See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

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

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

C Name of organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1935 MEDICAL DISTRICT DRIVE

City or town, state or country, and ZIP + 4
DALLAS, TX 75235

D Employer identification number
75-0800628

E Telephone number
(214) 456-7000

G Gross receipts $ 912,034,106

F Name and address of principal officer
CHRISTOPHER J DUROVICH
1935 MEDICAL DISTRICT DRIVE
DALLAS,TX 75235

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW CHILDRENS COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1986 | **M** State of legal domicile TX

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Dedicated to making life better for children

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	20
5	Total number of employees (Part V, line 2a)	**5**	6,179
6	Total number of volunteers (estimate if necessary)	**6**	697
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	30,245,413	54,647,853
9	Program service revenue (Part VIII, line 2g)	722,631,207	840,487,339
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	11,177,651	3,453,632
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,304,490	13,445,282
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	769,358,761	912,034,106
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	60,495	88,600
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	365,241,060	437,765,386
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	337,917,190	392,711,778
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	703,218,745	830,565,764
19	Revenue less expenses Subtract line 18 from line 12	66,140,016	81,468,342

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,337,869,790	1,628,296,383
21	Total liabilities (Part X, line 26)	516,494,262	631,845,174
22	Net assets or fund balances Subtract line 21 from line 20	821,375,528	996,451,209

Part II Signature Block

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

Sign Here

****** | 2010-11-15
Signature of officer | Date

RAY DZIESINSKI Sr VP,CFO,Treasurer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-empolyed ☐	Preparer's identifying number (see instructions)
Kimberly Schrant			

Firm's name (or yours if self-employed), address, and ZIP + 4
GRANT THORNTON LLP
1717 MAIN STREET SUITE 1500
DALLAS, TX 75201

EIN ▶

Phone no ▶ (214) 561-2300

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

CMCD is dedicated to making life better for children Children's is committed to carry out this mission through adherence to four guiding principles quality care, research and innovation, education and advocacy, and excellence and accountability

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 $ 597,123,355 including grants of $) (Revenue $ 840,487,339)

Consistent with its charitable mission, Children's maintains a policy of accepting all patients within its primary service area regardless of ability to pay The local service regions stretch from the Oklahoma border south to Waco and from Parker County (west of Ft Worth) east to Wood County For the fiscal year ended December 31, 2009, Children's absorbed $151 million of uncompensated healthcare services as a result of this open-door charitable policy Children's participated in applicable government sponsored entitlement programs For the year ended December 31, 2009, 56% of Children's gross revenue is attributable to patients enrolled in state Medicaid programs

4b (Code) (Expenses $ 14,764,288 including grants of $) (Revenue $ 10,081,238)

Children's is the primary pediatric teaching hospital for the University of Texas Southwestern Medical School at Dallas and has the fifth largest pediatric training program in the country Currently, there are 92 pediatric residents, three chief residents and approximately 130 pediatric subspecialty residents and fellows enrolled in this training program Children's offers fellowships/residencies in nursing, dentistry, allied health, social sciences and religious studies In addition to internship and fellowship programs, many students representing a variety of health care progessions come to Children's to complete a pediatric rotation as a requisite of their training

4c (Code) (Expenses $ 3,457,442 including grants of $) (Revenue $ 3,085,703)

Through Children's affiliation with UTSW Medical Center, ongoing research is promoted in many different clinical areas of the hospital THe end goal of this research is the development of newer, more effective diagnostic & treatment methods to meet the health care needs of children All research involving human subjects is approved by the institutional Review Board at UTSW Joint areas of research efforts between UTSW's Department of Pediatrics & Children's are critical care, immunology, gastroenterology, emergency medicine, radiology, nutrition, endocrinology, psychiatry, cardiology, pharmacology, nephrology, neurology, pulmonology, rheumatology, infectious diseases & hematology/oncology Many of these clinical studies have been published in medical journals & presented to professional health care societies

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

4e **Total program service expenses** ▶ $ 615,345,085

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.*	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional*	12A	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	730		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	6,179		
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)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a	21		
b	Enter the number of voting members that are independent	1b	20		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		No
6	Does the organization have members or stockholders?		6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, 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		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a	Yes	
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	Yes	
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request

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

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

STEPHANIE GILLIARD ESQ
1935 MEDICAL DISTRICT DRIVE F3157
DALLAS,TX 75235
(214) 456-3701

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 Report compensation for the calendar year ending with or within the organization's tax year 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 all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

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

☐ Check this box if the organization did not compensate any current or former 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			
See add'l data										

1b Total . . . . . ▶	13,468,183	0	5,308,178

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 560

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
UTSW HI 108 5323 Harry Hines Blvd DALLAS, TX 753908886	Phys & Medical	48,668,729
Balfour Beatty 1431 A Motor Street DALLAS, TX 75207	Construction	24,069,626
Cardinal Valuelink PO Box 730112 DALLAS, TX 753730112	Medical Prod Svcs	9,756,087
Phillips Medical Systems PO Box 3027 BOTHELL, WA 980218431	Medical Prod Svcs	8,044,718
Cerner Corp PO Box 412702 KANSAS CITY, MO 64141	Info Tech Service	8,022,327
2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 331		

