE AND TOTAL CASH COMPENSATION. THE INFORMATION THE COMMITTEE MAY CONSIDER CAN INCLUDE BUT IS NOT LIMITED TO THE PERFORMANCE OF AN INDIVIDUAL, THE PERFORMANCE OF THE ORGANIZATION, AN INDIVIDUAL'S LENGTH OF SERVICE, CREDENTIALS AND EXPERIENCE, THE ELEMENTS OF TOTAL COMPENSATION AND SALARY HISTORY, THE ORGANIZATION'S COMPENSATION TARGETS, AND COMPARABILITY DATA, INCLUDING THE DATA PREPARED BY THE INDEPENDENT CONSULTANT AND REVIEWED WITH THE COMMITTEE. THE COMMITTEE INCORPORATES A FORMAL PERFORMANCE APPRAISAL PROCESS IN THE CEO, OTHER OFFICERS AND KEY EMPLOYEES COMPENSATION REVIEW. IT UTILIZES A MULTI-PERSPECTIVE APPROACH AND PERFORMANCE MEASURES WHICH ARE LINKED TO THE ORGANIZATION'S LONG-TERM STRATEGIC PLAN AND ACHIEVEMENT OF ANNUAL SYSTEM OBJECTIVES. THE CEO IS NOT PRESENT WHEN THE COMMITTEE DISCUSSES AND ESTABLISHES HIS COMPENSATION. THE CEO PROVIDES A PERFORMANCE NARRATIVE AND RECOMMENDED COMPENSATION ADJUSTMENT FOR THE OTHER OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION. THE COMMITTEE DETERMINES THE REASONABILITY OF ANY COMPENSATION ADJUSTMENTS FOR OTHER OFFICERS AND KEY EMPLOYEES BASED ON THE PRESENTED EVALUATION AND COMPARATIVE COMPENSATION DATA

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	THE ORGANIZATION'S FORMAL PROCESS FOR DETERMINING TOTAL COMPENSATION FOR THE CEO AND OTHER OFFICERS AND KEY EMPLOYEES IS INTENDED TO PROVIDE REASONABLE COMPENSATION FOR ACCOMPLISHING THE ORGANIZATION'S MISSION, ACHIEVE ITS STRATEGIC GOALS, TO RECOGNIZE PERFORMANCE, AND TO OPERATE IN KEEPING WITH THE ORGANIZATION'S OBLIGATIONS AS A TAX-EXEMPT CHARITABLE ORGANIZATION. THE EXECUTIVE COMPENSATION COMMITTEE OF THE ORGANIZATION'S BOARD OF DIRECTORS CONDUCTS AN ANNUAL REVIEW OF THE COMPENSATION OF THE CEO AND OTHER OFFICERS AND KEY EMPLOYEES. THE COMMITTEE RETAINS A QUALIFIED INDEPENDENT COMPENSATION CONSULTANT TO CONDUCT COMPETITIVE MARKET ANALYSIS OF THE MARKET RANGES OF BASE, INCENTIVE AND TOTAL CASH COMPENSATION. THE INFORMATION THE COMMITTEE MAY CONSIDER CAN INCLUDE BUT IS NOT LIMITED TO THE PERFORMANCE OF AN INDIVIDUAL, THE PERFORMANCE OF THE ORGANIZATION, AN INDIVIDUAL'S LENGTH OF SERVICE, CREDENTIALS AND EXPERIENCE, THE ELEMENTS OF TOTAL COMPENSATION AND SALARY HISTORY, THE ORGANIZATION'S COMPENSATION TARGETS, AND COMPARABILITY DATA, INCLUDING THE DATA PREPARED BY THE INDEPENDENT CONSULTANT AND REVIEWED WITH THE COMMITTEE. THE COMMITTEE INCORPORATES A FORMAL PERFORMANCE APPRAISAL PROCESS IN THE CEO, OTHER OFFICERS AND KEY EMPLOYEES COMPENSATION REVIEW. IT UTILIZES A MULTI-PERSPECTIVE APPROACH AND PERFORMANCE MEASURES WHICH ARE LINKED TO THE ORGANIZATION'S LONG-TERM STRATEGIC PLAN AND ACHIEVEMENT OF ANNUAL SYSTEM OBJECTIVES. THE CEO IS NOT PRESENT WHEN THE COMMITTEE DISCUSSES AND ESTABLISHES HIS COMPENSATION. THE CEO PROVIDES A PERFORMANCE NARRATIVE AND RECOMMENDED COMPENSATION ADJUSTMENT FOR THE OTHER OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION. THE COMMITTEE DETERMINES THE REASONABILITY OF ANY COMPENSATION ADJUSTMENTS FOR OTHER OFFICERS AND KEY EMPLOYEES BASED ON THE PRESENTED EVALUATION AND COMPARATIVE COMPENSATION DATA

