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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)

OMB No 1545-0047

2009

Open to Public Inspection

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

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010

- 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
 The Carle Foundation

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
 611 W PARK

City or town, state or country, and ZIP + 4
 URBANA, IL 61801

D Employer identification number
 37-0673465

E Telephone number
 (217) 383-3311

G Gross receipts \$ 370,500,358

F Name and address of principal officer
 DENNIS HESCH CFO
 611 W PARK ST
 URBANA, IL 61801

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 CARLE ORG

K Form of organization Corporation Trust Association Other

L Year of formation 1946

M State of legal domicile IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE CARLE FOUNDATION IS ORGANIZED AND EXCLUSIVELY OPERATES AS A NOT-FOR-PROFIT CORPORATION FOR CHARITABLE, SCIENTIFIC AND EDUCATIONAL PURPOSES		
	2 Check this box <input type="checkbox"/> 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	14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
	5 Total number of employees (Part V, line 2a)	5	18
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	10,877,477
b Net unrelated business taxable income from Form 990-T, line 34	7b	10,386,097	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	456,002	203,945
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	29,954,112	30,869,494
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-75,690,970	103,870,917
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,379,995	730,990
		-39,900,861	135,675,346
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,656,384	1,601,004
	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)	6,248,949	7,890,596
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25)	0	0
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	41,087,598	53,936,251
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	48,992,931	63,427,851	
19 Revenue less expenses Subtract line 18 from line 12	-88,893,792	72,247,495	
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	653,872,040	844,398,339
	21 Total liabilities (Part X, line 26)	266,560,635	417,421,877
22 Net assets or fund balances Subtract line 21 from line 20	387,311,405	426,976,462	

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

Signature of officer: _____ Date: 2011-05-10
 JOHN M SNYDER EVP & COO
 Type or print name and title

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4: ERNST & YOUNG US LLP
 111 MONUMENT CIRCLE SUITE 2600
 INDIANAPOLIS, IN 46204

Preparer's identifying number (see instructions): _____
 EIN: _____
 Phone no: (317) 681-7000

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

THE CARLE FOUNDATION IS ORGANIZED AND EXCLUSIVELY OPERATES AS A NOT-FOR-PROFIT CORPORATION FOR CHARITABLE, SCIENTIFIC AND EDUCATIONAL PURPOSES

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 \$ 37,346,750 including grants of \$ 1,601,004) (Revenue \$ 54,921,425)

The corporation engages in activities to develop and support the providing of health care services, including charity care, by the affiliates related to the corporation including the Carle Foundation Hospital. The Foundation's purpose includes serving as the parent corporation for related affiliates that together perform as an integrated health care delivery network in furtherance and support of charitable, health care education and research activities

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

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

4e Total program service expenses \$ 37,346,750

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Question text, and Yes/No response columns. Rows include questions 1 through 20 regarding organizational requirements and reporting.

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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable		
1a	53		
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?	Yes	
1c			
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return		
2a	18		
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)	Yes	
2b			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	Yes	
3a			
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	Yes	
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)?	Yes	
4a			
b	If "Yes," enter the name of the foreign country CJ, EI 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?		No
5a			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5b			
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?		No
6a			
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?		No
7a			
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?		No
7c			
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?		No
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7f			
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?		No
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

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (14); 1b Enter the number of voting members that are independent (8); 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? (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? (No); 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (Yes); 5 Did the organization become aware during the year of a material diversion of the organization's assets? (No); 6 Does the organization have members or stockholders? (No); 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (No); 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (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 (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (No); 10b 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?; 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (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 (Yes); 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (Yes); 13 Does the organization have a written whistleblower policy? (Yes); 14 Does the organization have a written document retention and destruction policy? (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? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (Yes); 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? (Yes); 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? (Yes).

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed (IL); 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 (checked); 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: DENNIS HESCH CFO EXEC VP, 611 W PARK ST, URBANA, IL 61801, (217) 383-3311.

1b Total	3,779,945	237,452	912,564
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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 **▶**10

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		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
DELOITTE LLP PO BOX 7247-6447 PHILADELPHIA, PA 191706447	CONSULTING	6,851,397
HALL RENDER KILLIAN HEATH LYMA 39778 TREASURY CENTER CHICAGO, IL 606949700	LEGAL	2,240,249
ERNST YOUNG PO BOX 848107 DALLAS, TX 752848107	ACCTG/ CONSULTING	1,467,341
ECG MANAGEMENT CONSULTANTS 1111 THIRD AVENUE SUITE 2700 SEATTLE, WA 981013201	CONSULTING	1,061,675
DRINKER BIDDLE REATH LLP ONE LOGAN SQUARE SUITE 2000 PHILADELPHIA, PA 191036996	LEGAL	1,014,353

