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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)

OMB No 1545-0047

**2008**Open to Public  
InspectionDepartment 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** 10/01, 2008, and ending 09/30, 2009

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>Please use IRS label or print or type. See Specific Instructions</b>	<b>C Name of organization</b> FAUQUIER HEALTH FOUNDATION		<b>D Employer identification number</b>
		Doing Business As		30-0219424
		Number and street (or P O box if mail is not delivered to street address) Room/suite		<b>E Telephone number</b>
		500 HOSPITAL DRIVE		(540) 316-5000
		City or town, state or country, and ZIP + 4		
		WARRENTON, VA 20186		
		<b>F Name and address of principal officer:</b> CHRISTY CONNOLLY		
		500 HOSPITAL DRIVE WARRENTON, VA 20186		
<b>I Tax-exempt status</b>		<input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no)	<input type="checkbox"/> 4947(a)(1) or	<input type="checkbox"/> 527
<b>J Website.</b> ▶ WWW.FAUQUIERHEALTH.ORG				
<b>K Type of organization</b>		<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Association
		<input type="checkbox"/> Other ▶	<b>L Year of formation</b> 2004	<b>M State of legal domicile</b> VA

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities	THE MISSION IS TO SUPPORT THE CHARITABLE SCIENTIFIC AND EDUCATIONAL PURPOSE OF THE FAUQUIER HOSPITAL AND ITS TAX EXEMPT AFFILIATES INCLUDING BUT NOT LIMITED TO FAUQUIER HEALTH SENIOR LIVING INC.	
	<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>	9
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	7
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	NONE
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	NONE
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>7a</b>	
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	NONE	
<b>Revenue</b>	<b>8</b> Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	1,016,300.	567,094.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		NONE
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	14,471.	10,916.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,747.	1,601.
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,032,518.	579,611.
<b>Expenses</b>	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		NONE
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		NONE
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11)	257,555.	272,914.
	<b>b</b> Total fundraising expenses, Part IX, column (D), line 25		NONE
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24b)	400,164.	
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	242,594.	205,297.
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	500,149.	478,211.
	<b>20</b> Total assets (Part X, line 16)	532,369.	101,400.
	<b>21</b> Total liabilities (Part X, line 26)	Beginning of Year	End of Year
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20.	2,553,658.	1,349,895.
		5,887.	39,557.
		2,547,771.	1,310,338.

**Part II Signature Block**

<b>Sign Here</b>	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 Christy M. Connolly, President/CEO	Date 12-10-10
<b>Paid Preparer's Use Only</b>	Preparer's signature	Date
	12/01/2010	Check if self-employed <input type="checkbox"/>
	Preparer's identifying number (see instructions)	P01074058
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN
	COHEN, RUTHERFORD + KNIGHT, PC	52-1202280
	6903 ROCKLEDGE DRIVE, SUITE 500 BETHESDA, MD 20817-1800	Phone no
		301-828-1008
May the IRS discuss this return with the preparer shown above? (See instructions)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2008)JSA  
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**Part III** Statement of Program Service Accomplishments (see instructions)**1** Briefly describe the organization's mission:

THE MISSION IS TO SUPPORT THE CHARITABLE SCIENTIFIC AND EDUCATIONAL  
PURPOSE OF THE FAUQUIER HOSPITAL AND ITS TAX EXEMPT AFFILIATES  
INCLUDING BUT NOT LIMITED TO FAUQUIER HEALTH SENIOR LIVING INC.

**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 501(c)(4) organizations and section 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 \$ NONE including grants of \$ \_\_\_\_\_) (Revenue \$ NONE)  
SEE STATEMENT 1

**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 ► \$ NONE (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)? If "Yes," complete Schedule A	<b>1</b> X	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors?	<b>2</b> X	
<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? If "Yes," complete Schedule C, Part I	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	<b>4</b>	X
<b>5</b> <b>Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	<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? If "Yes," complete Schedule D, Part I	<b>6</b>	X
<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? If "Yes," complete Schedule D, Part II	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<b>8</b>	X
<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? If "Yes," complete Schedule D, Part IV	<b>9</b>	X
<b>10</b> Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	<b>10</b> X	
<b>11</b> 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	<b>11</b> X	
<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? If "Yes," complete Schedule D, Parts XI, XII, and XIII	<b>12</b>	X
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the U.S.?	<b>14a</b>	X
<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.? If "Yes," complete Schedule F, Part I	<b>14b</b>	X
<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? If "Yes," complete Schedule F, Part II	<b>15</b>	X
<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? If "Yes," complete Schedule F, Part III	<b>16</b>	X
<b>17</b> Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<b>18</b>	X
<b>19</b> Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<b>19</b>	X
<b>20</b> Did the organization operate one or more hospitals? If "Yes," complete Schedule H	<b>20</b>	X
<b>21</b> Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	<b>21</b>	X
<b>22</b> Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	<b>22</b>	X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	<b>23</b> X	
<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? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	<b>24a</b>	X
<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> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	<b>25a</b>	X
<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? If "Yes," complete Schedule L, Part I	<b>25b</b>	X
<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? If "Yes," complete Schedule L, Part II	<b>26</b>	X
<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? If "Yes," complete Schedule L, Part III	<b>27</b>	X

**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> . . . . .		X
<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> . . . . .		X
<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> . . . . .		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	X	
<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> . . . . .		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		X
<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> . . . . .		X
<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> . . . . .		X
<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> . . . . .	X	
<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> . . . . .		X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		X
<b>37</b> Did the organization conduct more than 5% 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> . . . . .		X

