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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

2009Open 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 **SEP 1, 2009** and ending **AUG 31, 2010**

B Check if applicable: <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type: See Specific Instructions	C Name of organization Scott & White Hospital - Round Rock		D Employer identification number 20-3749695
		Doing Business As		E Telephone number (254) 724-4733
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2401 S. 31st Street		G Gross receipts \$ 89,116,193.
		City or town, state or country, and ZIP + 4 Temple, TX 76508		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
F Name and address of principal officer: Patricia Currie same as C above				
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
J Website: ▶ WWW.SW.ORG				
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				
L Year of formation: 2007 M State of legal domicile: TX				

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: See Schedule O	
	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)	9
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4
	5	Total number of employees (Part V, line 2a)	0
	6	Total number of volunteers (estimate if necessary)	103
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	
	9	Program service revenue (Part VIII, line 2g)	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	89,116,193.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	
	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶	
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	
	19	Revenue less expenses. Subtract line 18 from line 12	
	20	Total assets (Part X, line 16)	
	21	Total liabilities (Part X, line 26)	
	22	Net assets or fund balances Subtract line 21 from line 20	
	23		
	24		
	25		
	26		
Net Assets or Fund Balances	27		
	28		
	29		
	30		

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer: Patricia M Currie Date: 7/13/11	Patricia Currie, President Type or print name and title
Paid Preparer's Use Only	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP + 4 Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) EIN ▶ Phone no. ▶

May the IRS discuss this return with the preparer shown above? (see instructions)

☐ Yes ☒ No

932001 02-04-10

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

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Part III Statement of Program Service Accomplishments

- 1 Briefly describe the organization's mission:
Scott & White Hospital-Round Rock has adopted the mission statement of the Scott & White Healthcare System: "To provide the most personalized, comprehensive and highest-quality health care, enhanced by medical education and research."
- 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 \$ 76,838,764. including grants of \$) (Revenue \$ 88,660,233.)
Summary data for program activities for fiscal year ended August 31, 2010 are:

Patient Days: 11,295
 Admissions: 3,586
 ER Visits: 23,123
 Surgeries performed: 4,993
 Average Census: 57%

The Hospital's principal mission is providing healthcare services for residents of Williamson County, TX and the surrounding Central Texas area.

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 ► \$ 76,838,764.

Part IV Checklist of Required Schedules

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

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Part IV Checklist of Required Schedules (continued)

	Yes	No
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>		X
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>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 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>	X	
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 lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
25b 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>		X
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>		X
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>		X
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):		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c 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 direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
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>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
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>		X
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>		X
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>	X	
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>	X	
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>		X
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>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax Compliance

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **None**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Dick Dixon - (254) 724-4733**
2401 S. 31st Street, Temple, TX 76508

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

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

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

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

(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			
Alfred B. Knight, M.D. President	40.00	X		X				0.	1,135,855.	48,309.
Patricia Currie Vice President	40.00	X		X				0.	453,946.	50,553.
Ernest Bovio Director	40.00	X						0.	285,980.	51,148.
James Mills Director	4.00	X						0.	0.	0.
Ted Hejl Director	4.00	X						0.	0.	0.
Stuart Whitlow Secretary	4.00	X		X				0.	0.	0.
Franklin Chang, M.D. Director	40.00	X						0.	233,757.	46,181.
Tom Burdett Director	4.00	X						0.	0.	0.
Dennis Laraway Treasurer	40.00	X		X				0.	643,909.	48,753.
Irene Frank Pharmacist	40.00					X		0.	134,387.	16,261.
Bernardine Patterson Pharmacy Director	40.00					X		0.	134,092.	16,837.
Marissa Tomlinson Charge Nurse	40.00					X		0.	120,415.	21,061.
Stephanie Paynter Pharmacist	40.00					X		0.	128,666.	10,695.
Jason Cole Hospital Administrator	40.00					X		0.	105,205.	29,201.
Kenneth Johnson Former Officer							X	0.	200,410.	34,815.
Dudley P. Baker, M.D. Former Officer							X	0.	480,701.	47,609.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(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			
1b Total								0.	4,057,323.	421,423.