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	34,176,823			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	20,471,030			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		54,647,853			
Program Service Revenue			Business Code				
	2a	INPATIENT REVENUE	621,990	1,138,700,330	1,138,700,330		
	b	OUTPATIENT REVENUE	621,990	537,793,686	537,793,686		
	c	DAY SURGERY REVENUE	621,990	135,417,091	135,417,091		
	d	DEDUCTIONS FROM REVENUE	621,990	-971,423,768	-971,423,768		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		840,487,339			
	3	Investment income (including dividends, interest and other similar amounts)		3,180,150			3,180,150
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross Rents	159,781				
	b	Less rental expenses					
	c	Rental income or (loss)	159,781				
	d	Net rental income or (loss)		159,781			159,781
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		273,482			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		273,482			
	d	Net gain or (loss)		273,482			273,482
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		0			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		0			
		Miscellaneous Revenue	Business Code				
	11a	MISCELLANEOUS REVENUE	621,990	13,285,501	13,166,941		118,560
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		13,285,501			
	12	**Total revenue.** See Instructions		912,034,106	853,654,280	0	3,731,973

Part IX Statement of Functional Expenses

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			
2 Grants and other assistance to individuals in the U S See Part IV, line 22	88,600	88,600		
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	13,430,319		13,430,319	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	331,747,096	264,820,561	66,926,535	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	68,933,688	51,579,712	17,353,976	
10 Payroll taxes	23,654,283	18,074,174	5,580,109	
11 Fees for services (non-employees)				
a Management	5,120,513	3,891,590	1,228,923	
b Legal	1,288,456	150	1,288,306	
c Accounting	456,902	2,120	454,782	
d Lobbying	0			
e Professional fundraising *See Part IV, line 17*	0			
f Investment management fees	0			
g Other	85,482,606	71,037,561	14,445,045	
12 Advertising and promotion	4,830,297	88,309	4,741,988	
13 Office expenses	5,761,258	2,997,668	2,763,590	
14 Information technology	15,776,334	752,547	15,023,787	
15 Royalties	0			
16 Occupancy	33,968,992	7,206,511	26,762,481	
17 Travel	2,024,385	978,314	1,046,071	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	2,217,303	601,551	1,615,752	
20 Interest	15,015,874	11,473,589	3,542,285	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	59,156,743	42,062,085	17,094,658	
23 Insurance	7,730,713	266,564	7,464,149	
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 MEDICAL/SURGICAL SUPPLIES	80,924,822	80,924,822		
b PROV FOR DOUBTFUL ACCOUNTS	46,127,106	46,127,106		
c CONSULTING & PROF FEES	14,005,411	1,017,402	12,988,009	
d OTHER EXPENSE	12,161,672	10,691,758	1,469,914	
e COLLECTION FEES	662,391	662,391		
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	830,565,764	615,345,085	215,220,679	0
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		30,607,449	1	74,939,653
	2	Savings and temporary cash investments		11,911,030	2	21,932,215
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		135,120,284	4	135,523,360
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees 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 sale or use		6,051,110	8	9,399,231
	9	Prepaid expenses and deferred charges		9,740,017	9	10,317,206
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 1,065,740,951			
	b	Less accumulated depreciation	10b 368,760,862	681,464,901	10c	696,980,089
	11	Investments—publicly traded securities		230,301,411	11	409,980,124
	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		232,673,588	15	269,224,505
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,337,869,790	16	1,628,296,383
Liabilities	17	Accounts payable and accrued expenses		122,236,010	17	121,966,783
	18	Grants payable			18	
	19	Deferred revenue		96,275	19	95,400
	20	Tax-exempt bond liabilities		199,911,079	20	392,465,650
	21	Escrow or custodial 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		89,389,487	23	25,040,629
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		104,861,411	25	92,276,712
	26	**Total liabilities.** Add lines 17 through 25		516,494,262	26	631,845,174
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		600,780,057	27	752,461,429
	28	Temporarily restricted net assets		180,666,111	28	202,077,384
	29	Permanently restricted net assets		39,929,360	29	41,912,396
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		821,375,528	33	996,451,209
	34	Total liabilities and net assets/fund balances		1,337,869,790	34	1,628,296,383

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
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	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	Yes	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **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).**

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).**

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

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

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

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

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

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

h Provide the following information about the supported organization(s)

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 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)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2008 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2008.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

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

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15
16	Public support percentage from 2008 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f))	17
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18

19a **33 1/3% support tests—2009.** 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—2008.** 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.** 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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35a (regarding proxy tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
CHILDREN'S MEDICAL CENTER OF DALLAS	75-0800628