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**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, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable . . . . .	<b>1a</b>	NONE
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .	<b>1b</b>	NONE
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b>	X
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .	<b>2a</b>	NONE
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . . Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	<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? . . . . .	<b>3a</b>	X
<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)? . . . . .	<b>4a</b>	X
<b>b</b>	If "Yes," enter the name of the foreign country ► See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	<b>5b</b>	X
<b>c</b>	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .	<b>5c</b>	
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible? . . . . .	<b>6a</b>	X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? . . . . .	<b>7a</b>	X
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b>	X
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>	X
<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? . . . . .	<b>7e</b>	X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>	X
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7g</b>	X
<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>	X
<b>8</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> 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>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
<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>	<b>Section 501(c)(7) organizations. Enter</b>		
<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>	<b>Section 501(c)(12) organizations. Enter</b>		
<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>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> 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>	

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**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 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	9	
1b	Enter the number of voting members that are independent	7	
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?		X
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?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8	Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990.	X	
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.		X

**Section B. Policies**

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13.	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done.	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
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?	X	
b	Other officers or key employees of the organization? Describe the process in Schedule O (see instructions).		X
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?		X
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

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

18 Section 6104 requires an organization to make its Forms 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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization DARRYL WHITE 500 HOSPITAL DRIVE WARRENTON, VA 20186  
540-316-5000

**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), 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, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
RODGER BAKER BOARD MEMBER	2.	X						NONE	420,635.	100,083.
ANITA BALDOCK BRYANT BOARD MEMBER	1.	X						NONE	NONE	NONE
CHRISTY CONNOLLY CEO/CFO	5.	X		X				NONE	169,758.	33,484.
LARRY CZARDA BOARD MEMBER	1.	X						NONE	NONE	NONE
RICK GROUX BOARD MEMBER	1.	X						NONE	NONE	NONE
KAREN DARBY BOARD MEMBER	1.	X						NONE	NONE	NONE
KAREN WACHTMEISTER BOARD MEMBER	1.	X						NONE	NONE	NONE
ANNE HALL SECRETARY/TREASURER	1.	X		X				NONE	NONE	NONE
WILLIAM LATHAM BOARD MEMBER	1.	X						NONE	NONE	NONE
MICHAEL LEAKE BOARD MEMBER	1.	X						NONE	NONE	NONE
JANE MADDUX VICE CHAIRMAN	1.	X		X				NONE	NONE	NONE
JIM ATKINS BOARD MEMBER	1.	X						NONE	NONE	NONE
SUSAN RUBIN CHAIRMAN	1.	X		X				NONE	NONE	NONE
JAMES KOEPKE MD BOARD MEMBER	1.	X						NONE	NONE	NONE





**Part VIII Statement of Revenue**

30-0219424

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 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>				
	<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>	567,094.			
	<b>g</b>	Noncash contributions included in lines 1a-1f \$ . . . . .		56,605.			
	<b>h</b>	<b>Total. Add lines 1a-1f . . . . .</b>		567,094.			
<b>Program Service Revenue</b>				<b>Business Code</b>			
	<b>2a</b>						
	<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>			NONE.		
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . . STMT 5 . . . . .		427.			427.
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . . . .		NONE.			
	<b>5</b>	Royalties . . . . .		NONE.			
		(i) Real	(ii) Personal				
	<b>6a</b>	Gross Rents . . . . .					
	<b>b</b>	Less rental expenses . . . . .					
	<b>c</b>	Rental income or (loss) . . . . .					
	<b>d</b>	Net rental income or (loss) . . . . .		NONE.			
		(i) Securities	(ii) Other				
	<b>7a</b>	Gross amount from sales of assets other than inventory . . . . . 10,489.					
	<b>b</b>	Less cost or other basis and sales expenses . . . . .					
	<b>c</b>	Gain or (loss) . . . . . 10,489.					
	<b>d</b>	Net gain or (loss) . . . . .		10,489.			10,489.
	<b>8a</b>	Gross income from fundraising events (not including \$ 3,290. of contributions reported on line 1c) See Part IV, line 18. . . . . a . . . . . 1,851.		STMT 6			
	<b>b</b>	Less direct expenses . . . . . b . . . . . 250.					
	<b>c</b>	Net income or (loss) from fundraising events . . . . . STMT 7 . . . . .		1,601.			1,601.
	<b>9a</b>	Gross income from gaming activities See Part IV, line 19. . . . . a . . . . .					
	<b>b</b>	Less direct expenses . . . . . b . . . . .					
	<b>c</b>	Net income or (loss) from gaming activities . . . . .		NONE.			
	<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . . a . . . . .					
<b>b</b>	Less cost of goods sold . . . . . b . . . . .						
<b>c</b>	Net income or (loss) from sales of inventory . . . . .		NONE.				
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
<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>			NONE.			
<b>12</b>	<b>Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .</b>			579,611.			12,517.