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 **▶**16

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	203,945				
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f		203,945			
Program Service Revenue	2a	RENT FROM RELATED ENTITIES	531,120	29,553,494	29,553,494		
	b	MANAGEMENT FEES	541,610	1,316,000	1,316,000		
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		30,869,494			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)	41,788,530	23,349,267	10,877,477	7,561,786	
	4	Income from investment of tax-exempt bond proceeds	1,613			1,613	
	5	Royalties	0				
	6a	Gross Rents	(i) Real	8,699,626			
			(ii) Personal				
			b Less rental expenses	8,208,104			
			c Rental income or (loss)	491,522			
	d	Net rental income or (loss)		491,523	491,523		
	7a	Gross amount from sales of assets other than inventory	(i) Securities	265,058,908			
			(ii) Other		23,638,774		
			b Less cost or other basis and sales expenses	218,736,101		7,880,807	
			c Gain or (loss)	46,322,807		15,757,967	
d	Net gain or (loss)		62,080,774		62,080,774		
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
b	Less direct expenses						
c	Net income or (loss) from fundraising events		0				
9a	Gross income from gaming activities See Part IV, line 19						
b	Less direct expenses						
c	Net income or (loss) from gaming activities		0				
10a	Gross sales of inventory, less returns and allowances						
b	Less cost of goods sold						
c	Net income or (loss) from sales of inventory		0				
Miscellaneous Revenue		Business Code					
11a	VINEYARD CHURCH REIMBURSEMENT	900,099	28,326		28,326		
b	VARIOUS CARLE CLINIC ASSN REVENUE	900,099	211,141	211,141			
c							
d	All other revenue						
e	Total. Add lines 11a-11d		239,467				
12	Total revenue. See Instructions		135,675,346	54,921,425	10,877,477	69,672,499	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	1,601,004	1,601,004		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
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	3,877,798	1,938,899	1,938,899	
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	2,802,460	1,498,708	1,303,752	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	206,776	70,428	136,348	
9	Other employee benefits	768,844	196,818	572,026	
10	Payroll taxes	234,718	79,457	155,261	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	4,814,299		4,814,299	
c	Accounting	135,000		135,000	
d	Lobbying	18,000		18,000	
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	1,518,699	1,518,699		
g	Other	10,281,521	660,973	9,620,548	
12	Advertising and promotion	1,241		1,241	
13	Office expenses	276,992	84,056	192,936	
14	Information technology	88,556	61,579	26,977	
15	Royalties	0			
16	Occupancy	1,138,106	434,476	703,630	
17	Travel	2,444		2,444	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	80,168		80,168	
20	Interest	12,281,860	12,044,305	237,555	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	16,696,877	16,588,578	108,299	
23	Insurance	0			
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	FEDERAL TAXES	2,550,786		2,550,786	
b	STATE AND OTHER TAXES	2,875,637		2,875,637	
c	INTERNAL FEES	1,056,568	528,284	528,284	
d	LOSS ON IMPAIRMENT	23,428	23,428		
e	All other expenses	96,069	17,058	79,011	
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	63,427,851	37,346,750	26,081,101	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	3,572,999	1	0
	2 Savings and temporary cash investments	37,594,282	2	20,531,843
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	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		8	
	9 Prepaid expenses and deferred charges	293,542	9	228,380
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	553,687,338		
	b Less accumulated depreciation	248,248,286	262,523,271	10c 305,439,052
	11 Investments—publicly traded securities	271,452,576	11	393,147,869
	12 Investments—other securities See Part IV, line 11	14,088,599	12	20,725,849
	13 Investments—program-related See Part IV, line 11	60,435,366	13	94,663,953
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	3,911,405	15	9,661,393
16 Total assets. Add lines 1 through 15 (must equal line 34)	653,872,040	16	844,398,339	
Liabilities	17 Accounts payable and accrued expenses	10,106,323	17	11,639,153
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	239,245,104	20	364,260,658
	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		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	17,209,208	25	41,522,066
	26 Total liabilities. Add lines 17 through 25	266,560,635	26	417,421,877
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	387,311,405	27	426,976,462
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	387,311,405	33	426,976,462	
34 Total liabilities and net assets/fund balances	653,872,040	34	844,398,339	

Part XI Financial Statements and Reporting

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? . . .

b Were the organization's financial statements audited by an independent accountant?

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

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?

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 . . .

	Yes	No
2a		No
2b	Yes	
2c	Yes	
3a		No
3b		

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

2009

Open to Public Inspection

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.

Department of the Treasury
Internal Revenue Service

Name of the organization
The Carle Foundation

Employer identification number

37-0673465

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?
 - (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
 - (ii) a family member of a person described in (i) above?
 - (iii) a 35% controlled entity of a person described in (i) or (ii) above?

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

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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Carle Foundation Hospital	371119538	03	Yes		Yes		Yes		37,286,750
Carle Health Care	371140016	09	Yes		Yes		Yes		60,000
Total									37,346,750

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

Explanation

THE CORPORATION ENGAGES IN ACTIVITIES, INCLUDING PROVIDING FACILITIES AND GENERAL MANAGEMENT, FOR THE BENEFIT OF CARLE FOUNDATION HOSPITAL AND OTHER RELATED EXEMPT ENTITIES

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

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

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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 The Carle Foundation	Employer identification number 37-0673465
--	--

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 function 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														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%; text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>	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		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a If zero or less, enter -0-														
i Subtract line 1f from line 1c If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 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)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		No	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c Media advertisements?		No	
d Mailings to members, legislators, or the public?		No	
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?		No	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		18,000
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i Other activities? If "Yes," describe in Part IV		No	
j Total lines 1c through 1i			18,000
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	

Part III-A 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?		
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?		

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 1. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
SCHEDULE C SUPPLEMENTAL INFORMATION		THE FOUNDATION HAS A CONTRACT PROFESSIONAL TO PROVIDE CONSULTING SERVICES FOR THE FOUNDATION AS A PORTION OF THE CONTRACTOR'S DUTIES, THE CONTRACTOR INTERACTS WITH GOVERNMENTAL OFFICIALS ON BEHALF OF THE FOUNDATION

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2009

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization The Carle Foundation

Employer identification number 37-0673465

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), 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?
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?