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	THE ORGANIZATION MAKES AVAILABLE TO THE PUBLIC ITS CONFLICT OF INTEREST AND AUDITED FINANCIAL STATEMENTS ON THE ORGANIZATION'S WEBSITE, BY PROVIDING COPIES UPON REQUEST, AND BY INSPECTION AT THE ADMINISTRATIVE OFFICES OF THE ORGANIZATION

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE O	PHOEBE PUTNEY HEALTH SYSTEM, INC. SUPPORTS PHOEBE PUTNEY MEMORIAL HOSPITAL, A 501(C)(3) HOSPITAL, TO SERVE THE SOUTHWEST GEORGIA AREA IN THE FOLLOWING WAYS. THE ORGANIZATION SERVES A PREDOMINATELY RURAL AREA IN SOUTHWEST GEORGIA, IN ITS BROADEST BOUNDARIES STRETCHING FROM ALBANY TO COLUMBUS, SOUTH ALONG THE ALABAMA BORDER AND EAST ALONG THE FLORIDA BORDER TO VALDOSTA. THE PRIMARY SERVICE AREA IS FIVE CONTIGUOUS COUNTIES AND 15 COUNTIES IN THE SECONDARY AREA. ALBANY IS THE ECONOMIC AND MEDICAL HUB FOR THE REGION, AND THE ORGANIZATION DRAWS FROM A POPULATION OF 300,000 TO 400,000 RESIDENTS FOR MAJOR HEALTH CARE SERVICE LINES, SUCH AS HEART AND CANCER. THE REGION IS MARKED BY VAST DICHOTOMIES OF WEALTH, EDUCATION AND HEALTH STATUS. THE ORGANIZATION SERVES A POPULATION THAT HAS A HIGH PROPORTION OF LOW-INCOME INDIVIDUALS, MANY OF WHOM ARE AFRICAN AMERICAN MEN LOCATED IN THE MIDDLE OF THE SECOND CONGRESSIONAL DISTRICT. THE ORGANIZATION SERVES RURAL COUNTIES THAT ARE AMONG THE NATION'S 10 POOREST COUNTIES. REGIONAL UNEMPLOYMENT IN THE LAST QUARTER RANGED FROM 10 TO 11.8 PERCENT, NOT SEASONALLY ADJUSTED. IN THE REGION, ONE OUT OF THREE CHILDREN LIVES IN POVERTY, AND ALMOST ONE IN THREE DOES NOT COMPLETE HIGH SCHOOL. ALMOST 33 PERCENT OF THE POPULATION IS ELIGIBLE FOR MEDICAID, COMPARED TO 19 PERCENT IN THE REST OF THE STATE. THE FATHERLESS RATE IS ONE OF THE HIGHEST IN THE STATE, AND AS MANY AS 80 OF EVERY 1000 FEMALES ARE PREGNANT BEFORE THEIR 20TH BIRTHDAY, CREATING A SERIOUS THREAT TO THE HEALTH AND WELL BEING OF THE NEXT GENERATION OF CHILDREN. SOUTHWEST GEORGIA'S RATES OF DEATH ARE HIGHER THAN THE REST OF THE STATE FOR EVERY ONE OF THE TOP 10 LEADING CAUSES OF DEATH. THE REGION'S CITIZENS EXPERIENCE HIGH LEVELS OF DIABETES, HYPERTENSION, OBESITY, STROKE AND HEART ATTACK AND HAVE 33 PERCENT HIGHER INCIDENCE OF CANCER COMPARED TO THE REMAINDER OF THE STATE, WITH HIGHER DEATH RATES FROM CANCER DUE TO LATE DIAGNOSIS AND BARRIERS TO ACCESS IN RURAL AREAS. THE ORGANIZATION AND ALL ITS VOLUNTEER BOARDS ARE COMPOSED OF COMMUNITY MEMBERS WITH DIVERSE PROFESSIONAL AND COMMUNITY SERVICE BACKGROUNDS, AS WELL AS PHYSICIAN MEMBERS. IN ALL FACILITIES, EMERGENCY CENTERS ARE OPERATED 24/7 AND OPEN TO ALL PERSONS, REGARDLESS OF ABILITY TO PAY. THE BOARDS MAINTAIN OPEN MEDICAL STAFF POLICIES WITH PRIVILEGES AVAILABLE