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Form **990**

**Return of Organization Exempt From Income Tax**

OMB No 1545-0047

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

**2008**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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 09-01-2008 and ending 08-31-2009**

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

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

**C Name of organization**  
HealthEast Foundation

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite  
PO Box 64624

City or town, state or country, and ZIP + 4  
St Paul, MN 551640624

**D Employer identification number**  
41-1602044

**E Telephone number**  
(651) 232-4990

**G Gross receipts \$** 10,003,336

**F Name and address of Principal Officer**  
Timothy H Hanson  
559 Capitol Boulevard  
St Paul, MN 55103

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

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

**H(c)** Group Exemption Number

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

**J Web site:** www.healtheast.org

**K Type of organization**  Corporation  trust  association  other

**L Year of Formation** 1987

**M State of legal domicile**  
MN

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities HealthEast Foundation develops philanthropic support, consistent with our Judeo-Christian heritage, to benefit patients and the communities served by HealthEast Care System		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	17
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	17
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	0
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	0
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>7a</b>	0
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	0	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	6,678,980	4,054,332
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	501,478	430,201
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	232,388	0
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,412,846	4,484,533
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	7,483,055	4,600,890
<b>Expenses</b>	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		0
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,424,591	1,586,549
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		0
	<b>b</b> (Total fundraising expenses, Part IX, column (D), line 25 <u>1,718,410</u> )		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	784,953	733,659
	<b>18</b> Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	9,692,599	6,921,098
<b>19</b> Revenue less expenses Subtract line 18 from line 12	-2,279,753	-2,436,565	
<b>Net Assets or Fund Balances</b>		<b>Beginning of Year</b>	<b>End of Year</b>
	<b>20</b> Total assets (Part X, line 16)	17,158,498	14,302,192
	<b>21</b> Total liabilities (Part X, line 26)	2,806,077	3,827,285
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	14,352,421	10,474,907	

**Part II Signature Block**

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

Signature of officer: \_\_\_\_\_ Date: 2010-06-14

Robert D Gill VP & CFO  
Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4: \_\_\_\_\_ Preparer's PTIN (See Gen Inst )

EIN: \_\_\_\_\_ Phone no: \_\_\_\_\_

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

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

**1** Briefly describe the organization's mission  
HealthEast Foundation develops philanthropic support, consistent with our Judeo-Christian heritage, to benefit patients and the communities served by HealthEast Care System

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting or make significant changes in how it conducts any program services?  Yes  No  
If "Yes," describe these changes on Schedule O

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code ) (Expenses \$ 1,019,522 including grants of \$ 1,019,522 ) (Revenue \$ )  
Grants to HealthEast controlled and affiliated organizations for patient care and patient care programs

**4b** (Code ) (Expenses \$ 3,097,670 including grants of \$ 3,097,670 ) (Revenue \$ )  
Grants to HealthEast hospitals for furniture, equipment and renovation projects















**4c** (Code ) (Expenses \$ 483,698 including grants of \$ 483,698 ) (Revenue \$ )  
Grants to HealthEast hospitals for health care education, training and research

(Code ) (Expenses \$ 124,789 including grants of \$ ) (Revenue \$ )




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

**4e** Total program service expenses \$ 4,725,679 *Must equal Part IX, Line 25, column (B).*

**Part IV Checklist of Required Schedules**

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

**Part IV Checklist of Required Schedules** *(Continued)*

		Yes	No
<b>28</b>	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
<b>a</b>	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>b</b>	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>c</b>	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> 	Yes	
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . . 	Yes	
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . . 		No
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .		No
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .		No
<b>35</b>	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		No
<b>36</b>	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		No
<b>37</b>	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .		No

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

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

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

**Section A. Governing Body and Management**

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

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

**Section B. Policies**

		Yes	No
<b>12a</b>	Does the organization have a written conflict of interest policy? If "No", go to line 13 . . . . .	Yes	
<b>12b</b>	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	Yes	
<b>12c</b>	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	Yes	
<b>13</b>	Does the organization have a written whistleblower policy? . . . . .	Yes	
<b>14</b>	Does the organization have a written document retention and destruction policy? . . . . .	Yes	
<b>15</b>	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		
<b>15a</b>	The organization's CEO, Executive Director, or top management official? . . . . .		No
<b>15b</b>	Other officers or key employees of the organization? . . . . . Describe the process in Schedule O	Yes	
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .		No
<b>16b</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? . . . . .		