**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) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	NONE			
4 Benefits paid to or for members . . . . .	NONE			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	NONE			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages . . . . .	219,010.	NONE	NONE	219,010.
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions). .	NONE			
9 Other employee benefits . . . . .	38,916.			38,916.
10 Payroll taxes . . . . .	14,988.			14,988.
11 Fees for services (non-employees)				
a Management . . . . .	NONE			
b Legal . . . . .	NONE			
c Accounting . . . . .	5,285.		5,285.	
d Lobbying . . . . .	NONE			
e Professional fundraising services See Part IV, line 17	NONE			
f Investment management fees . . . . .	NONE			
g Other . . . . .	2,657.			2,657.
12 Advertising and promotion . . . . .	7,082.			7,082.
13 Office expenses . . . . .	27,755.		27,755.	
14 Information technology . . . . .	NONE			
15 Royalties . . . . .	NONE			
16 Occupancy . . . . .	7,533.		7,533.	
17 Travel . . . . .	11,739.		11,739.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings . . . .	NONE			
20 Interest . . . . .	NONE			
21 Payments to affiliates . . . . .	NONE			
22 Depreciation, depletion, and amortization . . .	NONE			
23 Insurance . . . . .	3,480.		3,480.	
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 BAD DEBT -----	57,370.			57,370.
b BANKING FEES -----	2,007.		2,007.	
c DUES AND SUBSCRIPTIONS -----	6,399.		6,399.	
d OTHER -----	2,793.			2,793.
e DONOR RECOGNITION -----	51,157.			51,157.
f All other expenses -----	20,040.		13,849.	6,191.
<b>25 Total functional expenses. Add lines 1 through 24f</b>	<b>478,211.</b>	<b>NONE</b>	<b>78,047.</b>	<b>400,164.</b>
<b>26 Joint Costs. Check here <input type="checkbox"/> If following</b> SCF 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
<b>Assets</b>	1 Cash - non-interest-bearing . . . . .		1	
	2 Savings and temporary cash investments . . . . .	373,023.	2	11,666.
	3 Pledges and grants receivable, net . . . . .	1,927,331.	3	1,080,725.
	4 Accounts receivable, net . . . . .		4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L . . . . .		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .		6	
	7 Notes and loans receivable, net . . . . .		7	
	8 Inventories for sales or use . . . . .		8	
	9 Prepaid expenses and deferred charges . . . . .	10,072.	9	7,053.
	10a Land, buildings, and equipment cost basis . . . . .	10a 34,471.		
	b Less accumulated depreciation. Complete Part VI of Schedule D . . . . .	10b 34,471.	10c	
	11 Investments - publicly traded securities . . . . .		11	
	12 Investments - other securities See Part IV, line 11 . . . . .		12	
	13 Investments - program-related See Part IV, line 11 . . . . .		13	
	14 Intangible assets . . . . .		14	
	15 Other assets. See Part IV, line 11 . . . . .	243,232.	15	250,451.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	2,553,658.	16	1,349,895.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .	5,887.	17	5,217.
	18 Grants payable . . . . .		18	
	19 Deferred revenue . . . . .		19	
	20 Tax-exempt bond liabilities . . . . .		20	
	21 Escrow account liability. Complete Part IV of Schedule D . . . . .		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		22	
	23 Secured mortgages and notes payable to unrelated third parties . . . . .		23	
	24 Unsecured notes and loans payable . . . . .		24	
	25 Other liabilities Complete Part X of Schedule D . . . . .	NONE	25	34,340.
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	5,887.	26	39,557.
<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>			
	27 Unrestricted net assets . . . . .	2,136,605.	27	1,166,672.
	28 Temporarily restricted net assets . . . . .	411,166.	28	143,666.
	29 Permanently restricted net assets . . . . .		29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	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 . . . . .	2,547,771.	33	1,310,338.
	34 <b>Total liabilities and net assets/fund balances.</b> . . . . .	2,553,658.	34	1,349,895.

**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	X
b	Were the organization's financial statements audited by an independent accountant? . . . . .	2b	X
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	X
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	X
b	If "Yes," did the organization undergo the required audit or audits? . . . . .	3b	

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.**

OMB No 1545-0047

2008

**Open to Public  
Inspection**

Employer identification number

30-0219424

**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 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.

[illegible]

Schedule A (Form 990 or 990-EZ) 2008

**Part II Support Schedule for Organizations Described in Sections 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.)

**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") . . . . .	1,597,797.	815,599.	1,270,435.	1,016,300.	567,094.	5,267,225.
<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</b> Total. Add lines 1-3 . . . . .	1,597,797.	815,599.	1,270,435.	1,016,300.	567,094.	5,267,225.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						556,294.
<b>6</b> Public support. Subtract line 5 from line 4 . . . . .						4,710,931.

**Section B. 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. . . . .	1,597,797.	815,599.	1,270,435.	1,016,300.	567,094.	5,267,225.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .		17,241.	15,664.	14,471.	10,916.	58,292.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV) . . . . .						
<b>11</b> Total support. Add lines 7 through 10 . . . . .						5,325,517.
<b>12</b> Gross receipts from related activities, etc. (See instructions.) . . . . .					<b>12</b>	
<b>13</b> First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here . . . . .						<input type="checkbox"/>

**Section C. 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>	88.46 %
<b>15</b> Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	<b>15</b>	NONE %
<b>16a</b> <b>33 1/3% support test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .		<input checked="" type="checkbox"/>
<b>b</b> <b>33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>17a</b> <b>10%-facts-and-circumstances test - 2008.</b> 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 "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>b</b> <b>10%-facts-and-circumstances test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>18</b> <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .		<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 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</b> Total. 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> Add lines 7a and 7b. . . . .						
<b>8</b> Public support (Subtract line 7c from line 6.) . . . . .						

**Section B. 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 June 30, 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</b> Total support. (Add lines 9, 10c, 11, and 12) . . . . .						
<b>14</b> First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. . . . . <input type="checkbox"/>						

**Section C. 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 from 2007 Schedule A, Part IV-A, line 27g . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

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

**19a** 33 1/3% support 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% support 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 explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

[illegible]



**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

OMB No 1545-0047

**2008**

**Open to Public Inspection**

Name of the organization

FAUQUIER HEALTH FOUNDATION

Employer identification number

30-0219424

**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 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 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).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically importantly land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

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

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

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

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

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

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

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

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

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

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X . . . . . ► \$ \_\_\_\_\_

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

a Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X . . . . . ► \$ \_\_\_\_\_

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

Schedule D (Form 990) 2008

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

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

- a ☐ Public exhibition 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 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 the arrangement in Part XIV and complete the following table

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

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

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

**Part V Endowment Funds.** Complete if 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 . . . . .	243,232.				
b Contributions . . . . .	3,262.				
c Investment earnings or losses . . . . .	4,905.				
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .	1,099.				
g End of year balance . . . . .	250,300.				