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 **0**

- 3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3	X	
4	X	
5		X

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
Stryker Orthopaedics 325 Corporate Dr, Mahwah, NJ 07430	Medical Devices	1,957,096.
Cardinal Health 851 Henrietta Creek Rd, Roanoke, TX 76262	Pharmaceuticals	1,811,298.
Siemens Medical Solutions USA, Inc. 51 Valley Stream Parkway, Malvern, PA 19355	Medical Supplies	1,568,564.
Universal Hospital Services Inc., 1421 Wells Branch Pkwy Ste 103, Pflugerville,	Medical Supplies	404,274.
Boston Scientific Corp P.O. Box 951663, Dallas, TX 75395-1653	Medical Supplies	370,491.
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 36		

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	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a Net Patient Serv Rev	Business Code 900099	88653306.	88653306.			
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		88653306.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)						
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real (ii) Personal					
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other					
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue		Business Code				
	11 a Cafeteria	722210	347,863.			347,863.	
b Gift Shop	453220	108,097.			108,097.		
c Misc	900099	6,927.	6,927.				
d All other revenue							
e Total. Add lines 11a-11d		462,887.					
12 Total revenue. See instructions.		89116193.	88660233.	0.	455,960.		

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				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	22,829,569.	21,739,208.	1,090,361.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	4,764,118.	4,613,111.	151,007.	
10 Payroll taxes				
11 Fees for services (non-employees).				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	3,863,714.	3,794,877.	68,837.	
12 Advertising and promotion	70,412.	25,108.	45,304.	
13 Office expenses	19,602,306.	19,410,379.	191,927.	
14 Information technology				
15 Royalties				
16 Occupancy	7,637,570.	7,637,570.		
17 Travel	79,441.	53,547.	25,894.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	69,015.	62,349.	6,666.	
20 Interest	89,359.	89,359.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	8,107,044.	7,963,585.	143,459.	
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>Bad Debt</u>	7,773,685.	7,773,685.		
b <u>Maintenance</u>	3,664,618.	3,637,694.	26,924.	
c <u>Dues and subscriptions</u>	41,879.	20,707.	21,172.	
d <u>Community Benefits</u>	39,877.	14,185.	25,692.	
e <u>Recruitment</u>	10,882.	1,375.	9,507.	
f All other expenses	2,025.	2,025.		
25 Total functional expenses. Add lines 1 through 24f	78,645,514.	76,838,764.	1,806,750.	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) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	11,000.	1	
	2 Savings and temporary cash investments	114,064.	2	117,219.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	10,789,650.	4	16,098,935.
	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	1,453,855.	8	1,520,644.
	9 Prepaid expenses and deferred charges	122,757.	9	79,709.
	10a Land, buildings, and equipment. cost or other basis. Complete Part VI of Schedule D	10a 8,633,072.		
	b Less: accumulated depreciation	10b 1,817,557.	10c	6,815,515.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	813,552.	15	55,607.
16 Total assets. Add lines 1 through 15 (must equal line 34)	16,547,829.	16	24,687,629.	
Liabilities	17 Accounts payable and accrued expenses	150,615.	17	86,872.
	18 Grants payable		18	
	19 Deferred revenue	776,518.	19	502,445.
	20 Tax-exempt bond liabilities		20	
	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	9,627,166.	25	7,634,103.
	26 Total liabilities. Add lines 17 through 25	10,554,299.	26	8,223,420.
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	5,993,530.	27	16,464,209.
	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	5,993,530.	33	16,464,209.
	34 Total liabilities and net assets/fund balances	16,547,829.	34	24,687,629.