**Section C. Disclosure**

- 17** List the States with which a copy of this Form 990 is required to be filed   MN
- 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.  
 HealthEast Foundation  
 1690 University Avenue West  
 St Paul, MN 55104  
 (651) 232-4990





**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	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b>	Federated campaigns . . . . . <b>1a</b>					
	<b>b</b>	Membership dues . . . . . <b>1b</b>					
	<b>c</b>	Fundraising events . . . . . <b>1c</b>	274,742				
	<b>d</b>	Related organizations . . . . . <b>1d</b>					
	<b>e</b>	Government grants (contributions) . . . . . <b>1e</b>					
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above . . . . . <b>1f</b>	3,779,590				
	<b>g</b>	Noncash contributions included in lines 1a-1f \$ _____ 104,813					
	<b>h</b>	<b>Total (Add lines 1a-1f)</b> . . . . . <b>▶</b>	4,054,332				
<b>Program Service Revenue</b>	<b>2a</b>	_____ Business Code _____					
	<b>b</b>	_____					
	<b>c</b>	_____					
	<b>d</b>	_____					
	<b>e</b>	_____					
	<b>f</b>	All other program service revenue _____					
	<b>g</b>	<b>Total. Add lines 2a-2f</b> . . . . . <b>▶</b> \$ _____					
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest other similar amounts) . . . . . <b>▶</b>	387,287			387,287	
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . . . . <b>▶</b>					
	<b>5</b>	Royalties . . . . . <b>▶</b>					
	<b>6a</b>	Gross Rents	(i) Real				
			(ii) Personal				
			Less rental expenses				
			Rental income or (loss)				
	<b>d</b>	Net rental income or (loss) . . . . . <b>▶</b>					
	<b>7a</b>	Gross amount from sales of assets other than inventory	(i) Securities	5,370,472			
			(ii) Other				
			Less cost or other basis and sales expenses	5,327,558			
			Gain or (loss)	42,914			
<b>d</b>	Net gain or (loss) . . . . . <b>▶</b>	42,914			42,914		
<b>8a</b>	Gross income from fundraising events (not including \$ _____ 191,245 of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 . . . . . <b>a</b>	274,742					
<b>b</b>	Less direct expenses . . . . . <b>b</b>	191,245					
<b>c</b>	Net income or (loss) from fundraising events . . . . . <b>▶</b>						
<b>9a</b>	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000 . . . . . <b>a</b>						
<b>b</b>	Less direct expenses . . . . . <b>b</b>						
<b>c</b>	Net income or (loss) from gaming activities . . . . . <b>▶</b>						
<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . . <b>a</b>						
		Less cost of goods sold . . . . . <b>b</b>					
		Net income or (loss) from sales of inventory . . . . . <b>▶</b>					
Miscellaneous Revenue		Business Code					
<b>11a</b>	_____						
<b>b</b>	_____						
<b>c</b>	_____						
<b>d</b>	All other revenue _____						
<b>e</b>	<b>Total. Add lines 11a-11d</b> . . . . . <b>▶</b> \$ _____						
<b>12</b>	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . . <b>▶</b>	4,484,533	0	0	430,201		