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

- a Board designated or quasi-endowment ► 100.0000 %  
 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 . . . . .

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

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.

**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 . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .				
d Equipment . . . . .		34,471.	34,471.	
e Other . . . . .				

**Total.** Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ►

**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 -----		
-----		
-----		
-----		
-----		
-----		
-----		
-----		
-----		
<b>Total.</b> (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
<b>Total.</b> (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
ASSETS LIMITED TO USE	250,301.
DUE FROM AFFILIATES	150.
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 15) ▶	250,451.

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

(a) Description of liability	(b) Amount
Federal income taxes	
DUE TO AFFILIATES	34,340.
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 25) ▶	34,340.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	

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

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

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

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

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, 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.

ENDOWMENTS

PART V LINE 4

IN SUPPORT OF FAUQUIER HEALTH MISSION

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	

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

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

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

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

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, 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.

**Part XIV** Supplemental Information *(continued)*

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

FAUQUIER HEALTH FOUNDATION

Employer identification number

30-0219424

**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 type="checkbox"/> Tax indemnification 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 of 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 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.

**Only 501(c)(3) and 501(c)(4) organizations 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
<b>1b</b>		
<b>2</b>		
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>	X	
<b>7</b>		X
<b>8</b>		X

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

Schedule J (Form 990) 2008





**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.

NET EARNINGS

LINE 6

FAUQUIER HOSPITAL, A RELATED ORGANIZATION, HAS A "MANAGEMENT PERFORMANCE

INCENTIVE PROGRAM" (MPIP) UNDER WHICH WE AWARD \$ TO OUR DIRECTOR TEAM FOR

ACCOMPLISHING A PRE-DETERMINED, MEASURABLE SET OF TASKS. THE MPIP

GUIDELINES SPECIFY THAT CERTAIN PROFITABILITY THRESHOLDS MUST BE ATTAINED

BEFORE ANY COMPENSATION MAY BE AWARDED UNDER THE MPIP--FROM THAT

PERSPECTIVE, THE AMOUNTS ARE CONTINGENT UPON ATTAINING A CERTAIN

OPERATING MARGIN.

**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

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art-Works of art . . . . .				
2 Art-Historical treasures . . . . .				
3 Art-Fractional interests . . . . .				
4 Books and publications . . . . .	X		2,415.	FMV
5 Clothing and household goods . . . . .	X		6,364.	FMV
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities-Publicly traded . . . . .	X	1	5,449.	FMV
10 Securities-Closely held stock . . . . .				
11 Securities-Partnership, LLC, or trust interests . . . . .				
12 Securities-Miscellaneous . . . . .				
13 Qualified conservation contribution (historic structures) . . . . .				
14 Qualified conservation contribution (other) . . . . .				
15 Real estate-Residential . . . . .				
16 Real estate-Commercial . . . . .				
17 Real estate-Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .	X	1	1,827.	FMV
20 Drugs and medical supplies . . . . .	X	1	3,000.	FMV
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ► ( <u>STMT 9</u> ) . . . . .		31.	37,551.	
26 Other ► ( ) . . . . .				
27 Other ► ( ) . . . . .				
28 Other ► ( ) . . . . .				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .				29

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

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

Schedule M (Form 990) 2008

JSA

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## Part II

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

[illegible]

**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

DESCRIPTION OF 990 REVIEW PROCESS

PART VI, LINE 10

BOTH THE MANAGEMENT OF THE ORGANIZATION AND THE AUDIT AND COMPLIANCE

COMMITTEE OF THE BOARD OF DIRECTORS WILL REVIEW/COMMENT ON THE ACCURACY

OF THE 990 FORM PRIOR TO FILING. CHRISTY CONNOLLY, PRESIDENT OF FAUQUIER

FOUNDATION WILL BE SIGNING THE RETURN.

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

CONFLICTS MONITORING AND ENFORCEMENTPART VI LINE 12CTHE ANNUAL DISCLOSURE OF CONFLICTS STATEMENT IS COMPLETED BY ALL BOARDMEMBERS AND MANAGEMENT. THEY ARE REVIEWED BY INDEPENDENT LEGAL COUNSEL,THE CORPORATE COMPLIANCE OFFICER, AND THE AUDIT AND COMPLIANCE COMMITTEE,WHO ARE ULTIMATELY RESPONSIBLE IF A CONFLICT EXISTS. SUCH CONFLICTSWOULD BE REPORTED TO THE FULL BOARD. BOARD MEMBER ELIGIBILITY ISCAREFULLY SCREENED FOR ANY POTENTIAL CONFLICTS IN ORDER TO AVOID SUCHCONFLICTS FROM OCCURRING.

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

## DOCUMENT AVAILABILITY

## PART VI LINE 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST

POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

BLANK LINES

THE ORGANIZATION DID NOT COMPLETE PART V, LINES 8&amp;9 BECAUSE IT DID NOT

SPONSOR ANY DONOR ADVISED FUNDS.

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

SIGNIFICANT CHANGES TO ARTICLES AND BYLAWSPART VI, SECTION A, LINE 4ARTICLES WERE AMENDED AND RESTATED TO CHANGE THE NAME TO FAUQUIER HEALTHFOUNDATION FROM FAUQUIER HEALTH SYSTEM FOUNDATION AND TO REDUCE THE SIZEOF THE BOARD OF TRUSTEES FROM 20 TO 11.THE BYLAWS WERE CHANGED TO MIRROR THOSE MADE IN THE ARTICLES AS WELL ASTO CREATE A STAGGERED AND LIMITED TERM STRUCTURE FOR INDEPENDENTDIRECTORS. MINOR CHANGES WERE ALSO MADE TO COMMITTEE APPOINTMENTPROCEDURES.



Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

ELECTING MEMBERS OF THE BOARD

PART VI, LINE 7

PART VI

#7A: YES

THE FAUQUIER HEALTH SYSTEM BOARD OF DIRECTORS, AS SOLE MEMBER OF FAUQUIER  
HEALTH FOUNDATION, ELECT THE MEMBERS OF FAUQUIER HEALTH FOUNDATION.

#7B: YES

THE FAUQUIER HEALTH FOUNDATION REQUIRES THE APPROVAL OF THE FAUQUIER  
HEALTH SYSTEM BOARD, AS SOLE MEMBER, TO ELECT, APPOINT OR REMOVE  
DIRECTORS AND ON IMPLEMENTING AMENDMENTS TO THE ARTICLES OF  
INCORPORATION.

Name of the organization

Employer identification number

FAUQUIER HEALTH FOUNDATION

30-0219424

DETERMINING COMPENSATION FOR CEO

PART VI, LINE 15

THE COMPENSATION PACKAGES OF ALL OF EIGHT MEMBERS OF SENIOR MANAGEMENT,

INCLUDING THE PRESIDENT AND CEO OF FAUQUIER HEALTH FOUNDATION, ARE

REVIEWED AND APPROVED ANNUALLY BY THE FAUQUIER HEALTH SYSTEM'S EXECUTIVE

COMPENSATION COMMITTEE, THE MEMBERS OF WHICH MEET 'INDEPENDENT DIRECTOR'

CRITERIA. THE COMMITTEE IS ASSISTED BY INDEPENDENT, OUTSIDE COMPENSATION

CONSULTANTS, HIRED DIRECTLY BY THE COMMITTEE, TO ASSURE A MARKET

COMPETITIVE COMPENSATION PACKAGE THROUGH THE PRESENTATION OF COMPARABLE

MARKET DATA.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

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

OMB No 1545-0047

**2008**

Open to Public  
Inspection

Name of the organization

FAUQUIER HEALTH FOUNDATION

Employer identification number

30-0219424

**Part I Identification of Disregarded Entities**

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

**Part II Identification of Related Tax-Exempt Organizations**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
FAUQUIER HEALTH SYSTEM INC 54-1416705 500 HOSPITAL DR WARRENTON, VA 20186	HLTH COORDINT	VA	501(C)(3)	509(A)(3)	N/A
THE FAUQUIER HOSPITAL INC 54-0573701 500 HOSPITAL DR WARRENTON, VA 20186	HEALTHCARE	VA	501(C)(3)	170B(1)AIII	FHS
FAUQUIER HEALTH SENIOR LIVING INC 54-1416703 500 HOSPITAL DR WARRENTON, VA 20186	LG TERM CARE	VA	501(C)(3)	509(A)(2)	FHS
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For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008



**Part V Transactions With Related Organizations**

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

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

**a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity . . . . . **1a**

**b** Gift, grant, or capital contribution to other organization(s) . . . . . **1b**

**c** Gift, grant, or capital contribution from other organization(s) . . . . . **1c**

**d** Loans or loan guarantees to or for other organization(s) . . . . . **1d**

**e** Loans or loan guarantees by other organization(s) . . . . . **1e**

**f** Sale of assets to other organization(s) . . . . . **1f**

**g** Purchase of assets from other organization(s) . . . . . **1g**

**h** Exchange of assets . . . . . **1h**

**i** Lease of facilities, equipment, or other assets to other organization(s) . . . . . **1i**

**j** Lease of facilities, equipment, or other assets from other organization(s) . . . . . **1j**

**k** Performance of services or membership or fundraising solicitations for other organization(s) . . . . . **1k**

**l** Performance of services or membership or fundraising solicitations by other organization(s) . . . . . **1l**

**m** Sharing of facilities, equipment, mailing lists, or other assets . . . . . **1m**

**n** Sharing of paid employees . . . . . **1n**

**o** Reimbursement paid to other organization for expenses . . . . . **1o**

**p** Reimbursement paid by other organization for expenses . . . . . **1p**

**q** Other transfer of cash or property to other organization(s) . . . . . **1q**

**r** Other transfer of cash or property from other organization(s) . . . . . **1r**

**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)			
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2008



## FORM 990, PART III - PROGRAM SERVICES

## 4A PROGRAM SERVICE

FAUQUIER HEALTH FOUNDATION IS A 501(C)(3) NON-PROFIT CORPORATION BENEFITTING FAUQUIER HEALTH AND ITS MISSION. IN KEEPING WITH THE HEALTH SYSTEM'S EMPHASIS ON PATIENT-CENTERED CARE, THE FAUQUIER HEALTH FOUNDATION'S ACTIVITIES ARE DONOR-CENTERED AND BASED ON INDIVIDUAL RELATIONSHIPS FORGED OVER TIME. IN FY 2009, 1754 DONORS DONATED APPROXIMATELY \$565,000 IN NEW CONTRIBUTIONS. DONOR-DIRECTED FUNDS SUPPORTED MAJOR HOSPITAL INITIATIVES SUCH AS THE INTRODUCTION OF DIGITAL MAMMOGRAPHY, BREAST MRI, AND BRAIN LAB TECHNOLOGY; PURCHASE OF A 32-SLICE CT SCANNER; EXPANSION OF THE FOURTH FLOOR THROUGH THE ADDITION OF 11 NEW PATIENT BEDS; THE CONGESTIVE HEART FAILURE AND VIPEDS PROGRAMS. DONOR CONTRIBUTIONS ALSO BENEFITTED THE CONSTRUCTION OF THE VILLA AT SUFFIELD MEADOWS ASSISTED LIVING FACILITY, CREATION OF THE FAUQUIER HEALTH WOUND HEALING CENTER, AND INTRODUCTION OF RAPIDARC AND PET/CT TECHNOLOGY AT THE CANCER CENTER AT LAKE MANASSAS. REMAINING UNRESTRICTED FUNDS SUPPORTED GENERAL OPERATIONS ACROSS THE FAUQUIER HEALTH SPECTRUM.