Form 990 (2009)

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 line 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 separate 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		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047

2009

Open to Public Inspection

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

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

- 1 ☐ A church, convention, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

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 supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

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

[illegible]

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 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. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

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 from 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 <input type="checkbox"/>		
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2009

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 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 section 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 ☐

Schedule A (Form 990 or 990-EZ) 2009

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

OMB No 1545-0047

2009

Open to Public
Inspection

▶ **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), then

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

Name of organization Scott & White Hospital - Round Rock	Employer identification number 20-3749695
--	---

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 Enter 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-

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2009
LHA

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			
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?			

☐ Yes ☐ No
4-Year Averaging Period Under Section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2009

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?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?	X		588.
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities? If "Yes," describe in Part IV		X	
j Total. Add lines 1c through 1i			588.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Part II-B, Line 1(f): SWH-RR maintains memberships in the American

Hospital Association and the Texas Hospital Association. A percentage of the dues paid to those organizations is attributed to lobbying activities and is reported as grants to other organizations for lobbying purposes.

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,

Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the

organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can 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?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

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

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

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

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

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

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

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

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

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

(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____

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

a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

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

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

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

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

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

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

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

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

- c Beginning balance
 d Additions during the year
 e Distributions during the year
 f Ending balance

	Amount
1c	
1d	
1e	
1f	

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

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

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

- (i) unrelated organizations
 (ii) related organizations

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		8,633,072.	1,817,557.	6,815,515.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				6,815,515.

Schedule D (Form 990) 2009

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ►		

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

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

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

(a) Description	(b) Book value
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ►	

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

(a) Description of liability	(b) Amount
1 Federal income taxes	
Inter-company payable: Scott & White Memorial Hospital	7,634,103.
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ►	

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	89,116,193.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	78,645,514.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	10,470,679.
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 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	10,470,679.

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 must 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 must 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, line 2; 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.

Part X: FIN 48 Footnote: Scott & White evaluates it's income

tax positions in accordance with Accounting Standard Codification 740-10,

regarding accounting for uncertainty in income taxes (ASC 740-10). ASC

740-10 prescribes a recognition threshold and measurement attribute for

the financial statement recognition and measurement of a tax position

taken or expected to be taken in a tax return. There are no material

unrecorded tax liabilities as of August 31, 2010 and 2009.

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2009

Department of the Treasury
Internal Revenue Service

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

▶ Attach to Form 990.

▶ See separate instructions.

Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

Part I Charity Care and Certain Other Community Benefits at Cost

1a Does the organization have a charity care policy? If "No," skip to question 6a

Yes No

1a X

b If "Yes," is it a written policy?

1b X

2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals

☒ Applied uniformly to all hospitals

☐ Applied uniformly to most hospitals

☐ Generally tailored to individual hospitals

3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients

a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care.

☐ 100% ☐ 150% ☒ 200% ☐ Other _____ %

3a X

b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals?

If "Yes," indicate which of the following is the family income limit for eligibility for discounted care.

☒ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %

3b X

c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.

4 X

4 Does the organization's policy provide free or discounted care to the "medically indigent"?

5a Does the organization budget amounts for free or discounted care provided under its charity care policy?

5a X

b If "Yes," did the organization's charity care expenses exceed the budgeted amount?

5b X

c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?

5c X

6a Does the organization prepare an annual community benefit report?

6a X

b If "Yes," does the organization make it available to the public?

6b X

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			563,983.	0.	563,983.	.80%
b Unreimbursed Medicaid (from Worksheet 3, column a)			3343963.	1927746.	1416217.	2.00%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)			833,834.	1154738.	-320,904.	.00%
d Total Charity Care and Means-Tested Government Programs			4741780.	3082484.	1659296.	2.80%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			46,519.	0.	46,519.	.07%
f Health professions education (from Worksheet 5)			12,250.	0.	12,250.	.02%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)			22,293.	31,606.	-9,313.	.00%
i Cash and in-kind contributions to community groups (from Worksheet 8)			127,494.	0.	127,494.	.18%
j Total. Other Benefits			208,556.	31,606.	176,950.	.27%
k Total. Add lines 7d and 7j			4950336.	3114090.	1836246.	3.07%

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

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

Part III Bad Debt, Medicare, & Collection Practices**Section A. Bad Debt Expense**

1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?