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		217,918
j	Total lines 1c through 1i			217,918
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
Other Lobbying Activities	Part II-B, Line 1(i)	In 2009 CMCD paid membership dues to organizations in which a portion of the membership dues were related to lobbying activities NACHRI (National Association of Children's Hospitals), AHA, THA, TAVH (Texas Association of Voluntary Hospitals), THOT (Teaching Hospitals of Texas), and CHAT (Children's Hospital Association of Texas) identified a portion of their membership dues as being related to lobbying activities Lobbying percentages were identified by said organizations and applied to 2009 membership dues In addition, the Senior Director of Public Policy spent a portion of her time on national, state, and local legislative matters In 2009, approximately 30% of the Senior Director of Public Policy's time was spent on lobbying activities

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $ _____

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

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

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

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

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

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

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

b If "Yes," explain 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 the organization answered "Yes" to Form 990, Part IV, line 10.

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

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

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

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	35,159,758		35,159,758
b Buildings	0	655,787,842	146,095,583	509,692,259
c Leasehold improvements	0	9,570,569	4,837,556	4,733,013
d Equipment	0	354,309,890	217,827,723	136,482,167
e Other	0	10,912,892		10,912,892
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				696,980,089

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		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

(a) Description	(b) Book value
NET ASSETS OF FOUDNATION	243,965,432
OTHER ASSETS	18,818,686
LT ADVANCES TO AFFILIATES	6,440,387
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	269,224,505

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
UTSW PHYS GUARANTEES	10,360,404
RETIREMENT PLAN ACCRUAL	73,706,769
RESERVE FOR PROFESSIONAL LIABILITY	3,846,049
OTHER LIABILITIES	4,363,490
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	92,276,712

2. Fin 48 Footnote 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	Other losses	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 Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
FIN 48	SCHEDULE D, PART X, QUESTION 2	IN 2009 CMCD WAS NOT REQUIRED TO HAVE A FIN 48 FOOTNOTE DISCLOSURE

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			22,198,583	394,582	21,804,001	2 980 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			414,157,359	377,451,925	36,705,435	5 010 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			57,856,136	57,060,024	796,112	0 110 %
d **Total** Charity Care and Means-Tested Government Programs			494,212,078	434,906,531	59,305,548	8 100 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			5,089,710	289,080	4,800,631	0 660 %
f Health professions education (from Worksheet 5)			27,118,792	2,438,786	24,680,006	3 370 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			4,344,762		4,344,762	0 590 %
i Cash and in-kind contributions to community groups (from Worksheet 8)			1,287,369		1,287,369	0 180 %
j **Total** Other Benefits			37,840,633	2,727,866	35,112,768	4 800 %
k **Total.** Add lines 7d and 7j			532,052,711	437,634,397	94,418,316	0

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building			540,257		540,257	0 070 %
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**			540,257		540,257	0 070 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	21,246,444		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	4,249,289		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	9,316,082		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	4,138,148		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	5,177,934		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?	9a	Yes	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
CHILDREN'S MEDICAL CENTER OF DALLAS 1935 MEDICAL DISTRICT DRIVE DALLAS,TX 75235	X		X	X		X	X		
CHILDREN'S MEDICAL CENTER OF LEGACY 7601 PRESTON ROAD PLANO,TX 75024	X		X	X		X	X		

Part VI Supplemental Information

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

Children's uses the FPG to determine eligibility for low income individuals 200% of the FPG is used for 100% charity adjustment, and 201% to 400% of the FPG is used for a sliding scale adjustment

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communites served

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

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

▶ **Attach to Form 990**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

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

3 Enter total number of other organizations . . . ▶

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
May Smith Scholars Program	12	45,000			
Women's Auxiliary Education Assistance Progarm	28	28,000			
James J Farnsworth Health Career Scholarship Progr	3	3,000			
Texas Tech Pharmacy Scholarship Program	1	5,000			
University of Texas at Arlington	1	5,600			

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

Identifier	Return Reference	Explanation
May Smith Scholars Program		The May Smith Scholars Program provides both financial assistance and practical clinical experience for students interested in pediatric nursing The scholarship program is named for May Forster Smith, who began an open-air clinic for infants in 1913 in Dallas Sophomore and junior undergraduate students are eligible to apply to receive $5,000 each year for up to two years Recipients of the scholarships must work at Children's as nurse externs for at least 400 hours during their undergraduate program After graduation, recipients will be offered employment as registered nurses in one of the Children's Nurse Internship Tracts Critical Care, Emergency, General Pediatrics, Hematology-Oncology, or Perioperative Services
Women's Auxiliary Educational Assistance Program		The Women's Auxiliary to Children's offers educational support to nursing and allied health students who are registered for or currently enrolled in an accredited program through the Educational Assistance program for Nursing and Allied Health Students Students who qualify may received up to $1,000 per semester Educational assistance is granted and paid on a per-semester basis Students or prospective students of accredited nursing or allied health programs may apply if they Are junior or senior level students enrolled full or part-time in an accredited undergraduate or graduate nursing program Maintain an overall grade point average of 3 0 on a 4 0 scale, or cumulative 3 0 prior to being accepted into an accredited program Students are asked to sign agreements to work full time for 12 months at Children's for each academic year they receive education assistance or six months for each semester If the students are offered employment with Children's but decline the offer, they will be obligated to repay the full amount plus interest calculated at the current prime interest rate at the time the offer is declined
James J Farnsworth Health Career Scholarship Program		The James J Farnsworth Health Career Scholarship offers educational support to students planning careers in pediatric healthcare The scholarship is named in honor of James J Farnsworth and was established from gifts to endowments made in tribute to Mr Farnsworth by his friends and colleagues Mr Farnsworth served as president of Children's Medical Center Dallas for more than 30 years and was a fellow in the College of Healthcare Executives Sophomore, junior or senior undergraduate students or graduate students planning a career in pediatric healthcare may apply Preference will be given to students who fall into the following categories Former patients of Children's Current full or part-time employees Former or current volunteers at Children's Parent is employed at Children's Parent is a volunteer at Children's Student demonstrating strong academic achievement and financial needs The James J Farnsworth Health Career Scholarship is a forgivable loan, meening students do not owe any service time to Children's Medical Center of Dallas after receiving the scholarship