SECTION 1. THE COMMUNITY BENEFIT CONTRIBUTION OF FAUQUIER HOSPITAL INCLUDES PROGRAMS AND ACTIVITIES THAT IMPROVE ACCESS TO HEALTH CARE AND IMPROVE HEALTH IN OUR COMMUNITIES. IN ORDER TO PORTRAY THE FULL BREADTH OF OUR CONTRIBUTION, OUR COMMUNITY BENEFIT INFORMATION IS DESCRIBED BELOW:

1. ORGANIZATIONAL COMMITMENT TO PROVIDING COMMUNITY BENEFIT THE FAUQUIER HOSPITAL, INC. (FH) IS A 97-BED, NOT-FOR-PROFIT, ACUTE CARE FACILITY ESTABLISHED IN 1954 TO PROVIDE COMPREHENSIVE HEALTH CARE SERVICES FOR THE COMMUNITIES IT SERVES. OUR MISSION IS TO RESTORE, PROMOTE AND MAINTAIN THE HEALTH OF OUR COMMUNITY. FH IS THE ONLY HOSPITAL IN OUR PRIMARY SERVICE AREA OF FAUQUIER COUNTY, INCLUSIVE OF 28,627 HOUSEHOLDS. OUR SERVICE AREA IS GROWING AND AGING, WITH OVERALL PROJECTED GROWTH BETWEEN 2009-2014 OF 10.9% AND WITH THE 45+ POPULATION COMPRISING 42.8% OF THE TOTAL IN 2014. TO ADDRESS THE GROWING AND CHANGING HEALTH CARE NEEDS RESULTING FROM THESE POPULATION CHANGES, FH IS CONSTRUCTING AN ASSISTED LIVING FACILITY TO OPEN IN THE FALL OF 2010. THROUGH PARTNERSHIPS WITH OTHER HEALTH CARE ORGANIZATIONS WE OPERATE A RETAIL HOME HEALTH SUPPLIES STORE AND A CANCER CENTER. WE ALSO PARTNER WITH LOCAL NON-PROFIT ORGANIZATIONS (E.G. THE CHAMBER OF COMMERCE, SCHOOLS AND CHURCHES) AND NATIONAL ORGANIZATIONS (E.G. THE AMERICAN CANCER SOCIETY) TO SUPPORT LOCAL EVENTS AND PROVIDE COMMUNITY HEALTH AND WELLNESS PROGRAMS. THESE COMMUNITY BENEFITS ACTIVITIES ARE COORDINATED BY TWO FULL-TIME COMMUNITY OUTREACH

## FORM 990, PART III - PROGRAM SERVICES

STAFF, SUPPORTED BY ADMINISTRATIVE AND CLINICAL DEPARTMENTS, AND OUR AUXILIARY VOLUNTEERS AS NEEDED. WE HAVE A FINANCIAL ASSISTANCE PROGRAM THAT PROVIDES FREE CARE FOR RESIDENTS OF FAUQUIER AND RAPPAHANNOCK COUNTIES WHO ARE WITHIN 200% OF THE FEDERAL POVERTY GUIDELINES. ALL UNINSURED PATIENTS, REGARDLESS OF INCOME LEVEL OR COUNTY OF RESIDENCE, RECEIVE A 25% DISCOUNT ON HOSPITAL SERVICES AND AN ADDITIONAL 10% DISCOUNT FOR PAYMENT WITHIN 30 DAYS OR AN INTEREST-FREE PAYMENT PLAN FOR BALANCES. EVERY UNINSURED PATIENT IS CONTACTED EITHER DURING THEIR STAY OR THE DAY AFTER AN OUTPATIENT VISIT TO DISCUSS FINANCIAL NEEDS. PATIENTS WHO DO NOT MEET THE REQUIREMENTS FOR STATE FUNDING ARE GIVEN A FINANCIAL AID FORM AND ASSISTANCE WITH COMPLETING THE NECESSARY PAPERWORK. THROUGH THE CONTINUING CARE FUND, THE HOSPITAL OFFERS ASSISTANCE TO INDIVIDUALS WHO HAVE INADEQUATE FINANCIAL MEANS TO COVER THE COSTS OF POST-HOSPITALIZATION HEALTH SERVICES, SUCH AS NURSING CARE; THE COST OF THIS PROGRAM TO FH IN FY09 WAS \$132,872. IN FY09, WE PROVIDED \$4,079,911 IN FREE MEDICAL CARE, WHICH INCLUDES \$154,084 OF CARE PROVIDED TO FREE CLINIC PATIENTS.

## 2. ORGANIZATIONAL DESCRIPTION FOR TAX EXEMPTION

FH OFFERS ALL PATIENTS IMPARTIAL ACCESS TO TREATMENT OR ACCOMMODATIONS THAT ARE AVAILABLE OR MEDICALLY INDICATED, REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, RELIGION, OR SOURCE OF PAYMENT FOR CARE. OUR 24-HOUR EMERGENCY DEPARTMENT IS OPEN TO EVERYONE IN THE COMMUNITY, REGARDLESS OF ABILITY TO PAY. WE HAVE AN OPEN MEDICAL STAFF WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS IN OUR AREA. THE MAJORITY OF THE MEMBERS OF OUR GOVERNING BODIES FOR BOTH OUR HOSPITAL AND HEALTH SYSTEM ARE INDEPENDENT REPRESENTATIVES OF THE COMMUNITIES WE SERVE. TO HELP TRAIN AND EDUCATE HEALTH CARE PROFESSIONALS, FH WORKS WITH LOCAL COMMUNITY COLLEGES TO PROVIDE TOURS, LECTURES, AND INTERNSHIPS FOR STUDENTS; FH STAFF PROVIDED APPROXIMATELY 14,358 HOURS AT A COST OF APPROXIMATELY \$480,790 ON THESE PROGRAMS IN ADDITION TO PROVIDING \$16,500 IN FUNDS TO HELP ADDRESS THE SHORTAGE OF HEALTH CARE WORKERS. FH PARTICIPATES IN MEDICARE, MEDICAID, AND CHAMPUS/TRICARE STANDARD.