Yes	No
-----	----

1 X

2 Enter the amount of the organization's bad debt expense (at cost)

2 2,238,595.

3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy

3 0.

4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)

5 32,970,578.

6 Enter Medicare allowable costs of care relating to payments on line 5

6 38,762,481.

7 Subtract line 6 from line 5. This is the surplus or (shortfall)

7 -5,791,903.

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit.

Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6

Check the box that describes the method used:

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other
Section C. Collection Practices

9a Does the organization have a written debt collection policy?

9a

X

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

9b

Part IV Management Companies and Joint Ventures

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

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 6a: Scott & White Hospital - Round Rock's community

benefit report is prepared by Scott & White Memorial Hospital, a related organization.

Part I, Line 7: The costing method used for Schedule H is the cost to charge ratio, as calculated in Schedule H, Worksheet 2. This method was applied to the costs reported on lines 7a, 7b, 7c and 7g.

Part I, Line 7g: Costs attributable to a physician clinic were not included as subsidized health services for SWH-RR.

Part I, Line 7f: Bad debt expense subtracted for purposes of calculating the percentage in column (f) is \$7,773,684.90.

Part III, Line 4: In the SWH-RR accounting system, bad debt is recorded as the cost of forgone charges. To calculate the cost of bad debt for purposes of Schedule H, Part III, line 2, the cost to charge ratio calculated in Schedule H, Part I, Worksheet 2, line 7, was applied.

Due to patient screenings which occur prior to recording bad debt charges, bad debt expense should not contain community benefit expenditures.

Part VI Supplemental Information

Audited financial statement footnote: Patient accounts receivable are stated at estimated net realizable value. Scott & White maintains allowances for uncollectible accounts for estimated losses resulting from a payor's inability to make payments on accounts. Scott & White uses a balance sheet approach to value the allowance account based on historical write-offs, payor type, and the aging of the accounts. Accounts are written off when collection efforts have been exhausted. Management continually monitors and adjusts, as necessary, allowances associated with its receivables. The majority of uncollectible accounts result from uninsured patients and patient co-pays and deductibles.

Part III, Line 8: SWH-RR is a nonprofit hospital that voluntarily participates in the Medicare program. Medicare payments received do not cover the costs incurred to provide services to Medicare patients. In reporting the community benefit portion of the American Hospital Association/Texas Hospital Association survey, the Medicare short-fall is included in community benefit reporting.

Costing methodology/source: All payments to providers of services must be based on the reasonable cost of services covered under title XVIII of the Act. Reasonable cost includes all necessary and proper costs incurred in rendering the services. Reasonable cost takes into account both direct and indirect costs of providers of services, including normal standby costs. The general services or overhead cost is stepped down and allocated through statistical data to equitably allocate the expenses to the hospital service departments.

Part VI Supplemental Information

Part VI, Line 2: Scott and White Hospital - Round Rock regularly reviews and utilizes reports on current health needs compiled by entities such as the Williamson County Public Health District. In addition to these reports, medical analysts study inpatient and outpatient records to provide a comprehensive look at health trends in the community so we can appropriately tailor the services offered. The hospital has initiated plans to conduct our own health needs assessment anticipating a completion early in 2012.

Part VI, Line 3: SWH-RR educates patients in regards to their eligibility for financial assistance in a number of ways. Patient billing statements include phone contact information for patients seeking information regarding financial assistance. Financial counselors are available at each location to assist patients in determining eligibility, assisting with applications for assistance, as well as making payment arrangements. Additionally, SWH-RR contracts with a 3rd party vendor to routinely screen self-pay patients for eligibility for local, state and federal assistance programs that may be available. These services are offered at no cost to patients.