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☑ First-class or charter travel	☑ Housing allowance or residence for personal use		
	☑ Travel for companions	☐ Payments for business use of personal residence		
	☑ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☑ Compensation committee	☐ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☐ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

(A) Name	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
PART I, LINE 1A		Children's written policy on business and educational travel prohibits first class travel except when approved in advance by the CEO or by the Board Chair * Companion travel is prohibited except when it is deemed to further Children's business activities and must be approved in advance by the CEO or Board Chair * Compensation is grossed up in limited circumstances with prior approval of the appropriate board committee * Children's offers, to promote health and wellness consistent with Children's mission, a limited monthly allowance as a taxable benefit to employees for health club membership dues * In an effort to continue to attract quality leadership, Children's provides temporary housing allowances as a taxable benefit to executives and other key employees relocating to Dallas Part I, Line 4a Severance Payment and Non-Qualified Retirement Plan * Severance - Anne Long - $195,000, Karen Meador - $198,000 * Retirement Income Restoration Plan - Jim Herring - $89,079 17, Anne Long - $43,148 38, * Savings Restoration Plan - Jim Herring - $5,025 71, Anne Long - $4,392 13

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 75-0800628
Name: CHILDREN'S MEDICAL CENTER OF DALLAS

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Christopher J Durovich	(I)	710,430	656,375	173,360	1,291,245	14,570	2,845,980	717,860
	(II)	0	0	0			0	0
Pamela Arora	(I)	269,419	110,850	32,669	354,823	8,581	776,342	129,743
	(II)	0	0	0			0	0
David Biggerstaff	(I)	179,332	74,768	16,801	239,389	10,668	520,958	80,107
	(II)	0	0	0			0	0
Regina T Montoya Coggins	(I)	124,107	15,000	11,644	61,843	7,143	219,737	0
	(II)	0	0	0			0	0
Christopher Dougherty	(I)	219,585	86,875	32,030	272,594	5,415	616,499	104,870
	(II)	0	0	0			0	0
Ray R Dziesinski	(I)	305,948	194,658	38,125	436,658	5,052	980,441	211,980
	(II)	0	0	0			0	0
Elizabeth Field MacKay	(I)	147,732	64,540	13,490	67,498	11,268	304,528	64,923
	(II)	0	0	0			0	0
James Herring	(I)	295,952	193,060	163,379	390,143	48	1,042,582	240,441
	(II)	0	0	0			0	0
Douglas G Hock	(I)	332,430	217,040	77,192	485,167	16,570	1,128,399	265,679
	(II)	0	0	0			0	
J Peter Kline	(I)	178,878	0	6,653	159,954	13,981	359,466	0
	(II)	0	0	0			0	0
Brett D Lee	(I)	198,815	73,958	24,356	245,353	4,185	546,667	93,275
	(II)	0	0	0			0	0
Ronald C Skillers Jr	(I)	106,020	15,000	3,844	38,645	6,724	170,233	0
	(II)	0	0	0			0	0
Trent C Smith	(I)	123,412	0	79,319	74,421	4,028	281,180	0
	(II)	0	0	0	0	0	0	0
Mary E Stowe	(I)	216,475	84,217	44,770	264,117	6,525	616,104	118,072
	(II)	0	0	0			0	0
Patricia Winning	(I)	326,988	219,893	38,129	482,879	11,012	1,078,901	244,449
	(II)	0	0	0	0	0	0	0
Thomas Zellers MD	(I)	254,664	0	0	0	0	254,664	0
	(II)	0	0	0	0	0	0	0
Julio Perez Fontan MD	(I)	454,000	0	0	0	0	454,000	0
	(II)	0	0	0	0	0	0	0
Fiona Levy MD	(I)	369,667	0	0	0	0	369,667	0
	(II)	0	0	0	0	0	0	0
Anna E Long	(I)	137,766	71,493	341,465	37,484	2,614	590,822	152,284
	(II)	0	0	0			0	0
Karen E Meador MD	(I)	149,883	77,314	280,640	51,549	907	560,293	141,643
	(II)	0	0	0			0	0
Jacquelin Telfair	(I)	123,699	12,737	10,582	3,366	1,751	152,135	0
	(II)	0	0	0			0	0