## 3. DESCRIPTION OF COMMUNITY BENEFIT PROGRAMS

FAUQUIER FREE CLINIC (FFC). FFC PROVIDES PRIMARY HEALTH AND DENTAL CARE TO UNINSURED RESIDENTS OF FAUQUIER AND RAPPAHANNOCK COUNTIES. FH PROVIDED LABORATORY, CARDIOLOGY/NEUROLOGY/PULMONARY SERVICES, AND RADIOLOGY SERVICES AT NO CHARGE TO FCC PATIENTS FOR A TOTAL OF \$154,084. OUR PHYSICIANS AND CLINICAL STAFF ALSO PROVIDED MORE THAN 393 HOURS OF FREE CLINICAL CARE. TO HELP FFC EXPAND ITS SERVICES TO MEET THE NEEDS OF A GROWING POPULATION, FH LEASED A



## FORM 990, PART III - PROGRAM SERVICES

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BUILDING IN APRIL 2006 TO THE FFC FOR \$1 PER YEAR FOR 10 YEARS; THE RENTAL VALUE FY09 WAS \$85,284. IN ADDITION, FH CONTRIBUTED \$16,000 IN UNRESTRICTED FUNDS.

COMMUNITY HEALTH EDUCATION, SCREENINGS AND OUTREACH PROGRAMS OUR HEALTH PROFESSIONALS PROVIDED HEALTH EDUCATION AT 95 LOCAL EVENTS FOR 121,930 PEOPLE AND SPECIALIZED HEALTH SCREENINGS (BLOOD PRESSURE, BODY MASS INDEX, PROSTATE, MAMMOGRAMS, CHOLESTEROL) FOR 915 PEOPLE. FH ALSO OFFERS TOURS OF THE HOSPITAL AND SPEAKERS FOR LOCAL SCHOOLS AND COMMUNITY ORGANIZATIONS TO BUILD RELATIONSHIPS WITHIN THE COMMUNITY, PROMOTE COLLABORATION IN MANAGING HEALTH AND WELLNESS, AND EDUCATE THE COMMUNITY ON THE HEALTH SYSTEM. THE TOTAL COMMUNITY BENEFIT OF THESE SERVICES WAS \$76,300.

HEALTH EDUCATION THROUGH ADVERTISING, MEDIA, AND PUBLICATIONS. ONE OF SEVERAL FH PUBLICATIONS IS A COMMUNITY NEWSLETTER, HEALTHY HAPPENINGS, INTENDED TO EDUCATE THE PUBLIC ABOUT HEALTH ISSUES AND HEALTH CARE AND HOSPITAL SERVICES. PUBLISHED QUARTERLY, IT REACHES 90,000 HOMES IN FAUQUIER AND SURROUNDING COUNTIES. THE COST TO FH FOR PUBLICATION AND DISTRIBUTION OF THIS NEWSLETTER IN FY09 WAS \$281,895. FH OFFERS ADAM, AN ONLINE ILLUSTRATED HEALTH ENCYCLOPEDIA, ON ITS WEBSITE. THE FY09 ANNUAL COST WAS \$17,820.

EMERGENCY SERVICES. FH PROVIDES MEDICAL OVERSIGHT, DIRECTION, AND ORDERS TO PARAMEDICS IN THE FIELD AND EN-ROUTE TO THE HOSPITAL. OUR EMERGENCY DEPARTMENT OFFERS 24-HOUR ACCESS TO MEDICAL SERVICES AND HELICOPTER TRANSPORT FOR CRITICALLY ILL OR INJURED INDIVIDUALS, AND ALSO RESTOCKS MEDICAL BOXES AND PROVIDES CLEAN LINENS FOR RESCUE SQUADS AT A COST TO THE HOSPITAL OF APPROXIMATELY \$7,867.

SUPPORT GROUPS AND COMMUNITY GROUPS. FH SPONSORED, ASSISTED, OR PROVIDED MEETING SPACE FOR FOUR SUPPORT GROUPS THAT MET WEEKLY OR MONTHLY, AT A COST TO FH OF \$4,472. ADDITIONALLY, FH PROVIDED MEETING SPACE OR CASH DONATIONS FOR SEVERAL NON-PROFIT COMMUNITY GROUPS, (E.G. THE AMERICAN RED CROSS AND FAUQUIER COUNTY DEPARTMENT OF SOCIAL SERVICES), WITH A FAIR MARKET VALUE OF THE MEETING SPACE OF \$17,093 AND TOTAL CASH DONATIONS OF \$26,473. FH EMPLOYEES PROVIDED REPRESENTATION ON COMMUNITY BOARDS AND COALITIONS AT AN EXPENSE OF \$70,066.

PHYSICIAN REFERRAL. THE HOSPITAL ASSISTED 6,218 PEOPLE THROUGH THE PHYSICIAN REFERRAL PROGRAM, WHICH HELPS THE COMMUNITY WITH QUESTIONS ON PHYSICIANS, APPOINTMENTS, CLASSES AND PROGRAMS REGISTRATION, AND HEALTH RESOURCES AVAILABLE THROUGH THE HOSPITAL OR IN THE COMMUNITY. IT COST FH \$38,539 TO PROVIDE THIS SERVICE IN

## FORM 990, PART III - PROGRAM SERVICES

FY08.