Part VI, Line 4: The Scott & White Healthcare System provides care for patients in 32 counties in the state of Texas covering 30,000 square miles. Eighty-five percent of the patients come from a primary service area including the counties of Bell, Brazos, Coryell, Falls, Lampasas, McLennan, Milam, and Williamson. Eight percent of patients come from the secondary service area including Brazos, Blanco, Bosque, Brown, Burleson, Burnet, Comanche, Grimes, Hamilton, Hays, Hill, Hood, Johnson, Lee, Leon, Limestone, Llano, Madison, Mills, Robertson, San Saba, Somervell, Travis

Part VI Supplemental Information

and Washington counties.

In Scott & White's primary service area, the total population is 1,268,822 and the median household income is \$46,930. Twenty-seven percent of the population is under the age of 17; 42% is between the ages of 18 and 44; 21% is between the ages of 45 and 64; and 10% of the population is over 65. The top three ethnicities in the primary service area are White Non-Hispanic with 61.08% of the population; 20.67% are Hispanic and 12% are Black Non-Hispanic.

Scott & White Hospital - Round Rock is located in Williamson County, TX. Between 2000 and 2009, Williamson County was the 9th fastest growing county with over 60% growth. Round Rock is the largest and one of the fastest growing cities in the county. Over the past decade the city has added about 44,000 people and has experienced economic and demographic changes. A greater percent of residents have higher educational attainment, the poverty rate has increased, and the county has become more racially and ethnically diverse.

Part VI, Line 6: All Scott & White Healthcare facilities are operated in a manner that furthers the organization's exempt purposes. Scott & White Healthcare officers and executives plan and direct the activities of all facilities under the direction and oversight of the Board of Trustees of Scott & White Healthcare, sole corporate member of Scott & White Hospital - Round Rock (SWH-RR). The SWH-RR Board of Directors is comprised of persons residing in the service area. As explained in response to Form 990 Part VI, Section A, Question 7b, the SWH-RR board of directors does not consist of a majority of independent directors because

Part VI Supplemental Information

SWH-RR relies on the Scott & White Healthcare Board of Trustees, which is controlled by a majority of independent trustees, to meet board control tests. Surplus funds are reinvested in facilities, equipment and programs to further SWH-RR's exempt purposes.

Part VI, Line 7: Scott & White Healthcare is the sole member, controlling member or sole shareholder of all Scott & White affiliates and is a minority shareholder in a separate tax-exempt hospital. The Scott & White Healthcare System includes eight currently operating tax-exempt hospitals, with additional hospitals under development. The system also includes Scott & White Clinic, a multi-specialty tax-exempt physician clinic with approximately 76 locations in Central Texas as of August 31, 2010, and Scott & White Health Plan, a tax-exempt HMO and insurance company with approximately 200,000 members. Scott & White Healthcare provides planning, management, and financing support for the other entities in the system. All health care delivery organizations in the system, including Scott & White Clinic, function in a manner to support their tax-exempt status. All entities operate under a consistent governance arrangement, provide services to Medicare and Medicaid patients, provide charity services to patients under system-wide charity and financial assistance plans and have consistent accounting and bad debt policies. All financial accounting, billing, and collection activities are performed or managed by a system-wide finance department.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

Part I Questions Regarding Compensation

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

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

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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

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

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

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

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

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

Only section 501(c)(3) and 501(c)(4) organizations 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?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

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

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in
Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