Nancy Templin	(I)	200,054	23,266	135	7,737	1,239	232,431	
	(II)	0	0	0			0	0
Stephen Ketner	(I)	153,417	3,200	39,236	4,896	7,328	208,077	0
	(II)	0	0	0			0	0
Jerry Lee	(I)	177,820	15,000	65	6,723	5,398	205,006	0
	(II)	0	0	0			0	0
Mary Beth Martin	(I)	166,296	25,138	185	1,539	7,346	200,504	0
	(II)	0	0	0			0	0
Ellen Cozart	(I)	162,687	20,565	3,218	1,411	5,090	192,971	0
	(II)	0	0	0	0	0	0	0
Mazie Jamison	(I)	154,702	20,434	9,068	1,843	1,034	187,081	0
	(II)	0	0	0	0	0	0	0
Deborah Sheppard	(I)	156,040	15,295	4,917	507	10,076	186,835	0
	(II)	0	0	0	0	0	0	0
Hilda Sallack	(I)	152,409	20,373	3,203	1,857	11,912	189,754	0
	(II)	0	0	0	0	0	0	
Michelle Kromelis	(I)	153,123	22,521		1,549	5,805	182,998	0
	(II)	0	0	0	0	0	0	0
Sandra McDermott	(I)	144,790	19,975	2,943	590	3,041	171,339	0
	(II)	0	0	0	0	0	0	0
Kelley Powell	(I)	155,917	9,925		5,415	4,868	176,125	0
	(II)	0	0	0	0	0	0	0
Eleanor Huff	(I)	144,119	17,334	4,181	2,217	9,203	177,054	0
	(II)	0	0	0	0	0	0	0
Karen Cavazos	(I)	140,281	18,577	5,784	1,661	7,456	173,759	0
	(II)	0	0	0	0	0	0	0
Kaye Schmidt	(I)	145,273	18,529	135	1,130	2,464	167,531	0
	(II)	0	0	0	0	0	0	0
Dorothy Foglia	(I)	140,596	19,926	2,560	1,397	9,852	174,331	0
	(II)	0	0	0	0	0	0	0
Penny Williams	(I)	142,323	15,117	5,184	1,673	4,952	169,249	0
	(II)	0	0	0	0	0	0	0
Michael Hefton	(I)	142,236	12,926	5,753	8,281	5,417	174,613	0
	(II)	0	0	0	0	0	0	0
Jodi Landon	(I)	138,808	17,988	3,993	1,636	3,119	165,544	0
	(II)	0	0	0	0	0	0	0
Denise Claussen	(I)	147,024	0	5,950	0	7,011	159,985	0
	(II)	0	0	0	0	0	0	0
James Adams	(I)	134,759	16,519	65	1,504	1,730	154,577	0
	(II)	0	0	0	0	0	0	0
Brian Sales	(I)	117,626	61,857	2,989	11,325	6,999	200,796	0
	(II)	0	0	0	0	0	0	0
Le Can	(I)	107,681	64,860	2,923	1,761	1,234	178,459	0
	(II)	0	0	0	0	0	0	0
Dana Morales	(I)	120,576	52,900	974	7,103	5,646	187,199	0
	(II)	0	0	0	0	0	0	0
George Combe	(I)	113,725	51,878	2,085	1,709	3,381	172,778	0
	(II)	0	0	0	0	0	0	0
Sheri Kowalski	(I)	137,615	21,203	5,277	1,740	11,203	177,038	0
	(II)	0	0	0	0	0	0	0
Thomas W Hudson Akin	(I)	0	101,357	0	0	0	101,357	0
	(II)	0	0	0	0	0	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	N CENTRAL TX HLTH FACILITY DEV CORP HOSPITAL	52-1304502	65854RAL4	07-01-2009	193,697,772	REIMBURSE CONSTRUCTION COSTS		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	193,697,772				
2	Gross proceeds in reserve funds					
3	Proceeds in refunding or defeasance escrows					
4	Other unspent proceeds	312,573				
5	Issuance costs from proceeds	2,819,039				
6	Working capital expenditures from proceeds					
7	Capital expenditures from proceeds	190,566,160				
8	Year of substantial completion	2009				

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?		X								
10	Were the bonds issued as part of an advance refunding issue?		X								
11	Has the final allocation of proceeds been made?		X								
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X								
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		X								

Part III Private Business Use *(Continued)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?	X									
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X								
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 600 %								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶										
6	Total of lines 4 and 5		0 600 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2	Is the bond issue a variable rate issue?		X								
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		X								
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?		X								
6	Did the bond issue qualify for an exception to rebate?		X								