**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).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b>	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	4,472,695	4,472,695		
<b>2</b>	Grants and other assistance to individuals in the U S See Part IV, line 22	128,195	128,195		
<b>3</b>	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
<b>4</b>	Benefits paid to or for members				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .	547,379	27,369	104,002	416,008
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages	852,555	42,627		647,942
<b>8</b>	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .				
<b>9</b>	Other employee benefits . . . . .	93,164	4,658	17,701	70,805
<b>10</b>	Payroll taxes . . . . .	93,451	4,673	17,756	71,022
<b>11</b>	Fees for services (non-employees)				
<b>a</b>	Management . . . . .				
<b>b</b>	Legal . . . . .	10,220	511	1,942	7,767
<b>c</b>	Accounting . . . . .	24,727	1,236	4,698	18,793
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising See Part IV, line 17 . . . . .				
<b>f</b>	Investment management fees . . . . .				
<b>g</b>	Other . . . . .	219,975	12,501	47,504	159,970
<b>12</b>	Advertising and promotion . . . . .	10,899	566	2,152	8,181
<b>13</b>	Office expenses . . . . .	110,294	8,412	31,965	69,917
<b>14</b>	Information technology . . . . .	24,574	1,235	4,695	18,644
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	148,666	8,409	31,953	108,304
<b>17</b>	Travel . . . . .	14,500	727	2,764	11,009
<b>18</b>	Payments of travel or entertainment expenses for any Federal, state or local public officials . . . . .				
<b>19</b>	Conferences, conventions and meetings . . . . .	4,918	248	941	3,729
<b>20</b>	Interest . . . . .				
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	5,451		5,451	
<b>23</b>	Insurance . . . . .				
<b>24</b>	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)				
<b>a</b>	Donor Recognition	78,972	3,959	15,045	59,968
<b>b</b>	Dietary Special Functio	38,200	5,767	21,913	10,520
<b>c</b>	Bad Debt Expense	23,423			23,423
<b>d</b>	Business Meals and Ente	12,746	772	2,933	9,041
<b>e</b>	Membership/O rganization	3,931	197	747	2,987
<b>f</b>	All other expenses	2,163	922	861	380
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24f	6,921,098	4,725,679	477,009	1,718,410
<b>26</b>	<b>Joint Costs.</b> Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A)		(B)		
		Beginning of year		End of year		
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .		728,215	<b>1</b>	486,356	
	<b>2</b> Savings and temporary cash investments . . . . .			<b>2</b>		
	<b>3</b> Pledges and grants receivable, net . . . . .		3,095,552	<b>3</b>	1,415,618	
	<b>4</b> Accounts receivable, net . . . . .			<b>4</b>		
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i> . . . . .			<b>5</b>		
	<b>6</b> 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> . . . . .			<b>6</b>		
	<b>7</b> Notes and loans receivable, net . . . . .		22,049	<b>7</b>	34,247	
	<b>8</b> Inventories for sale or use . . . . .			<b>8</b>		
	<b>9</b> Prepaid expenses and deferred charges . . . . .			<b>9</b>		
	<b>10a</b> Land, buildings, and equipment cost basis	<b>10a</b>	178,693			
	<b>b</b> Less accumulated depreciation <i>Complete Part VI of Schedule D</i> . . . . .	<b>10b</b>	145,252	38,892	<b>10c</b>	33,441
	<b>11</b> Investments—publicly traded securities . . . . .		13,116,479	<b>11</b>	12,172,795	
	<b>12</b> Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i> . . . . .			<b>12</b>		
	<b>13</b> Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i> . . . . .			<b>13</b>		
	<b>14</b> Intangible assets . . . . .			<b>14</b>		
	<b>15</b> Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i> . . . . .		157,311	<b>15</b>	159,735	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)		17,158,498	<b>16</b>	14,302,192		
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .		638,134	<b>17</b>	1,054,916	
	<b>18</b> Grants payable . . . . .		1,980,060	<b>18</b>	2,591,697	
	<b>19</b> Deferred revenue . . . . .			<b>19</b>		
	<b>20</b> Tax-exempt bond liabilities . . . . .			<b>20</b>		
	<b>21</b> Escrow account liability <i>Complete Part IV of Schedule D</i> . . . . .			<b>21</b>		
	<b>22</b> Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i> . . . . .			<b>22</b>		
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .			<b>23</b>		
	<b>24</b> Unsecured notes and loans payable . . . . .			<b>24</b>		
	<b>25</b> Other liabilities <i>Complete Part X of Schedule D</i> . . . . .		187,883	<b>25</b>	180,672	
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .		2,806,077	<b>26</b>	3,827,285	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>					
	<b>27</b> Unrestricted net assets . . . . .		2,376,671	<b>27</b>	1,533,030	
	<b>28</b> Temporarily restricted net assets . . . . .		9,242,493	<b>28</b>	6,419,000	
	<b>29</b> Permanently restricted net assets . . . . .		2,733,257	<b>29</b>	2,522,877	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>					
	<b>30</b> Capital stock or trust principal, or current funds . . . . .			<b>30</b>		
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .			<b>31</b>		
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>32</b>		
<b>33</b> Total net assets or fund balances . . . . .		14,352,421	<b>33</b>	10,474,907		
<b>34</b> Total liabilities and net assets/fund balances . . . . .		17,158,498	<b>34</b>	14,302,192		