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Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is 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				
Alfred B. Knight, M.D.	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 829,933.	303,150.	2,772.	31,850.	16,459.	1,184,164.	0.
Patricia Currie	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 378,830.	74,150.	966.	31,850.	18,703.	504,499.	0.
Ernest Bovio	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 249,144.	36,416.	420.	31,850.	19,298.	337,128.	0.
Franklin Chang, M.D.	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 230,687.	2,350.	720.	30,694.	15,487.	279,938.	0.
Dennis Laraway	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 515,629.	127,650.	630.	31,850.	16,903.	692,662.	0.
Irene Frank	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 134,174.	101.	112.	8,175.	8,086.	150,648.	0.
Bernardine Patterson	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 126,336.	7,632.	124.	13,482.	3,355.	150,929.	0.
Kenneth Johnson	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 188,203.	9,435.	2,772.	25,921.	8,894.	235,225.	0.
Dudley P. Baker, M.D.	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 432,641.	44,352.	3,708.	31,850.	15,759.	528,310.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
	(i) 0.	0.	0.	0.	0.	0.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number
20-3749695

Form 990, Part V, Line 2a:

Employee Information:

Employees of Scott & White Healthcare System affiliates are employed by Scott & White Memorial Hospital (74-1166904) or Scott & White Clinic (74-2958277). This is done to achieve parity and consistency in compensation and benefits offered to employees and to reduce administration costs. Consistent with this practice, employee Forms W-2 are filed by Scott & White Memorial Hospital or Scott & White Clinic. For financial reporting purposes, compensation, benefits and other employee costs are assigned to the Scott & White affiliate for which services are provided and are reported as expenses of such affiliate, as seen in Part IX, Statement of Functional Expenses. All required employment forms have been filed by Scott & White Memorial Hospital and Scott & White Clinic.

Form 990, Part VI, Section A, line 4: Scott & White Healthcare (EIN: 26-4532547) an IRC section 501(c)(3) tax-exempt organization and IRC section 509(a)(3), Type I public charity became the sole member of Scott & White Hospital-Round Rock ("SWH-RR") on May 28, 2010 as part of the reorganization of the Scott & White Healthcare System ("System"). The purpose of the reorganization was to align all affiliated entities under a single controlling organizational structure (parent-subsidiary structure), with SWHC becoming the sole member or shareholder of most System members. The SWHC Board of Trustees and officers assumed responsibility for System management, planning, finance and administration. Prior to the reorganization, Scott & White Memorial Hospital ("SWMH"), formerly Scott &

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Schedule O (Form 990) 2009

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SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990**Complete to provide information for responses to specific questions on
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2009Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

White Memorial Hospital and Scott, Sherwood and Brindley Foundation, an organization with significant hospital operations, was the sole member or controlling shareholder of most System members.

Form 990, Part VI, Section A, line 6: The Hospital's sole member is Scott & White Healthcare, an organization exempt from tax under IRC section 501(c)(3) and a public charity under IRC section 509(a)(3). Actions taken by the Hospital's Board of Directors are subject to oversight and approval of the Scott & White Healthcare Board of Trustees. The majority of the Scott & White Healthcare Board of Trustees is comprised of individuals who are representative of the community and not otherwise associated with Scott & White Healthcare, Clinic or other affiliates in the System.

Form 990, Part VI, Section A, line 7a: The Hospital's sole member is Scott & White Healthcare, an organization exempt from tax under IRC section 501(c)(3) and a public charity under IRC section 509(a)(3). Actions taken by the Hospital's Board of Directors are subject to oversight and approval of the Scott & White Healthcare Board of Trustees. The majority of the Scott & White Healthcare Board of Trustees is comprised of individuals who are representative of the community and not otherwise associated with Scott & White Healthcare, Clinic or other affiliates in the System.

Form 990, Part VI, Section A, line 7b: The Hospital's sole member is Scott & White Healthcare, an organization exempt from tax under IRC section 501(c)(3) and a public charity under IRC section 509(a)(3). Actions taken by the Hospital's Board of Directors are subject to oversight and approval

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Schedule O (Form 990) 2009

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SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990**Complete to provide information for responses to specific questions on
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Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

of the Scott & White Healthcare Board of Trustees. The majority of the Scott & White Healthcare Board of Trustees is comprised of individuals who are representative of the community and not otherwise associated with Scott & White Healthcare, Clinic or other affiliates in the System.