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493319044460

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Identifier	Return Reference	Explanation

Identifier	Return Reference	Explanation
Supplemental Information		Form 990, Part III, Line 4a, Program Service Accomplishments admissions resulting in 99,519 patient days, and provided services in 414,000 outpatient visits In addition, the hospital staff performed 15,670 day surgeries In recognizing its mission to the community, Children's participated in the Medicaid, Medicare, Children's Health Insurance Program (CHIP), Chronically Ill and Diabled Children (CIDC), and Champus government programs Under an agreement with the Dallas County Hospital District, Children's provides services to the indigent children of Dallas County Form 990, Part VI, Section A, line 2 Michael Dardick Business relationship Richard Douglas Business relationship Gregg Engles Business relationship Robert Estrada Business relationship Form 990, Part VI, Section A, line 4 A copy of the restated Articles of Incorporation is attached The restatement codifies everything into one document, i e new street address, registered agent name, then current names of board members, and reverting back to one "member" A copy of the Amended and Restated Bylaws is attached, along with an executive summary of the changes made Form 990, Part VI, Section A, line 6 The organization has one member, Children's Health Services of Texas (CHST), a Texas non-profit corporation Form 990, Part VI, Section A, line 7a CHST elects all members of the organization's Board of Directors Form 990, Part VI, Section A, line 7b A list of decisions requiring approval by the member is as follows Matters requiring the approval of the member a) Any change in the mission or purpose of the Corporation, b) Any amendment to the Articles of Incorporation of Bylaws of the Corporation, c) Any addition of new members, d) Any purchase or acquisition, sale, gift, lease, disposition of, mortgage or other encumbrance of any property, real, personal, or mixed by the Coporation, excluding routine expenditures, the value of which in the aggregate exceeds five percent (5%) of the total assets of the Corporation, e) Selling, exchanging, or otherwise disposing of all or substantially all of the Corporation's assets, f) Any incurrence or guarantee of indebtedness by the Corporation that in the aggregate exceed five percent (5%) of the total assets of the Corporation, g) Any merger, acquisition, or consolidation of the Corporation or entering into any joint business venture with any other person, corporation or other legal entity that exceeds five percent (5%) of the total assets of the Corporation, h) Any dissolution of the Corporation, i) Any proposed amendments to the affiliation agreement between the Corporation and the UTSW Medical School (Medical School), j) In the event the Member merges or consolidates with another member or another entity, any proposed contract between such new organization and the coporation, k) create, acquire, or dispose of any subsidiary or affiliated entity the value of which in the aggregate exceeds five percent (5%) of the total assets of the Corporation, l) Approval of the annual budget for the Corporation, and m) Approve the investment policies or changes in investment policies of the Corporation n) Any single transaction resulting in a five percent (5%) or more deviation from the annual budget Form 990, Part VI, Section B, line 11 A draft of the Form 990 is presented to the Audit Committee one week before the Committee meeting At the meeting, the Chief Financial Officer provides a detailed overview of the Form 990 and answers any questions the Committee members may have The Committee then votes to approve or disapprove the release of the Form 990 for filing Form 990, Part VI, Section B, Line 12c The Board members receive a copy of the policy, along with a Disclosure of Possible Conflict of Interests Form to complete, with their Board appointment letter Additionally, Compliance training is provided annually at a designated Board meeting, as well as during the annual Board orientation Lastly, all disclosures made are reviewed by the Chief Compliance Officer and discussed at the member Board of Directors meeting to determine if further action is required Form 990, Part VI, Section B, Line 15 The organization's CEO, President, other officers and key employees are paid by their employer, Children's Medical Center of Dallas ("Children's") Children's process is as follows The Human Resources Committee of the Board is responsible for setting the compensation for executives, except for the President and CEO which is set by the Board The Committee is comprised of independent, non-employee directors with no conflict of interest regarding executive compensation A written compensation philosophy has been developed by the Human Resources Committee and is formally reviewed on an annual basis by the Committee for timeliness and appropriateness The compensation philosophy defines desired comparator groups for compensation surveys The comparator groups are from domestic healthcare industry sections only and do not include any non-healthcare for-profit or not-for-profit organizations The compensation philosophy also defines target levels relative to the marketplace comparator groups for base pay, base pay plus incentive pay, and fringe benefits provided to Children executives A third-party consultant, Sullivan Cotter, is engaged by the Human Resources Committee and provides independent, expert consulting services in the area of executive compensation market surveying, pay and benefits program design and administrative services Salaries for Children executives (except for the President and CEO) are set by comparing the salaries paid for comparable positions in integrated systems, academic medical centers and children hospitals similar in size and scope of services to Children The salary for the President and CEO is set in reference to salaries paid for Presidents and CEOs of children hospitals similar in size and scope of services to Children These datat are compiled by Sullivan Cotter and they develop and update annually salary ranges unique to each executive position The Human Resources Committee approves base pay for each executive (except for the President and CEO, whose base pay is approved by the full Board of Directors) aimed in the aggregate at approximately the middle of executives pay ranges For other officers and key employees, Children uses a combination of job evaluation (Hay Guide Chart Profile Method of Position Evaluation) and survey data to determine the market pay range Form 990, Part VI, Section C, Line 19 Governing documents, conflict of interest policy and financial statements are made available upon request Current Process has not changed from the prior year process