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, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

- a Total number of conservation easements
b Total acreage restricted by conservation easements
c Number of conservation easements on a certified historic structure included in (a)
d Number of conservation easements included in (c) acquired after 8/17/06

Table with 2 columns: Held at the End of the Year. Rows 2a, 2b, 2c, 2d.

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
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)?
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

Table with 2 columns: Description (1c-1f) and Amount

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.

Table with 6 columns: (a) Current Year, (b) Prior Year, (c) Two Years Back, (d) Three Years Back, (e) Four Years Back. Rows 1a-1g.

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

Table with 3 columns: Description (3a(i), 3a(ii), 3b), Yes, No

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.

Table with 5 columns: Description of investment, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows 1a-1e and Total.

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
SCHEDULE D, SUPPLEMENTAL INFORMATION		The Foundation adopted the guidance for accounting for uncertainty in income taxes on July 1, 2007 This guidance clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statement The guidance prescribes a more-likely-than-not recognition threshold and measurement attribute for financial statement recognition of a tax position taken or expected to be taken Amounts requiring recognition under tax accounting guidance is reflected as a liability for uncertain tax benefits along with any associated interest and penalties that would be payable to the taxing authorities upon examination There are no uncertain tax benefits identified or recorded as a liability as of June 30, 2010 and 2009

SCHEDULE F (Form 990)

Statement of Activities Outside the United States

OMB No 1545-0047

2009

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization The Carle Foundation

Employer identification number

37-0673465

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. 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 For grantmakers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States

3 Activities per Region (Use Schedule F-1 (Form 990) if additional space is needed)

Table with 6 columns: (a) Region, (b) Number of offices in the region, (c) Number of employees or agents in region, (d) Activities conducted in region, (e) If activity listed in (d) is a program service, (f) Total expenditures for region. Includes rows for Central America and the Caribbean and a Totals row.

Schedule I (Form 990)

OMB No 1545-0047

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

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization The Carle Foundation

Employer identification number 37-0673465

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?
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.

Table with 8 columns: (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, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Includes entries for CARLE FOUNDATION HOSPITAL and CARLE HEALTH CARE.

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

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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.

Department of the Treasury
Internal Revenue Service

Name of the organization
The Carle Foundation

Employer identification number

37-0673465

Part I Questions Regarding Compensation

Yes No

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

- | | |
|---|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax idemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e g , maid, chauffeur, chef) |

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

1b

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

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

4a

No

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4b

No

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

Yes

b Any related organization?

6b

Yes

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 accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III

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				
Matthew Gibb MD	(i)	0	0	0	0	0	0	0
	(ii)	185,470	0	0	0	0	185,470	0
James C Leonard MD	(i)	578,664	210,000	126,532	207,531	18,437	1,141,164	0
	(ii)	0	0	0	0	0	0	0
John Snyder	(i)	327,478	87,500	113,946	116,675	18,136	663,735	0
	(ii)	0	0	0	0	0	0	0
Robert Tonkinson	(i)	286,338	61,800	107,487	93,958	19,269	568,852	88,693
	(ii)	0	0	0	0	0	0	0
Philip Kubow	(i)	257,094	52,000	5,428	61,715	14,239	390,476	0
	(ii)	0	0	0	0	0	0	0
Napoleon Knight MD	(i)	306,915	49,845	115,668	84,789	24,744	581,961	3,565
	(ii)	0	0	0	0	0	0	0
Laurence J Fallon	(i)	264,528	51,500	46,947	58,583	17,496	439,054	44,653
	(ii)	0	0	0	0	0	0	0
Pamela Bigler	(i)	189,111	36,500	39,404	55,412	13,920	334,347	18,393
	(ii)	0	0	0	0	0	0	0
Lynette Barnes	(i)	208,450	32,014	22,103	52,195	438	315,200	17,252
	(ii)	0	0	0	0	0	0	0
Michael Billimack	(i)	171,769	26,250	4,674	39,777	15,250	257,720	0
	(ii)	0	0	0	0	0	0	0

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
Supplemental Compensation Information	SCHEDULE J, PART I, QUESTIONS 6A & 6B	Part of the overall employee's compensation program includes an incentive component that covers most employees and is designed to encourage and promote the achievement of certain quality, operational, and efficiency improvements and also within the context of meeting certain minimum financial thresholds.

**Schedule K
(Form 990)**

OMB No 1545-0047

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.**

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization
The Carle Foundation

Employer identification number

37-0673465

Part I Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A ILLINOIS FINANCE AUTHORITY	86-1091967	45200FVH9	03-18-2009	240,717,712	SERIES 2009 VARIABLE RATE BONDS		X		X

Part II Proceeds

	A	B	C	D	E					
1 Total proceeds of issue	22,983,917									
2 Gross proceeds in reserve funds	0									
3 Proceeds in refunding or defeasance escrows	0									
4 Other unspent proceeds	0									
5 Issuance costs from proceeds	3,025,297									
6 Working capital expenditures from proceeds	0									
7 Capital expenditures from proceeds	19,958,620									
8 Year of substantial completion	2010									
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	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		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	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 %								
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		0 %								
6 Total of lines 4 and 5		0 %								
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									

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2009

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization The Carle Foundation

Employer identification number

37-0673465

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

Table with 3 main columns: (a) Name of disqualified person, (b) Description of transaction, (c) Corrected? (Yes/No)

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

Table with 7 main columns: (a) Name of interested person and purpose, (b) Loan to or from the organization?, (c) Original principal amount, (d) Balance due, (e) In default?, (f) Approved by board or committee?, (g) Written agreement?