4. LINKS TO ADDITIONAL COMMUNITY BENEFIT INFORMATION  
" FAUQUIER HOSPITAL WEBSITE - WWW.FAUQUIERHOSPITAL.ORG  
" FINANCIAL ASSISTANCE INFORMATION -  
HTTP://WWW.FAUQUIERHOSPITAL.ORG/BODY.CFM?ID=230

## SECTION 2 - QUANTIFIABLE COMMUNITY BENEFIT

CHARITY CARE	\$4,079,911
GOVERNMENT SPONSORED HEALTH CARE	\$2,048,081
COMMUNITY BENEFIT PROGRAMS	\$1,782,823
TOTAL QUANTIFIABLE COMMUNITY BENEFIT	\$7,910,815

FORM 990, PART VIII - INVESTMENT INCOME  
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DESCRIPTION -----	(A) TOTAL REVENUE -----	(B) RELATED OR EXEMPT REVENUE -----	(C) UNRELATED BUSINESS REV. -----	(D) EXCLUDED REVENUE -----
INVESTMENT INCOME	427.	-----	-----	427.
TOTALS	427. =====	----- =====	----- =====	427. =====

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

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DESCRIPTION

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AMOUNT

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OUTBACK STEAKHOUSE FUNDRAISER

3,290.

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TOTAL

3,290.

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## FORM 990, PART VIII - FUNDRAISING EVENTS

DESCRIPTION	GROSS INCOME	DIRECT EXPENSES	NET INCOME
OUTBACK STEAKHOUSE FUNDRAISER	1,851.	250.	1,601.
TOTALS	1,851.	250.	1,601.

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION	ENDING BOOK VALUE
-----	-----
PREPAID EXPENSES	7,053.
TOTALS	----- 7,053. =====

SCHEDULE M, PART I - OTHER NONCASH CONTRIBUTIONS  
=====

DESCRIPTION -----	(A) CHECK -----	(B) NUMBER OF CONTRIBUTIONS -----	(C) REVENUES REPORTED -----	(D) METHOD OF DETERMINING -----
DONOR RECEPTION DONATIONS	X	1	28,277.	FMV
OTHER MISC GIFTS CERTIFICATES	X	28	5,152.	FMV
PHOTOGRAPHY FOR THANKSGIVING CARDS	X	1	1,155.	FMV
GOLF TOURN	X	1	2,967.	FMV
TOTALS		31.	37,551.	
		=====	=====	

**SCHEDULE D**  
**(Form 1041)**

Department of the Treasury  
Internal Revenue Service

# Capital Gains and Losses

► **Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

**2008**

Name of estate or trust

FAUQUIER HEALTH FOUNDATION

Employer identification number

30-0219424

**Note:** Form 5227 filers need to complete *only* Parts I and II

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>1a</b>					

**b** Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .

**1b**

**2** Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .

**2**

**3** Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .

**3**

**4** Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet . . . . .

**4**

**5** **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ►

**5**

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>6a</b>					

**b** Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .

**6b**

10,489.

**7** Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .

**7**

**8** Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .

**8**

**9** Capital gain distributions . . . . .

**9**

**10** Gain from Form 4797, Part I . . . . .

**10**

**11** Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet . . . . .

**11**

**12** **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ►

**12**

10,489.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2008



**Part III Summary of Parts I and II****Caution: Read the instructions before completing this part****(1) Beneficiaries'**  
(see page 5)**(2) Estate's**  
or trust's**(3) Total**

<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>			
<b>14</b>	<b>Net long-term gain or (loss):</b>				
<b>a</b>	Total for year . . . . .	<b>14a</b>			10,489.
<b>b</b>	Unrecaptured section 1250 gain (see line 18 of the wrksh.) . . . . .	<b>14b</b>			
<b>c</b>	28% rate gain . . . . .	<b>14c</b>			
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>			10,489.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

**Part IV Capital Loss Limitation**

<b>16</b>	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the <b>smaller of</b>	<b>16</b>	( )
<b>a</b>	The loss on line 15, column (3) or <b>b</b> \$3,000		

**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

**Caution:** Skip this part and complete the worksheet on page 8 of the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

**Form 990-T trusts.** Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . .	<b>17</b>			
<b>18</b>	Enter the <b>smaller</b> of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>			
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>			
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>			
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . ▶	<b>21</b>			
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>			
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>			
<b>24</b>	Enter the <b>smaller</b> of the amount on line 17 or \$2,200 . . . . .	<b>24</b>			
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> <b>Yes.</b> Skip lines 25 and 26, go to line 27 and check the "No" box. <input type="checkbox"/> <b>No.</b> Enter the amount from line 23. . . . .	<b>25</b>			
<b>26</b>	Subtract line 25 from line 24. . . . .	<b>26</b>			
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> <b>Yes.</b> Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> <b>No.</b> Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>			
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>			
<b>29</b>	Subtract line 28 from line 27 . . . . .	<b>29</b>			
<b>30</b>	Multiply line 29 by 15% ( 15). . . . .	<b>30</b>			
<b>31</b>	Figure the tax on the amount on line 23. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .	<b>31</b>			
<b>32</b>	Add lines 30 and 31 . . . . .	<b>32</b>			
<b>33</b>	Figure the tax on the amount on line 17. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .	<b>33</b>			
<b>34</b>	<b>Tax on all taxable income.</b> Enter the <b>smaller</b> of line 32 or line 33 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T). . . . .	<b>34</b>			

Schedule D (Form 1041) 2008