**Part XI Financial Statements and Reporting**

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		No
<b>2b</b>	Were the organization's financial statements audited by an independent accountant? . . . . .	Yes	
<b>2c</b>	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? . . . . .	Yes	
<b>3a</b>	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? . . . . .		No
<b>3b</b>	If "Yes," did the organization undergo the required audit or audits? . . . . .		

**SCHEDULE A**  
(Form 990 or 990EZ)

**Public Charity Status and Public Support**

**2008**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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.

**Name of the organization**  
HealthEast Foundation

**Employer identification number**

41-1602044

**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?

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

h Provide the following information about the organizations the organization supports

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

**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
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	5,447,675	3,696,477	7,038,580	6,678,980	4,054,332	26,916,044
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add line 1-3	5,447,675	3,696,477	7,038,580	6,678,980	4,054,332	26,916,044
<b>5</b> 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)						9,530,513
<b>6 Public Support</b> subtract line 5 from line 4						17,385,531

**Total Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>7</b> Amounts from line 4	5,447,675	202,830	7,038,580	6,678,980	4,054,332	26,916,044
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	177,849	202,830	602,766	501,478	387,287	1,872,210
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on	60,613	74,653	29,791			165,057
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )	377,003	305,429	197,759	189,910	191,245	1,261,346
<b>11 Total Support</b> (Add lines 7 through 10)						30,214,657
<b>12</b> Gross receipts from related activities, etc (See instructions )					<b>12</b>	
<b>13 First Five Years.</b> 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 <b>stop here</b>						<input checked="" type="checkbox"/>

**Computation of Public Support Percentage**

<b>14</b> Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	<b>14</b>	<b>57.540 %</b>
<b>15</b> Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	<b>15</b>	<b>74.750 %</b>

- 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
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total</b> Add lines 1-5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Total of lines 7a and 7b						
<b>8 Public Support</b> (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
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total Support</b> (Add lines 9, 10c, 11 and 12)						
<b>14 First Five Years</b> 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 <b>stop here</b> <input type="checkbox"/>						

**Computation of Public Support Percentage**

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

**Computation of Investment Income Percentage**

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

- 19a 33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- b 33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- 20 Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

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

<b>Facts and Circumstances Test</b>

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 41-1602044  
**Name:** HealthEast Foundation