Schedule K, Supplemental Information Although facility does not routinely engage bond counsel to review management or service contracts, facility didcontract with Ernst and Young to review the 2009 management services contracts and research agreements for potential private business use of bond financed space Ernst & Young also conducted a site review to verify the use of bond financed space

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CHILDREN'S MEDICAL CENTER OF DALLAS

Employer identification number
75-0800628

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(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 (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(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
CHST 1935 Medical District Drive Dallas, TX 75235 75-2062019	MANAGMENT	TX	501(c)(3)	LINE 11A 1	NA
Children's Med Ctr Foundation 1935 Medical District Drive Dallas, TX 75235 75-2062015	Foundation	TX	501(c)(3)	LINE 11A 1	NA
DPMSC 1935 Medical District Drive Dallas, TX 75235 81-0584868	Physicians	TX	501(c)(3)	LINE 9	NA
PFC 1935 Medical District Drive Dallas, TX 75235 75-2854505	Physicians	TX	501(c)(3)	IINE 9	NA
AFC 1935 Medical District Drive Dallas, TX 75235 75-2917570	Physicians	TX	501(c)(3)	Line 9	NA
SOUTHWESTERN MEDICAL DISTRICT 5323 HARRY HINES BLVD DALLAS, TX 75390 20-4101612	management	TX	501(c)(3)	Line 11a 1	na
WOMEN'S AUXILIARY TO CMCD 12720 HILLCREST ROAD DALLAS, TX 75230 75-2485538	AUXILIARY	TX	501(C)(3)	LINE 9	NA

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
Alternative Care Systems 1935 Medical District Drive Dallas, TX75235 75-2244475	OTHER MEDICAL SVC	TX	NA	C Corp			
Children's Insurance Co 76 St Paul Street Suite 500 Burlington, VT05401 03-0328102	Insurance	VT	NA	C Corp			

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

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

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

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) AFC		D	4,199,961
(2) AFC		P	313,392
(3) PFC		D	3,186,106
(4) PFC		P	78,876
(5) DPMSC		D	1,154,596
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproprtionate allocations? Yes	(f) No	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No

Additional Data Return to Form

Software ID:
Software Version:
EIN: 75-0800628
Name: CHILDREN'S MEDICAL CENTER OF DALLAS

Form 990, Schedule R, 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 501(c)(3))	(f) Direct Controlling Entity
CHST 1935 Medical District Drive Dallas, TX75235 75-2062019	MANAGMENT	TX	501(c)(3)	LINE 11A 1	NA
Children's Med Ctr Foundation 1935 Medical District Drive Dallas, TX75235 75-2062015	Foundation	TX	501(c)(3)	LINE 11A 1	NA
DPMSC 1935 Medical District Drive Dallas, TX75235 81-0584868	Physicians	TX	501(c)(3)	LINE 9	NA
PFC 1935 Medical District Drive Dallas, TX75235 75-2854505	Physicians	TX	501(c)(3)	lINE 9	NA
AFC 1935 Medical District Drive Dallas, TX75235 75-2917570	Physicians	TX	501(c)(3)	Line 9	NA
SOUTHWESTERN MEDICAL DISTRICT 5323 HARRY HINES BLVD DALLAS, TX75390 20-4101612	management	TX	501(c)(3)	Line 11a 1	na
WOMEN'S AUXILIARY TO CMCD 12720 HILLCREST ROAD DALLAS, TX75230 75-2485538	AUXILIARY	TX	501(C)(3)	LINE 9	NA

Additional Data

Software ID:
Software Version:
EIN: 75-0800628
Name: CHILDREN'S MEDICAL CENTER OF DALLAS

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
John L Adams Director	1 0	X						0	0	0
Ann Goddard Corrigan Director	1 0	X						0	0	0
Michael Dardick Director	1 0	X						0	0	0
Richard W Douglas Director	1 0	X						0	0	0
Elba Garcia DDS Director	1 0	X						0	0	0
Sandra Estess Director	1 0	X						0	0	0
Robert A Estrada Director	1 0	X						0	0	0
Kathleen Gibson Director	1 0	X						0	0	0
Richard Knight Jr Director	1 0	X						0	0	0
Connie O'Neill Director	1 0	X						0	0	0
Marcia Page Director	1 0	X						0	0	0
Patrick B Shelby Director	1 0	X						0	0	0
Barbara Stuart Director	1 0	X						0	0	0
Gifford Touchstone Director	1 0	X						0	0	0
John L Ware Director	1 0	X						0	0	0
David Biegler Ex Officio Voting Member	1 0	X						0	0	0
Dan Chapman Ex Officio Voting Member	1 0	X						0	0	0
Christopher J Durovich President, CEO, Ex Officio	60 0	X		X				1,540,165	0	1,305,815
Gregg L Engles Director	1 0	X						0	0	0
Thomas Baker Chairman, Director	1 0	X		X				0	0	0
Robert Chereck Director	1 0	X						0	0	0
Pamela Arora VP and CIO	60 0			X				412,938	0	363,404
David Biggerstaff VP, Legacy Administrator	60 0			X				270,901	0	250,057
Regina T Montoya Coggins SVP and General Counsel	60 0			X				150,751	0	68,986
Christopher Dougherty VP Ambulatory Services	60 0			X				338,490	0	278,009