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Table with 3 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of transaction, (d) Description of transaction, (e) Sharing of organization's revenues?

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

2009

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization
The Carle Foundation

Employer identification number

37-0673465

Identifier	Return Reference	Explanation
FORM 990, SUPPLEMENTAL INFORMATION		<p>FORM 990, PART VI, QUESTION 2 SECRETARY CORA E MUSIAL AND TRUSTEE PAUL TENDER HAVE A BUSINESS RELATIONSHIP IMMEDIATE PAST CHAIR E PHILIPS KNOX AND TRUSTEES DAVID IKENBERRY AND DONNA GREENE HAVE A BUSINESS RELATIONSHIP FORM 990, PART VI, QUESTION 4 THERE WERE NINE (9) SIGNIFICANT UPDATES TO THE BYLAWS OF THE CARLE FOUNDATION (1) THE TITLE OF CHAIRMAN WAS CHANGED TO CHAIR, AND PRESIDENT WAS CHANGED TO PRESIDENT/CEO THE NUMBER, TENURE AND QUALIFICATIONS PORTION (ARTICLE IV, SECTION 2, PARAGRAPH (A)) WAS REVISED TO SPECIFY THAT THE BOARD OF TRUSTEES SHALL BE INCREASED BY FIVE (5) MEMBERS TO CONSIST OF SIXTEEN (16) TRUSTEES, AND SHALL INCLUDE TEN (10) MEMBERS REPRESENTATIVE OF THE COMMUNITY SERVED BY THE CORPORATION, FOUR (4) HOSPITAL EMPLOYED (OR HOSPITAL AFFILIATE-EMPLOYED) PHYSICIAN MEMBERS AND TWO (2) EX-OFFICIO, NON-VOTING MEMBERS ALL MENTION OF INELIGIBILITY TO SERVE ON THE BOARD OF TRUSTEES DUE TO ASSOCIATIONS WITH CARLE CLINIC ASSOCIATION, INCLUDING IMMEDIATE FAMILY MEMBERS, (ARTICLE IV, SECTION 2, PARAGRAPH (E), ARTICLE IV, SECTION 2, PARAGRAPH (F), ARTICLE V, SECTION 4, PARAGRAPH (A)) HAVE BEEN REVISED OR OMITTED DUE TO INTEGRATION WITH CARLE CLINIC ASSOCIATION ON APRIL 1, 2010 (2) THE BYLAWS FURTHER CLARIFY WHO SERVES AS EX-OFFICIO (ARTICLE IV, SECTION 2 (H)) THE PRESIDENT/CEO OF THE CORPORATION AND THE CEO OF CARLE CLINIC PHYSICIANS SHALL SERVE AS EX-OFFICIO, NON-VOTING MEMBERS OF THE BOARD OF TRUSTEES AND SHALL CONTINUE TO HOLD THE POSITION OF EX-OFFICIO UNTIL HE NO LONGER HOLDS THE POSITION OF PRESIDENT/CEO OF THE CORPORATION OR CEO OF CARLE CLINIC PHYSICIANS, AS APPLICABLE (3) THE CEO OF CARLE CLINIC PHYSICIANS SHALL ALSO BE THE EX-OFFICIO, NON VOTING MEMBER SERVING ON THE EXECUTIVE COMMITTEE, NOMINATING COMMITTEE, FINANCE COMMITTEE AND QUALITY COMMITTEE IF ADDITIONAL COMMITTEES ARE FORMED FOR THE PURPOSE OF THE ADMINISTRATION OR OPERATION OF THE HOSPITAL, THEN THE COMMITTEE SHALL INCLUDE THE CEO OF CARLE CLINIC PHYSICIANS AS AN EX-OFFICIO, NON-VOTING MEMBER (4) THERE WAS AN INCREASE IN THE NUMBER OF TRUSTEES ON THE EXECUTIVE COMMITTEE FROM FIVE (5) TO SEVEN (7) CONSISTING OF THE CHAIR OF THE CORPORATION, AT LEAST TWO (2) PHYSICIAN MEMBERS, AND AS EX-OFFICIO, NON-VOTING MEMBERS THE PRESIDENT/CEO OF THE CORPORATION AND THE CEO OF CARLE CLINIC PHYSICIANS (ARTICLE V, SECTION 3, PARAGRAPH (A)) (5) THERE WAS FURTHER CLARIFICATION AS TO THE DEFINITION OF AFFILIATE TO MEAN ANY CORPORATION, ASSOCIATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, TRUST, JOINT VENTURE, OR OTHER ENTITY DIRECTLY OR INDIRECTLY CONTROLLING, CONTROLLED BY, OR UNDER THE COMMON CONTROL WITH THE CORPORATION (ARTICLE V, SECTION 3, PARAGRAPH (B)) (6) THE NOMINATING COMMITTEE PORTION (ARTICLE V, SECTION 4, PARAGRAPH (A)) WAS REVISED TO SPECIFY THE FIVE (5) POSITIONS OF MOST RECENT PHYSICIANS RETIRED FROM THE BOARD OF TRUSTEES THAT ARE EMPLOYED BY THE HOSPITAL, WHEREAS PREVIOUSLY THEY WERE NOT TO BE EMPLOYED BY THE CORPORATION (7) THE NOMINATING COMMITTEE SHALL SOLICIT INPUT FROM THE PHYSICIAN COUNCIL ESTABLISHED BY THE HOSPITAL AS TO POTENTIAL PHYSICIAN CANDIDATES FOR NOMINATION ON THE BOARD OF TRUSTEES (ARTICLE V, SECTION 4, PARAGRAPH (F)) (8) THE OFFICERS PORTION (ARTICLE VI, SECTION 1) IS AMENDED TO INCLUDE THE CEO OF CARLE CLINIC PHYSICIANS THIS POSITION IS A PHYSICIAN APPOINTED BY THE BOARD OF TRUSTEES, HOWEVER IN THE EVENT OF A VACANCY IN THIS POSITION, RECOMMENDATIONS BY THE PHYSICIAN COUNCIL TO THE PRESIDENT/CEO WILL BE CONSIDERED NO SINGLE INDIVIDUAL MAY OCCUPY TWO (2) OR MORE OF THE FOLLOWING OFFICES CHAIR, PRESIDENT/CEO, CEO OF CARLE CLINIC PHYSICIANS, AND SECRETARY (9) THE POSITION OF TREASURER AND SECRETARY MAY BE HELD BY A PHYSICIAN FORM 990, PART VI, QUESTION 11 THE FORM 990 WAS PREPARED BY AN EXTERNAL TAX ADVISOR AND REVIEWED BY MANAGEMENT PRIOR TO FILING THIS FORM 990, A FULL AND COMPLETE COPY WAS PROVIDED TO THE GOVERNING BODY BY POSTING TO THE ORGANIZATION'S INTERNAL DIRECTOR PORTAL ALSO BEFORE FILING, THE GOVERNING MEMBERS RECEIVED NOTIFICATION THAT FORM 990 WAS POSTED AND AVAILABLE FOR THEIR REVIEW AS NECESSARY, THE GOVERNING MEMBERS HAVE THE OPPORTUNITY TO DISCUSS AND ADDRESS CONCERNS AT SUBSEQUENT BOARD MEETINGS FORM 990, PART VI, QUESTION 12C YES THE ORGANIZATION'S ESTABLISHED CONFLICT OF INTEREST POLICIES REQUIRE ANNUAL DISCLOSURE OF ACTUAL AND POTENTIAL CONFLICTS OF INTEREST FOR OFFICERS, DIRECTORS, TRUSTEES, MEMBERS OF BOARD COMMITTEES, ADMINISTRATIVE AND MANAGERIAL EMPLOYEES AS WELL AS ALL EMPLOYEES OF THE PURCHASING DEPARTMENT IF CIRCUMSTANCES CHANGE DURING THE COURSE OF A YEAR, INTERIM DISCLOSURE IS ALSO REQUIRED OF THE SAME INDIVIDUALS THE DISCLOSURES OF EMPLOYEES ARE REVIEWED INITIALLY BY THE HUMAN RESOURCES DEPARTMENT AND ANY IDENTIFIED CONFLICTS ARE REFERRED TO, AND ADDRESSED BY, THE ORGANIZATION'S INTERNAL LEGAL COUNSEL AND/OR COMPLIANCE OFFICER THE DISCLOSURES OF TRUSTEES AND MEMBERS OF BOARD COMMITTEES ARE REVIEWED BY THE CHAIR OF THE BOARD THE ENTIRE BOARD ABSENT THE SUB</p>