**Form 990, Part VII - Section Aaa**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Dean A Walberg , Chair	50	X		X				0	0	0
Timothy H Hanson , President	50	X		X				0	0	0
Robert D Gill , Treasurer	50	X		X				0	0	0
Jo Bailey , Director	50	X						0	0	0
Timothy A Becken , Director	50	X						0	0	0
Jenean Cordon , Director	50	X						0	0	0
John G Fee MD , Director	50	X						0	0	0
Thomas G Fee , Director	50	X						0	0	0
Litton E S Field Jr , Director	50	X						0	0	0
Gregory G Greitag , Director	50	X						0	0	0
Joan A Grzywinski , Director	50	X						0	0	0
E Milton Klohn , Director	50	X						0	0	0
Laura Kolar , Director	50	X						0	0	0
Ted H Lillis , Director	50	X						0	0	0
Rosa M Miller , Director	50	X						0	0	0
Deavid E Monson , Director	50	X						0	0	0
Scott A Mueller , Director	50	X						0	0	0
Thomas G Panek , Director	50	X						0	0	0
A Kent Shamblin , Director	50	X						0	0	0
Dennis P Todora , Director	50	X						0	0	0
Linda Kay Smith , VP & Executive Director	40 00			X				246,452	0	45,369
John Swanholm , Vice President	40 00			X				149,577	0	28,579
Debra Sandquist , Secretary	40 00			X				54,993	0	14,161
Joan M Pennington , System Director-Corporat	40 00					X		111,477	0	24,424

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2008

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

Name of the organization

HealthEast Foundation

Employer identification number

41-1602044

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.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Table with 3 columns: Line number, Description, and Held at the End of the Year. Rows include purpose of easements, number of easements, acreage, and monitoring details.

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.

Table with 3 columns: Line number, Description, and Amount. Rows include reporting requirements for art collections and associated revenues/assets.

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

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

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

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

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

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

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

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

	Amount
<b>1c</b> Beginning balance	
<b>1d</b> Additions during the year	
<b>1e</b> Distributions during the year	
<b>1f</b> Ending balance	

**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
<b>1a</b> Beginning of year balance . . . . .	3,264,089				
<b>b</b> Contributions . . . . .	7,987				
<b>c</b> Investment earnings or losses . . . . .	-236,207				
<b>d</b> Grants or scholarships . . . . .	132,378				
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	2,903,491				

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

- a** Board designated or quasi-endowment ▶ 2 430 %
- b** Permanent endowment ▶ 83 680 %
- c** Term endowment ▶ 13 890 %

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
<b>1a</b> Land . . . . .				
<b>b</b> Buildings . . . . .		40,000	24,533	15,467
<b>c</b> Leasehold improvements . . . . .				
<b>d</b> Equipment . . . . .		138,693	120,719	17,974
<b>e</b> Other . . . . .				
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .				33,441



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	4,484,533
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	6,921,098
<b>3</b>	Excess or (deficit) for the year Subtract line 2 from line 1	<b>3</b>	-2,436,565
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	-1,423,320
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV)	<b>8</b>	-17,629
<b>9</b>	Total adjustments (net) Add lines 4 - 8	<b>9</b>	-1,440,949
<b>10</b>	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	<b>10</b>	-3,877,514

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

<b>1</b>	Total revenue, gains, and other support per audited financial statements	<b>1</b>	3,234,829
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains on investments	<b>2a</b>	-1,423,320
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV)	<b>2d</b>	173,616
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	-1,249,704
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	4,484,533
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	0
<b>5</b>	Total Revenue Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 12)	<b>5</b>	4,484,533

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

<b>1</b>	Total expenses and losses per audited financial statements	<b>1</b>	7,112,343
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities	<b>2a</b>	
<b>b</b>	Prior year adjustments	<b>2b</b>	
<b>c</b>	Losses reported on Form 990, Part IX, line 25	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV)	<b>2d</b>	191,245
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	191,245
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	6,921,098
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	0
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 18)	<b>5</b>	6,921,098