TO ALL QUALIFYING PHYSICIANS. THE BOARD HAS CLEARLY WRITTEN INDIGENT AND CHARITY CARE POLICIES THAT ARE AVAILABLE ON THE ORGANIZATION WEB SITE AND THROUGH THE BUSINESS OFFICE. SIGNS ARE PROMINENTLY POSTED ON THE AVAILABILITY OF FREE AND CHARITY CARE. THE ORGANIZATION SEEKS OUT DELIVERY OF CARE MODELS THAT BEST MEET THE NEEDS OF THE COMMUNITY. THE MIRIAM WORTH WOMEN'S HEALTH CENTER, RENOVATED FOR 533,000, SERVES LOW-INCOME AND MEDICAID ELIGIBLE WOMEN. INITIALLY OPERATED BY THE HOSPITAL, THE CENTER IS NOW IN PARTNERSHIP WITH ALBANY AREA PRIMARY HEALTH CARE, A FEDERALLY QUALIFIED HEALTH CENTER (FQHC). THE ORGANIZATION IMPROVES HOUSING AND ACCESS FOR HOMEBOUND PERSONS THROUGH A COMMUNITY COLLABORATIVE RAMP BUILDING PROJECT, FUNDED FOR 22,000. THE ORGANIZATION DIRECTED SURPLUS FUNDS OF 771,000 TO COMMUNITY BUILDING PROGRAMS AND TO VARIOUS ECONOMIC DEVELOPMENT ACTIVITIES. THE ORGANIZATION HAS A MULTI-PRONGED APPROACH TO IMPROVING THE HEALTH OF THE COMMUNITIES IT SERVES. INCREASING ACCESS, BUILDING CAPACITY, INVESTING IN "UPSTREAM" PROGRAMS THAT GET AT THE CAUSE OF DISEASE AND ILLNESS, BUILDING COMMUNITY PARTNERSHIPS, ADVOCATING CHANGE, AND DEVELOPING LEADERSHIP. SURPLUS FUNDS ARE REINVESTED IN RESOURCES TO IMPROVE THE DELIVERY OF MEDICAL AND HEALTH CARE SERVICES. FOR EXAMPLE, AN INPATIENT HOSPICE HOUSE, WHICH HAS BEEN UNDER CONSTRUCTION FOR TWO YEARS, FILLS AN UNMET COMMUNITY NEED AND IS THE FIRST SUCH FACILITY IN THE AREA. PRIMARY CARE IS FIRST AND CREATES A PROFOUND IMPACT ON THE COMMUNITIES SERVED. PRIMARY CARE SERVICES ARE ESTABLISHED IN AREAS WHERE RESIDENTS ARE MOST LIKELY TO SUFFER FROM SEVERE MANPOWER SHORTAGES, HIGH POVERTY LEVELS AND A LACK OF ACCESS TO CARE. THE ORGANIZATION FUNDS AND OPERATES A FAMILY MEDICINE RESIDENCY AND OPERATES SPECIALTY MEDICAL CLINICS IN THREE RURAL AREAS, INCLUDING THREE ONCOLOGY CLINICS AND SPECIALTY MEDICAL SERVICES, SUCH AS RHEUMATOLOGY AND WOUND CARE. OTHER SERVICES INCLUDE NEONATAL TRANSPORT IN A 22-COUNTY PRENATAL REGION, CARDIAC TRANSPORT SERVICES, AND TRANSPORTATION SERVICES FOR CANCER PATIENTS TO THE ORGANIZATION TO PROVIDE IMPROVED ACCESS. THE HOSPITAL HAS PROVIDED 39 SPECIALIZED EKG MACHINES TO 12 EMERGENCY ROOM RESPONDERS, ENABLING CARDILOGISTS AND EMERGENCY PERSONNEL TO GET A PATIENT'S INFORMATION WHILE IN TRANSPORT. THIS PROGRAM HAS REDUCED THE TIME FROM THE HOSPITAL DOOR TO LIFE-SAVING ANGIOPLASTY TO AN AVERAGE OF 52 MINUTES AND MANY TIMES UNDER 15 MINUTES. THE ORGANIZATION OPERATES A LEVEL II NEONATAL INTENSIVE CARE UNIT AND PROVIDES PERINATAL SERVICES AND MATERNAL-FETAL MEDICINE SERVICES TO THE REGION. LACTATION SERVICES, CHILD BIRTH CLASSES AND EDUCATION ARE ALSO BROADLY AVAILABLE TO