Identifier	Return Reference	Explanation
FORM 990, SUPPLEMENTAL INFORMATION		<p>JECT TRUSTEE OR COMMITTEE MEMBER DETERMINES WHETHER A CONFLICT EXISTS TRUSTEES AND/OR BOA RD COMMITTEE MEMBERS WITH IDENTIFIED CONFLICTS ARE RECUSED FROM VOTING ON MATTERS RELATED TO THEIR CONFLICTS THE ORGANIZATION ALSO MAINTAINS PURCHASING POLICIES REQUIRING COUNTER SIGNATURES TO FURTHER HELP MINIMIZE THE RISK ASSOCIATED WITH CONFLICTS OF INTEREST FORM 990, PART VI, QUESTION 15A & B THE BOARD OF DIRECTORS OF THE CARLE FOUNDATION, THROUGH THE COMPENSATION COMMITTEE COMPRISED OF INDEPENDENT MEMBERS FREE OF CONFLICT, ANNUALLY REVIEW EXECUTIVE COMPENSATION LEVELS AND ESTABLISH APPROPRIATE SALARY RANGES AND OTHER FEATURES OF THE COMPENSATION PLAN IN ACCORDANCE WITH THE ORGANIZATION'S APPROVED COMPENSATION PHILOSOPHY AND STRATEGY 1 THE COMMITTEE IS COMPRISED OF MEMBERS OF THE BOARD OF DIRECTORS, WHO ARE INDEPENDENT OF THE CARLE FOUNDATION MANAGEMENT, HAVE NO PERSONAL INTEREST IN THE COMPENSATION ARRANGEMENTS, ARE NOT RELATED TO, OR UNDER THE CONTROL OF ANY INDIVIDUAL WHOSE COMPENSATION ARRANGEMENT IS BEING REVIEWED AND HAVE NO MATERIAL BUSINESS RELATIONSHIP WITH THE CARLE FOUNDATION 2 THE CHIEF EXECUTIVE OFFICER'S COMPENSATION IS DETERMINED BY THE COMPENSATION COMMITTEE IN RELATION TO APPROPRIATE COMPARABILITY DATA COMPENSATION FOR OTHER MEMBERS OF THE EXECUTIVE STAFF ARE DEVELOPED BY THE CEO, REVIEWED BY THE COMMITTEE, EVALUATED AGAINST MARKET DATA, AND APPROVED BY THE COMMITTEE 3 THE COMMITTEE APPROVES ALL COMPENSATION DECISIONS IN ADVANCE OF THEIR IMPLEMENTATION AND DOCUMENTS ITS DETERMINATIONS AND DISCUSSIONS THE COMPENSATION COMMITTEE USES A NUMBER OF EXTERNAL RESOURCES AND COMPARISONS, AND THEIR REVIEW INCLUDES TOTAL COMPENSATION (CASH COMPENSATION, PLUS BENEFITS PROVIDED BY THE CARLE FOUNDATION) IN RELATION TO ORGANIZATIONAL PERFORMANCE AND PREVAILING INDUSTRY PRACTICES OF COMPARABLY-SIZED ORGANIZATIONS THEY HAVE ENGAGED THE SERVICES OF A COMPENSATION CONSULTING FIRM SPECIALIZING IN THE NOT-FOR-PROFIT SECTOR THAT HAS WORKED WITH THE CARLE FOUNDATION AND REPORTS DIRECTLY TO THE COMPENSATION COMMITTEE FORM 990, PART VI, QUESTION 19 A COMMUNITY BENEFIT REPORT IS PUBLISHED AND DISTRIBUTED ANNUALLY TO THE COMMUNITY QUARTERLY FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST DELIVERED TO THE ORGANIZATION'S ADMINISTRATIVE OFFICES THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICIES ARE ALSO AVAILABLE UPON REQUEST TO THE ORGANIZATION'S ADMINISTRATIVE OFFICES FORM 990, PART XI, #2A,B,C AND PART IV, #12 THE FINANCIAL STATEMENTS FOR THE CARLE FOUNDATION WERE REVIEWED AND AUDITED ON A CONSOLIDATED BASIS UNDER THE PARENT ORGANIZATION, THE CARLE FOUNDATION THE CARLE FOUNDATION DOES HAVE AN AUDIT COMMITTEE CONSISTING OF MEMBERS OF THE GOVERNING BOARD AND THE CHIEF FINANCIAL OFFICER WHO TOGETHER ASSUME RESPONSIBILITY FOR OVERSIGHT OF THE REVIEW AND AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT</p>