**Part XIV Supplemental Information**

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

Identifier	Return Reference	Explanation
Part V, Line 4	Description of Intended Use of Endowment Funds	The Foundation intends to use their endowment funds in the manner for which they were established by the donor
Part XI, Line 8 - Other Adjustments		Change in value of split-interest agreements -17629
Part XII, Line 2d - Other Adjustments		Change in value of Split-Interest obligations -17629 Special Event contributions reported on Form 990, Part VIII, Line 8a 191245
Part XIII, Line 2d - Other Adjustments		Special Event expenses reported on Form 990, Part VIII Line 8b 191245

**SCHEDULE G  
(Form 990 or 990-EZ)**

**Supplemental Information Regarding  
Fundraising or Gaming Activities**

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization  
HealthEast Foundation

**Employer identification number**

41-1602044

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

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

- |   |   |
|---|---|
| <b>a</b> <input type="checkbox"/> Mail solicitations      | <b>e</b> <input type="checkbox"/> Solicitation of non-government grants |
| <b>b</b> <input type="checkbox"/> Email solicitations     | <b>f</b> <input type="checkbox"/> Solicitation of government grants     |
| <b>c</b> <input type="checkbox"/> Phone solicitations     | <b>g</b> <input type="checkbox"/> Special fundraising events            |
| <b>d</b> <input type="checkbox"/> In-person solicitations |   |

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

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

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

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

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

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		<u>Fesitval of Trees</u> (event type)	(event type)	(total number)	(Add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross receipts . . . . .	465,987			465,987
	<b>2</b> Less Charitable contributions . . . . .	274,742			274,742
	<b>3</b> Gross revenue (line 1 minus line 2) . . . . .	191,245			191,245
<b>Direct Expenses</b>	<b>4</b> Cash Prizes . . . . .				
	<b>5</b> Non-cash Prizes . . . . .				
	<b>6</b> Rent/Facility costs . . . . .	19,509			19,509
	<b>7</b> Other direct expenses . . . . .	171,736			171,736
	<b>8</b> Direct expense summary Add lines 4 through 7 in column (d) . . . . . ▶				191,245
<b>9</b> Net income summary Combine lines 3 and 8 in column (d) . . . . . ▶				0	

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

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

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

**13** Indicate the percentage of gaming activity operated in

- a** The organization's facility . . . . . **13a**
- b** An outside facility . . . . . **13b**

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

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .

- b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_
- c** If "Yes," enter name and address

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**16** Gaming manager information

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

Director/officer       Employee       Independent contractor

**17** Mandatory distributions

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .
- b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

	Yes	No
<b>13a</b>		
<b>13b</b>		
<b>14</b>		
<b>15a</b>		
<b>16</b>		
<b>17a</b>		
<b>b</b>		

Schedule I (Form 990)

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

OMB No 1545-0047

2008

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization HealthEast Foundation

Employer identification number 41-1602044

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance...
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.

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC section if applicable, (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Rows include HealthEast 559 Capitol Boulevard, HealthEast Bethesda Hospital, HealthEast St John's Hospital, HealthEast St Joseph's Hospital, and HealthEast Woodwinds Hospital.

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.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Crisis grant assistance for HealthEast (an affiliated health care system) employees experiencing catastrophic financial difficulties	19	16,387			
Scholarships for tuition are available to HealthEast Care System employees' children wishing to pursue post-secondary education	6	6,000			
Scholarships for tuition are available to HealthEast Care System employees that wish to pursue education in the health care field	9	48,500			
Scholarships for tuition for students attending school at Bethel University in the Twin Cities and are in the nursing program	6	30,000			
Scholarships for tuition for HealthEast Care System teen volunteers to receive assistance for post-secondary education	28	16,400			
Assistance is provided to those in need to help pay for their diabetes supplies	32	10,907			

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

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 All grant recipients are required to use grant funds within 12 months from the notification of the grant award All grant awards of \$5,000 or more must submit a Grant Performance Report within 12 months of receiving the grant award This report will be reviewed by the Mission Effectiveness Committee The content of the report will be used to monitor the grant activities as well as for communicating to donors through Foundation publications