THE POPULATION OF THE REGION. THE SCHOOL NURSE PROGRAM, THE ONLY SUCH FULLY FUNDED PROGRAM IN GEORGIA, PROVIDES STUDENTS WITH THEIR ONLY ACCESS TO PRIMARY CARE. IN 17 ELEMENTARY, MIDDLE AND HIGH SCHOOLS, TO PROVIDE TRADITIONAL MEDICINE, AND AS IMPORTANT, LIFESTYLE AND HEALTH EDUCATION PROGRAMMING FOR STUDENTS, STAFF AND THE PARENT COMMUNITY. RESPONDING TO TEEN HEALTH ISSUES, HIGH PREGNANCY RATES AND FATHERLESS RATES, THE NETWORK OF TRUST IS A SCHOOL- AND COMMUNITY-BASED TEEN PREGNANCY PREVENTION PROGRAM TO PREVENT SECOND PREGNANCIES AND WORK WITH YOUNG MALES AS WELL. THROUGH MEETINGS WITH TEENS AND PARENTS, THE STUDENTS LEARN HOW TO CARE FOR THEIR CHILDREN AND LEARN PARENTING SKILLS AND COPING SKILLS THAT HAVE DECREASED THE RATES OF TEEN PARENTS AND HIGH SCHOOL DROPOUTS. THESE PROGRAMS ALSO INCLUDE SCHOOL PHYSICALS AND ACCESS TO ATHLETIC TRAINERS. THESE PROGRAMS IMPROVE ACCESS TO CARE AND WOULD OTHERWISE FALL TO THE BURDEN OF THE TAXPAYERS TO PROVIDE THESE SCHOOL-BASED SERVICES TO STUDENTS. THE ORGANIZATION ALSO FUNDS MEN'S AND WOMEN'S HEALTH INITIATIVES. FOR EXAMPLE, IT WAS CREATED TO RESPOND TO SIGNIFICANTLY HIGHER MORBIDITY AND MORTALITY RATES AMONG AFRICAN AMERICAN MALES IN THE COMMUNITY THAN IN THE REST OF THE STATE. MEN IN THE MOVE IS AN ONGOING COLLABORATIVE FACILITATED BY THE ORGANIZATION TO BUILD CAPACITY IN THE COMMUNITY. THIS GROUP OF MEN IS EDUCATED BY HOSPITAL PERSONNEL, INCLUDING PHYSICIANS, TO ASSIST AND COORDINATE WITH COMMUNITY CHURCHES AND CIVIC ORGANIZATIONS. THE SUCCESS OF THESE PROGRAMS IS MEASURED BY ATTENDANCE AND BY THE NUMBERS OF "SAVES" AND "CONTACTS" OF THOSE PARTICIPANTS WHO REQUIRE IMMEDIATE ACCESS TO A PHYSICIAN. THE ORGANIZATION ALSO EASSES THE BURDEN ON TAXPAYERS WITH SPECIFIC PROGRAMMING THAT INCLUDES EXERCISE SEMINARS AND LIFESTYLE PROGRAMS FOR FIREFIGHTERS AND EMS, WHO MUST MEET HEALTH BIOMETRIC REQUIREMENTS. IN THE NEXT YEAR, THESE PROGRAMS PROVIDE RESIDENTS WITH PRIMARILY A REDUCE THE LOCAL LEVEL USE OF EMERGENCY CENTER SERVICES AND PROVIDE RESIDENTS WITH PRIMARILY A REDUCE THE LOCAL LEVEL USE WHERE IT IS MOST EFFECTIVE AND LEAST COSTLY. THE ORGANIZATION FURTHER PROVIDES ALL INMATE CARE FREE TO DOUGHLBY COUNTY. THE ORGANIZATION FUNDS A SENIORS PROGRAM BROADLY AVAILABLE TO THE PUBLIC WITH MORE THAN 22,000 MEMBERS THROUGHOUT THE REGION. THESE MEMBERS RECEIVE BIMONTHLY NEWSLETTERS WITH HEALTH INFORMATION, SUPPORT GROUPS, PHYSICAL MEDICINE FACILITY WHERE THEY CAN WALK THE TRACK. MANY PARTICIPATE IN MONTHLY HEALTH SEMINARS LED BY A PHYSICIAN. THE MEMBERSHIP ALSO OFFERS PERIODIC TRIPS AND TOURS FOR NOMINAL COST. THE MEMBERS ALSO PARTICIPATE IN THE HOSPITAL'S VOLUNTEER PROGRAM, WHICH HAS 500 VOLUNTEERS.