Identifier	Return Reference	Explanation
FORM 990, SUPPLEMENTAL INFORMATION (CONTINUED)		FORM 990, SCHEDULE L, PART IV, Column B TRUSTEE, THOMAS E HARRINGTON, JR HAS MORE THAN A 5% OWNERSHIP IN BEAR PROPERTIES, LLC Form 990, Schedule L, Part IV, Column D BEAR PROPERTIES - WAREHOUSE RENTAL THROUGH COLDWELL BANKER, VINE STREET LOCATION FOR BEAR PROPERTIES R Bruce Wellman, MD and Dennis Hesch received compensation after 4/1/10 pertaining to the ir managerial duties to the Hospital and related organizations and not for duties as being board members SCHEDULE R, PART II CARLE HEALTH CARE, INCORPORATED PRIMARY ACTIVITY EMERGENCY TRANSPORT, DAY CARE, PHYSICIAN SERVICES

Identifier	Return Reference	Explanation
HOURS WORKED FOR RELATED ORGANIZATIONS		<p>Cora E Musial, Ph D, MD 20 - Carle Foundation Hospital 0 - Carle Development Foundatio n 3 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours David Ikenberry, PHD 1 - Carle Foundation Hospital 0 - Car le Development Foundation 0 2 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Dennis Hesch 24 - Carle Foundati on Hospital 0 2 - Carle Development Foundation 24 - Carle Health Care, Inc 0 2 - Carle Re tirement Centers, Inc 0 2 - Carle Community Health Corporation 0 - Carle Arbours E Phillips Knox 1 - Carle Foundation Hospital 1 - Carle Development Foundation 0 2 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours George Timmons 0 - Carle Foundation Hospital 1 - Carle Development Foundatio n 0 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours J Michael Martin 1 - Carle Foundation Hospital 0 - Carle Development Foundation 0 2 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours James C Leonard, MD 30 - Carle Fou ndation Hospital 2 - Carle Development Foundation 5 - Carle Health Care, Inc 1 - Carle Re tirement Centers, Inc 1 - Carle Community Health Corporation 0 2 - Carle Arbours John Snyder 21 - Carle Foundation Hospital 0 - Carle Development Foundation 3 - Carle Health Care, Inc 3 - Carle Retirement Centers, Inc 3 - Carle Community Health Corporation 1 - Carle Arbours Laurence J Fallon 10 - Carle Foundation Hospital 1 - Carle Development Foundation 10 - Carle Health Care, Inc 1 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 2 - Carle Arbours Lynette Barnes 60 - Carle Foundation Hospital 0 - Carle De velopment Foundation 5 - Carle Health Care, Inc 1 - Carle Retirement Centers, Inc 0 - Ca rle Community Health Corporation 0 - Carle Arbours Marty Smith 1 - Carle Foundation Hospit al 1 - Carle Development Foundation 1 - Carle Health Care, Inc 0 - Carle Retirement Cente rs, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Mary McGrath 0 - Carle F oundation Hospital 1 - Carle Development Foundation 0 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Matthew Gibb, MD 40 - Carle Foundation Hospital 0 - Carle Development Foundation 0 2 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Michael Billimack 20 - Carle Foundation Hospital 2 - Carle Development Foun dation 2 - Carle Health Care, Inc 1 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Napoleon Knight, MD 55 - Carle Foundation Hospital 0 - Carle Development Foundation 0 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Note - Dr Knight's time is spent performing management duties at the Carle Foundation Hospital Pamela Bigler 30 - Car le Foundation Hospital 0 - Carle Development Foundation 0 - Carle Health Care, Inc 0 - Ca rle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Philip Blankenburg 1 - Carle Foundation Hospital 0 - Carle Development Foundation 2 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corporation 0 - Carle Arbours Philip Kubow 1 - Carle Foundation Hospital 0 - Carle Development Founda tion 0 - Carle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community He alth Corporation 0 - Carle Arbours R Bruce Wellman, MD 24 - Carle Foundation Hospital 1 - Carle Development Foundation 24 - Carle Health Care, Inc 1 - Carle Retirement Centers, Inc 1 - Carle Community Health Corporation 0 - Carle Arbours Robert Tonkinson, Jr 1 - Carl e Foundation Hospital 1 - Carle Development Foundation 5 - Carle Health Care, Inc 1 - Car le Retirement Centers, Inc 1 - Carle Community Health Corporation 1 - Carle Arbours Thomàs E Harrington, Jr 1 - Carle Foundation Hospital 1 - Carle Development Foundation 0 - Ca rle Health Care, Inc 0 - Carle Retirement Centers, Inc 0 - Carle Community Health Corpora tion 0 - Carle Arbours</p>