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047

**2008**

**Open to Public Inspection**

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  
HealthEast Foundation

Employer identification number  
41-1602044

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>		No
<b>4b</b>	Yes	
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>		No
<b>8</b>		No

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

<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 type="checkbox"/> Tax idemnification and gross-up payments	<input 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 type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input 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

**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				
Linda Kay Smith	(i)	158,955	60,776	26,721	32,451	13,750	292,653	123,784
	(ii)							
John Swanholm	(i)	134,132	15,445		9,428	19,744	178,749	89,421
	(ii)							
Debra Sandquist	(i)	54,993			5,109	9,327	69,429	36,662
	(ii)							
Joan M Pennington	(i)	101,983	9,494		9,518	15,364	136,359	67,989
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							



**SCHEDULE M  
(Form 990)**  
  
Department of the Treasury  
Internal Revenue Service

# Non-Cash Contributions

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

OMB No 1545-0047  
**2008**  
**Open to Public  
Inspection**

Name of the organization  
HealthEast Foundation

Employer identification number  
41-1602044

**Part I Types of Property**

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
<b>1</b> Art—Works of art . . . . .	X	4	2,170	Cost
<b>2</b> Art—Historical treasures . . . . .				
<b>3</b> Art—Fractional interests . . . . .				
<b>4</b> Books and publications . . . . .	X		2,519	Cost
<b>5</b> Clothing and household goods . . . . .	X		1,095	Cost
<b>6</b> Cars and other vehicles . . . . .				
<b>7</b> Boats and planes . . . . .				
<b>8</b> Intellectual property . . . . .				
<b>9</b> Securities—Publicly traded . . . . .				
<b>10</b> Securities—Closely held stock . . . . .				
<b>11</b> Securities—Partnership, LLC, or trust interests . . . . .				
<b>12</b> Securities—Miscellaneous . . . . .				
<b>13</b> Qualified conservation contribution (historic structures) . . . . .				
<b>14</b> Qualified conservation contribution (other) . . . . .				
<b>15</b> Real estate—Residential . . . . .				
<b>16</b> Real estate—Commercial . . . . .				
<b>17</b> Real estate—Other . . . . .				
<b>18</b> Collectibles . . . . .				
<b>19</b> Food inventory . . . . .				
<b>20</b> Drugs and medical supplies . . . . .				
<b>21</b> Taxidermy . . . . .				
<b>22</b> Historical artifacts . . . . .				
<b>23</b> Scientific specimens . . . . .				
<b>24</b> Archeological artifacts . . . . .				
<b>25</b> Other (describe Musical Instruments/Equipment )	X	2	65,495	Independent Appraisal & Cost
Sporting Event				
<b>26</b> Other (describe Tickets )	X	3	9,750	Cost
<b>27</b> Other (describe Equipment )	X	2	8,400	Cost
<b>28</b> Other (describe Televisions )	X	2	4,400	Cost
28(a) Annual Memberships )	X	2	3,669	Cost
28(b) Restaurant Certificates )	X	40	3,345	Cost
28(c) Hotel Stay Packages )	X	4	2,050	Cost
28(d) Portrait Sessions )	X	5	1,000	Cost
28(e) Scrapbooking Package )	X	1	920	Cost

**29** Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .

	<b>29</b>	0
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		Yes	No
<b>30a</b> During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .	<b>30a</b>		No
<b>b</b> If "Yes", describe the arrangement in Part II			
<b>31</b> Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	<b>31</b>	Yes	
<b>32a</b> Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions? . . . . .	<b>32a</b>	Yes	
<b>b</b> If "Yes", describe in Part II			
<b>33</b> If the organization did not report revenues in Column (c) for a type of property for which Column (a) is checked, describe in Part II			