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

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

Name of the organization
PHOEBE PUTNEY HEALTH SYSTEM INC

Employer identification number

58-2001014

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
PHOEBE PUTNEY INDEMNITY LLC 1327 ASHLEY RIVER ROAD CHARLESTON, SC 29407	INSURANCE	SC	10,185,944		NA

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
PHOEBE PUTNEY MEMORIAL HOSPITAL INC PO DRAWER 1828 ALBANY, GA31702 58-1928247	HEALTHCARE	GA	501	3	NA
PHOEBE FOUNDATION INC PO DRAWER 1828 ALBANY, GA31702 58-1847104	FOUNDATION	GA	501	11D	NA
PHOEBE SUMTER MEDICAL CENTER INC 1048 E FORSYTH STREET AMERICUS, GA31709 26-3975185	HEALTHCARE	GA	501	3	NA
PHOEBE WORTH MEDICAL CENTER INC PO BOX 545 SYLVESTER, GA31791 38-3647394	HEALTHCARE	GA	501	3	NA
PHOEBE PHYSICIAN GROUP INC PO DRAWER 1828 ALBANY, GA31702 26-3792403	HEALTHCARE	GA	501	9	NA

Part III Identification of Related Organizations Taxable as a Partnership

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
GOHUPAD CLINIC INC PO DRAWER 1828 ALBANY, GA31702 58-1125901	HEALTHCARE	GA	N/A	C CORP	16,852	113,225	100 000 %
PHOEBE HEALTH PARTNERS INC PO DRAWER 1828 ALBANY, GA31702 58-2198241	HEALTHCARE	GA	N/A				
PHOEBE PUTNEY HEALTH VENTURES INC PO DRAWER 1828 ALBANY, GA31702 58-1963401	HEALTHCARE	GA	N/A	C CORP	4,147,755	7,156,535	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
1a		No
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k	Yes	
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No

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

- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- l Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses
- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

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)	PHOEBE PUTNEY MEMORIAL HOSPITAL INC	K	63,599,301
(2)	PHOEBE PHYSICIANS GROUP INC	K	322,111
(3)	PHOEBE WORTH MEDICAL CENTER INC	K	1,127,917
(4)	PHOEBE SUMTER MEDICAL CENTER INC	K	17,571
(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.

Additional Data

Software ID:
Software Version:
EIN: 58-2001014
Name: PHOEBE PUTNEY HEALTH SYSTEM INC

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Office	Key employee	Highest compensated employee			
JOEL WERNICK , CEO/PRES	50	X		X			742,176	0	403,375
LAURENCE T CRIMMINS MD , BOARD MEMBER	1	X					0	0	0
WILLIAM M GEORGE JR MD , BOARD MEMBER	1	X					0	0	0
LEMUEL V GRIFFIN , CHAIRMAN	1	X					0	0	0
WILHELMINA HALL , BOARD MEMBER	1	X					0	0	0
TOM LAW , BOARD MEMBER	1	X					0	0	0
BRUCE MELTON , BOARD MEMBER	1	X					0	0	0
LAMAR H MOREE MD , VICE-CHAIR	1	X					0	0	0
ANTHONY PARKER PHD , BOARD MEMBER	1	X					0	0	0
WILL SIMS , BOARD MEMBER	1	X					0	0	0
JAMES WOODS MD , BOARD MEMBER	1	X					0	0	0
KERRY LOUDERMILK , SVP/CFO	50			X			481,876	0	132,374
JIM HOBSON , EVP/COO	50			X			418,672	0	54,900
FRANK MIDDLETON III , SVP/MED DIR	50				X		456,236	0	232,129
DOUGLAS PATTEN , SVP/CMO	50				X		390,487	0	51,068
CHIRAG JANI , PHYSICIAN	50				X		1,248,986	0	16,429
JOSE TONGOL , PHYSICIAN	50				X		997,493	0	16,429
ANTHONY HOOTS , PHYSICIAN	50				X		911,797	0	16,429
CHARLES HOLLEY , PHYSICIAN	50				X		911,177	0	16,429
FRANCIS HERRBOLD , PHYSICIAN	50				X		910,727	0	16,429