Form 990, Part VI, Section B, line 11: Scott & White Hospital - Round Rock's Directors were each provided a copy of Form 990 prior to filing with IRS, and a summary with highlights of specific items. Contact information was given to allow the Directors to ask questions and provide feedback with respect to the information presented in the Form 990.

Form 990, Part VI, Section B, Line 12c: Annually, a written questionnaire is provided to all persons identified as being subject to the SWH-RR Conflict of Interest Policy, requesting responses to questions designed to identify potential conflicts. Responses are monitored and reviewed by System personnel and follow-ups are initiated as required.

The Conflict of Interest Policy is reviewed before each board meeting or board committee meeting. Board members or persons having business with the Board are asked to identify conflicts which may arise with respect to business conducted by the Board or committee during the meeting.

Form 990, Part VI, Section B, Line 15: The compensation review process is performed annually. All officers, key employees and highly compensated individuals are included in the review, as are all staff. The process utilizes various comparative data with respect to similar organizations.

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Schedule O (Form 990) 2009

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SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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2009

Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number
20-3749695

The procedures, rationale and results of the process are documented and retained. Recommended salaries and total compensation are reviewed by independent compensation consultants and approved by the Compensation Committee of the SWHC Board of Trustees. The entire Board reviews and approves the recommendations of the Compensation Committee.

Form 990, Part VI, Section C, Line 19: The SWH-RR governing documents and Conflict of Interest Policy are available to the public upon request. SWH-RR does not have separate audited financial statements.

Form 990, Part VII:

Average Hours Per Week:

Average hours per week recorded in column B for the Officers, Directors, Key Employees and Highly Compensated Employees represent total hours worked for the entire Scott & White Healthcare System.

Form 990, Part XI, Line 2c

Organization's Financial Information:

Results of SWH-RR operations and assets and liabilities are included in the combined financial statements with its affiliated organizations. The financial statements are audited annually by an independent accounting firm selected by the SWHC Board of Trustees Audit Committee, which is also responsible for oversight of the audit.

Form 990, Part I, Line I

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02-03-10

Schedule O (Form 990) 2009

SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990**Complete to provide information for responses to specific questions on
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OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

Description of the Organization's Mission:

Scott & White Hospital - Round Rock ("SWH-RR") is a 76-bed acute care general hospital located in Round Rock, TX, serving patients and physicians in Williamson County, TX and the Central Texas area. SWH-RR is part of the Scott & White Healthcare System ("System"), with Scott & White Healthcare ("SWHC") becoming the Hospital's sole member as the result of a system reorganization, described below. SWH-RR, which became operational in July 2007, participates in System's research activities and educational activities with Texas A&M Health Science Center College of Medicine. See Schedule R for other related organizations.

The Scott & White System was reorganized during 2010. The purpose of the reorganization was to align all affiliated entities under a newly formed tax-exempt organization, SWHC, in a single controlling organizational structure (parent-subsidary structure). In the reorganization, Scott & White Memorial Hospital, formerly Scott & White Memorial Hospital and Scott, Sherwood and Brindley Foundation, transferred sole corporate membership or stock ownership in affiliated Scott & White entities to SWHC, and the Board of Directors of Scott & White Health Plan (the "Health Plan"), a previously unaffiliated tax-exempt HMO/insurance entity, approved amendments to the Health Plan Certificate of Formation to name SWHC as the Health Plan's sole corporate member. Following the reorganization, SWHC is the sole member, controlling member, or sole shareholder of most Scott & White affiliates.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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Name of the organization

Scott & White Hospital - Round Rock

Employer identification number
20-3749695

The Scott & White system operates as an integrated medical model, which enhances the cost-effective delivery of organized, comprehensive patient care. In addition to eight hospital facilities, the system includes the sixth largest physician group practice in the United States, operating over sixty outpatient clinics in Central Texas and employing over 1200 primary and specialty care physicians and advanced practice providers. The Health Plan provides insurance for approximately 200,000 members in Central Texas, with most member services provided by the hospitals and clinics in the Scott & White system.