**SCHEDULE O**  
(Form 990)

**Supplemental Information to Form 990**

OMB No 1545-0047

**2008**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

**▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

**Name of the organization**  
HealthEast Foundation

**Employer identification number**

41-1602044

Identifier	Return Reference	Explanation
Form 990, Part III, line 4d	Other Program Services	These expenses represent operating costs for supporting the organizations program services Expenses \$ 124789 including grants of \$ 0 Revenue \$ 0

Identifier	Return Reference	Explanation
Form 990, Part III, line 4d	Other Program Services	HealthEast Foundation operating expenses to provide the program services listed in Form 990, Part III, lines a-d

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		During the organization's tax year, a family relationship exists between John G Fee and Thomas G Fee

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The Director of Tax attends the HealthEast Foundation Board meeting and presents the Form 990 to the members of the Board and answers any questions regarding the Form 990

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		HealthEast Foundation monitors proposed or ongoing transactions for conflicts of interest through the procedures set forth in its Conflicts of Interest Policy (the Policy) The Policy covers HealthEast Foundation's Directors, Officers and members of a Committee with Board-delegated powers A Director, Officer or members of a Committee with Board-delegated powers who has a direct or indirect financial interest, is an interested person under the terms of the Policy Pursuant to the terms of the Policy, in connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts relating to his or her financial interest to the Directors or members of Committees with Board-delegated powers considering the proposed transaction or arrangement After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person must leave the Board (or Committee) meeting while the financial interest is discussed and voted upon The remaining Board (or Committee) members shall decide if a conflict of interest exists An interested person may make a presentation at the Board or Committee meeting regarding the proposed transaction or arrangement, but after such presentation, the interested person shall leave the meeting during the discussion of, and the vote on, the proposed transaction or arrangement that results in the conflict of interest

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		The president of the HealthEast Foundation Board of Directors is Timothy H Hanson, who is not paid by the HealthEast Foundation for his services An affiliated tax-exempt organization engages an external consulting firm to review annually the compensation of the organization's Vice President and the review was last completed in 2009 The process includes the external consulting firm evaluating current base salaries and total cash and benefits compared to comparable positions within the comparator group The external firm presents its findings to the affiliated tax-exempt organization's Executive Committee of the Board and indicates any recommendations for change The affiliated tax-exempt Executive Committee of the Board approves the salaries of the Vice President The consulting firm issues a reasonable compensation letter to affiliated tax-exempt organization's Board of Directors See Schedule O explanation for Part V, Line 2a for further explanation

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The Articles of Incorporation for this organization are made available to the public through the Secretary of State Office The organizations conflict of interest policy and other governing documents are not made available to the public The financial statements for this organization are made available to the public through the Attorney General's Office

Identifier	Return Reference	Explanation
Form 990, Part XI, Line 2c		The organization's processes for overseeing the audit of its financial statements and the selection of an independent accountant have not been changed from the prior year

Identifier	Return Reference	Explanation
Form 990, Part V, Line 1a	Explanation for number reported in Box 3 of Form 1096	The number of Form 1099's reported on Form 990, Part V, Line 1a is for payments to contributors for Split-Interest Agreements All other cash disbursements are centralized through an affiliated organization, HealthEast Therefore the affiliated organization, HealthEast, makes the payment and files the related Form 1099's and Form 1096 instead of HealthEast Foundation

Identifier	Return Reference	Explanation
Form 990, Part V, Line 2a	Explanation for number reported on Form W-3	HealthEast Foundation leases employees from an unrelated organization, HealthEast, a 501(c)(3) tax-exempt, non-profit organization. Therefore, HealthEast files the appropriate W-3 and related W-2 tax forms for these individuals instead of HealthEast Foundation. According to the Form 990 instructions for Part VII, we reflect the leased employee's compensation on the HealthEast Foundation Form 990, Part VII and Schedule J, as if HealthEast Foundation compensates these individuals.