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
Ray R Dziesinski SVP and CFO	60 0			X				538,731	0	441,710
Elizabeth Field MacKay VP Public Affairs	60 0			X				225,762	0	78,766
James Herring SVP Administration	60 0			X				652,391	0	390,191
Douglas G Hock SVP Operations	60 0			X				626,662	0	501,737
J Peter Kline SVP Development	60 0			X				185,531	0	173,935
Brett D Lee VP Ancillary Services	60 0			X				297,129	0	249,538
Ronald C Skillers Jr VP of Compliance & Inter	60 0			X				124,864	0	45,369
Trent C Smith SVP, Network Development	60 0			X				202,731	0	78,449
Mary E Stowe VP, CNO	60 0			X				345,462	0	270,642
Patricia Winning SVP, Business Development	60 0			X				585,010	0	493,891
Thomas Zellers MD VP Medical Staff Affairs	60 0			X				254,664	0	0
Julio Perez Fontan MD EVP, Medical Affairs	60 0			X				454,000	0	0
Fiona Levy MD VP Quality	60 0			X				369,667	0	0
Anna E Long VP Legal Affairs	60 0			X				550,724	0	40,098
Karen E Meador MD Vp Clinical Research	60 0			X				507,837	0	52,456
Jacquelin Telfair VP Human Resources	60 0			X				147,018	0	5,117
Phyllis Cole-Spence VP Development	60 0			X				136,342	0	0
Stephanie J Gilliard Dir Governance, Corp Sec	60 0			X				103,030	0	0
Nancy Templin Sr Director, Fin Svcs	40 0				X			223,455	0	8,976
Stephen Ketner Director, Medical Info	40 0				X			195,853	0	12,224
Jerry Lee Sr Director, CAO	40 0				X			192,885	0	12,121
Mary Beth Martin Sr Dir, Cardiac Svcs	40 0				X			191,619	0	8,885
Ellen Cozart Sr Dir, Revenue Cycle	40 0				X			186,470	0	6,501
Mazie Jamison Sr Dir Public Policy	40 0				X			184,204	0	2,877
Deborah Sheppard Sr Dir OPERATIONS lEGACY	40 0				X			176,252	0	10,583

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
Hilda Sallack Sr Dir, Planning	40 0				X			175,985	0	13,769
Michelle Kromelis Sr Dir, Pharmacy	40 0				X			175,644	0	7,354
Sandra McDermott Sr Dir, Resp Care, Trans	40 0				X			167,708	0	3,631
Kelley Powell Team Leader, Nursing	40 0				X			165,842	0	10,283
Eleanor Huff Sr Director, Operations Exc	40 0				X			165,634	0	11,420
Karen Cavazos Sr Dir, Crit Care Trauma	40 0				X			164,642	0	9,117
Kaye Schmidt Sr Dir, CCBD Pain Mgmt	40 0				X			163,937	0	3,594
Dorothy Foglia Sr Dir, Inpatient Med Sv	40 0				X			163,082	0	11,249
Penny Williams Sr Dir, Emergency Svcs	40 0				X			162,624	0	6,625
Michael Hefton Sr Dir, Nursing Legacy	40 0				X			160,915	0	13,698
Jodi Landon Sr Dir, Mgd Care, Phys Co	40 0				X			160,789	0	4,755
Denise Claussen Sr Dir Surgical Svcs	40 0				X			152,974	0	7,011
James Adams Sr Dir, Laboratory	40 0				X			151,343	0	3,234
Brian Sales Clinical Pharmacist	40 0					X		182,472	0	18,324
Le Can Clinical Pharmacist	40 0					X		175,464	0	2,995
Dana Morales Adv Prac Practitioner	40 0					X		174,450	0	12,749
George Combe Clinical Pharmacist	40 0					X		167,688	0	5,090
Sheri Kowalski Director, Internal Audit	40 0					X		164,095	0	12,943
Thomas W Hudson Akin EVP Development	60 0						X	101,357	0	0

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
MEDICAL/SURGICAL SUPPLIES	80,924,822	80,924,822		
PROV FOR DOUBTFUL ACCOUNTS	46,127,106	46,127,106		
CONSULTING & PROF FEES	14,005,411	1,017,402	12,988,009	
OTHER EXPENSE	12,161,672	10,691,758	1,469,914	
COLLECTION FEES	662,391	662,391		