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2009

**Open to Public
Inspection**

▶ **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.**

Department of the Treasury
Internal Revenue Service

Name of the organization
The Carle Foundation

Employer identification number

37-0673465

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
CARLE FOUNDATION HOSPITAL 611 W PARK ST URBANA, IL 61801 37-1119538	HOSPITAL SERV	IL	501(C)(3)	3	NA
CARLE DEVELOPMENT FOUNDATION 611 W PARK ST URBANA, IL 61801 37-1159978	FUNDRAISING	IL	501(C)(3)	7	NA
CARLE ARBOURS INC 611 W PARK ST URBANA, IL 61801 37-1155535	L/T CARE	IL	501(C)(3)	9	NA
CARLE HEALTH CARE INCORPORATED 611 W PARK ST URBANA, IL 61801 37-1140016	VAR MED SVCS	IL	501(C)(3)	9	NA
CARLE RETIREMENT CENTERS INC 611 W PARK ST URBANA, IL 61801 37-1160033	RTRMT LIVING	IL	501(C)(3)	9	NA
CARLE COMMUNITY HEALTH CORP 611 W PARK ST URBANA, IL 61801 36-4458371	FDN MISSION	IL	501(C)(3)	11A, TYPE 1	TCDF

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) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	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
See Additional Data Table							

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)

- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)

- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees

- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses

- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
1a	Yes	
1b	Yes	
1c	Yes	
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n		No
1o	Yes	
1p	Yes	
1q		No
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

	(b) Transaction type(a-r)	(c) Amount involved
(1) See Additional Data Table		
(2)		
(3)		
(4)		
(5)		
(6)		

Software ID:
Software Version:
EIN: 37-0673465
Name: The Carle Foundation

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
CARLE FOUNDATION HOSPITAL 611 W PARK ST URBANA, IL61801 37-1119538	HOSPITAL SERV	IL	501(C)(3)	3	NA
CARLE DEVELOPMENT FOUNDATION 611 W PARK ST URBANA, IL61801 37-1159978	FUNDRAISING	IL	501(C)(3)	7	NA
CARLE ARBOURS INC 611 W PARK ST URBANA, IL61801 37-1155535	L/T CARE	IL	501(C)(3)	9	NA
CARLE HEALTH CARE INCORPORATED 611 W PARK ST URBANA, IL61801 37-1140016	VAR MED SVCS	IL	501(C)(3)	9	NA
CARLE RETIREMENT CENTERS INC 611 W PARK ST URBANA, IL61801 37-1160033	RTRMT LIVING	IL	501(C)(3)	9	NA
CARLE COMMUNITY HEALTH CORP 611 W PARK ST URBANA, IL61801 36-4458371	FDN MISSION	IL	501(C)(3)	11A, TYPE 1	TCDF

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income (\$)	(g) Share of end-of-year assets (\$)	(h) Percentage ownership
HEALTH SERVICES INSURANCE LTD GOVERNORS SQ 2ND FL BLDG 3 GRAND CAYMAN KY1-1102 CJ	INSURANCE	CJ	NA	C-CORP	18,217,313	189,805,688	100 000 %
CARLE HOLDING COMPANY INC 611 W PARK ST URBANA, IL61801 37-1188284	HOLDING COMPANY	IL	TCF	C-CORP	251,134,927	812,428,107	100 000 %
HEALTH ALLIANCE MEDICAL PLANS INC 301 S VINE ST URBANA, IL61801 37-1260731	HEALTH COVERAGE	IL	CHCI	C-Corp			100 000 %
HEALTH ALLIANCE MIDWEST INC 301 S VINE ST URBANA, IL61801 37-1354502	HEALTH COVERAGE	IL	HAMPI	C-Corp			100 000 %
HEALTH CARE HORIZONS OF ILLINOIS INC 209 W RB GARRETT DR PEORIA, IL61605 37-1394924	INSURANCE TPA	IL	HAMPI	C-Corp			100 000 %
HCH ADMINISTRATION INC 209 W RB GARRETT DR PEORIA, IL61605 37-1119685	INSURANCE ADMIN	IL	HCHII	C-Corp			100 000 %
HCH ADMINISTRATION INC 111 LOMAS BLVD SUITE 122 ALBUQUERQUE, NM87102 85-0391732	INSURANCE ADMIN	NM	HCHAI	C-Corp			100 000 %
CARLE RISK MANAGEMENT CO 611 W PARK ST URBANA, IL61801 37-1217973	RISK MANAGEMENT	IL	TCF	C-Corp			100 000 %

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1) CARLE FOUNDATION HOSPITAL	A	26,009,516
(2) CARLE HEALTH CARE	A	3,424,728
(3) CARLE FOUNDATION HOSPITAL	B	1,541,004
(4) CARLE HEALTH CARE	B	60,000
(5) CARLE DEVELOPMENT FOUNDATION	C	203,945
(6) CARLE FOUNDATION HOSPITAL	O	1,112,400
(7) CARLE FOUNDATION HOSPITAL	P	1,331,608
(8) CARLE HEALTH CARE	P	55,832

TY 2009 Investment in Subsidiaries Statement

Name: The Carle Foundation

EIN: 37-0673465

Description	Beginning Amount	Ending Amount
EQUITY SECURITIES	138,806,320	157,359,212
LONG-TERM REINSURANCE RECEIVABLE	17,286,122	16,968,870

**TY 2009 Itemized Other Current Assets
Schedule**

Name: The Carle Foundation

EIN: 37-0673465

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
		MISCELLANEOUS PAID EXPENSES	3,102,728	3,075,486
		MISCELLANEOUS ACCRUALS	172,134	72,780

TY 2009 Other Deductions Schedule

Name: The Carle Foundation

EIN: 37-0673465

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
GENERAL AND ADMINISTRATIVE EXPENSES		372,711

TY 2009 Itemized Other Liabilities Schedule

Name: The Carle Foundation

EIN: 37-0673465

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
		PREPAID PREMIUM	18,297,182	9,070,942
		LIABILITY FOR SELF-INSURANCE	81,803,172	75,476,076
		SHORT-TERM HSIL RESERVES	13,139,506	10,354,303
		INTERCOMPANY PAYABLE	822,868	302,015

TY 2009 Other Income Statement

Name: The Carle Foundation

EIN: 37-0673465

Description	Foreign Amount	Amount
ADJ-UNDERWRITING LOSS RESERVE		3,114,506

TY 2009 Paid-In or Capital Surplus Reconciliation Statement

Name: The Carle Foundation

EIN: 37-0673465

Description	Beginning Amount	Ending Amount
PAID IN CAPITAL	24,500,000	24,500,000

Additional Data

Software ID:
Software Version:
EIN: 37-0673465
Name: The Carle Foundation

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			
Marty Smith Chairman of Board	3 0	X		X				0	0	0
Philip Blankenburg Vice Chairman of Board	2 0	X		X				0	0	0
Cora E Musial PHD MD Secretary of Board	40 0	X		X				0	51,982	0
E Phillips Knox Immed Past Chairman of Board	2 0	X		X				0	0	0
Kenneth Aronson MD Trustee (eff 04/01/10)	80 0	X						0	0	0
Matthew Gibb MD Trustee (eff 04/01/10)	40 0	X						0	185,470	0
Donna Greene Trustee (eff 04/01/10)	5	X						0	0	0
Tom Harrington Jr Trustee	1 0	X						0	0	0
Jane Hays Trustee	1 0	X						0	0	0
David Ikenberry PHD Trustee	1 0	X						0	0	0
J Michael Martin Trustee	1 0	X						0	0	0
Rick Stephens Trustee	1 0	X						0	0	0
Paul Tender MD Trustee	80 0	X						0	0	0
George Timmons Trustee	5	X						0	0	0
Mary McGrath Trustee	1 0	X						0	0	0
James C Leonard MD President & CEO	20 0			X				915,196	0	225,968
R Bruce Wellman MD CEO of CPG (eff 4/1/10)	8 0			X				0	0	0
John Snyder Exec VP and COO	9 0			X				528,924	0	134,811
Robert Tonkinson SVP & CFO (thru 3/31/10)	10 0			X				455,625	0	113,227
Dennis Hesch SVP & CFO (after 4/1/10)	15 0			X				0	0	0
Philip Kubow Senior VP Human Resources	60 0				X			314,522	0	75,954
Napoleon Knight MD VP Med Affairs/Chf Med Officer	10 0					X		472,428	0	109,533
Laurence J Fallon Senior VP Legal Affairs	25 0					X		362,975	0	76,079
Pamela Bigler VP Pat Care/Chf Nursing Off	20 0					X		265,015	0	69,332
Lynette Barnes VP Clinical Operations	5 0					X		262,567	0	52,633

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			
Michael Billmack VP Mktg, Plan & Gov't Relation	30 0					X		202,693	0	55,027

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
FEDERAL TAXES	2,550,786		2,550,786	
STATE AND OTHER TAXES	2,875,637		2,875,637	
INTERNAL FEES	1,056,568	528,284	528,284	
LOSS ON IMPAIRMENT	23,428	23,428		
All other expenses	96,069	17,058	79,011	