SWH-RR's facilities and services include patient and patient observation rooms, inpatient and outpatient surgical suites, 24-hour emergency room, intensive care, endoscopy and diagnostic imaging suites, obstetrical and newborn services and general medicine services. Future plans for SWH-RR include expansion of facilities and services and increased participation in SWHC system-wide medical education and research activities.

SWH-RR medical staff is open to all physicians in the service area who meet the Hospital's credentialing standards.

SWH-RR serves patients qualifying for federal Medicare and state Medicaid programs and other federal and state medical assistance plans.

SWH-RR also serves private pay patients and contracts with health plans

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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Scott & White Hospital - Round Rock

Employer identification number

20-3749695

and insurance companies to provide medical services for their
participants. Services for indigent patients and uninsured or under
insured patients requiring financial assistance are provided according
to provisions of system Charity Care Policy and Patient Financial
Assistance Program. Emergency room services are provided without
regard to ability to pay.

Related Organizations and Unrelated Partnerships

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

SCHEDULE R
(Form 990)

(Form 990)
Department of the Treasury
Internal Revenue Service

Name of the organization

Scott & White Hospital - Round Rock

Employer identification number
20-3749695

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

[illegible]

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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
Scott & White Healthcare - 26-4532547					
2401 S 31st Street					
Temple, TX 76508	Healthcare	Texas	501 (c) (3)	Line 11a, I	
Scott & White Memorial Hospital - 74-1166904					
2401 S 31st Street					
Temple, TX 76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare
Scott & White Clinic - 74-2958277					
2401 S 31st Street					
Temple, TX 76508	Physician Services	Texas	501 (c) (3)	Line 9	Scott & White Healthcare
Scott & White Continuing Care Hospital -					
20-2850920, 2401 S 31st Street, Temple, TX					
76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare

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Schedule R (Form 990) 2009

part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related

[illegible]

part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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
Scott & White Properties Inc - 74-2497061							
2401 S 31st Street							
Temple, TX 76508	Hotel services	TX	N/A	C CORP	0.	0.	.00%
Scott & White Assurance - 98-0589956							
23 Lime Tree Bay	Captive Insurance	Cayman					
Grand Cayman, CAYMAN ISLANDS	Company	Islands	N/A	C CORP	0.	0.	.00%
Hillcrest Holdings, Inc - 74-2793367							
2401 S 31st Street							
Temple, TX 76508	Administration	TX	N/A	C CORP	0.	0.	.00%
Atumida - 27-0583030							
2401 S 31st Street							
Temple, TX 76508	Research	TX	N/A	C CORP	0.	0.	.00%

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**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?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		<input checked="" type="checkbox"/>
b Gift, grant, or capital contribution to other organization(s)		<input checked="" type="checkbox"/>
c Gift, grant, or capital contribution from other organization(s)		<input checked="" type="checkbox"/>
d Loans or loan guarantees to or for other organization(s)		<input checked="" type="checkbox"/>
e Loans or loan guarantees by other organization(s)		<input checked="" type="checkbox"/>
f Sale of assets to other organization(s)		<input checked="" type="checkbox"/>
g Purchase of assets from other organization(s)		<input checked="" type="checkbox"/>
h Exchange of assets		<input checked="" type="checkbox"/>
i Lease of facilities, equipment, or other assets to other organization(s)		<input checked="" type="checkbox"/>
j Lease of facilities, equipment, or other assets from other organization(s)		<input checked="" type="checkbox"/>
k Performance of services or membership or fundraising solicitations for other organization(s)		<input checked="" type="checkbox"/>
l Performance of services or membership or fundraising solicitations by other organization(s)		<input checked="" type="checkbox"/>
m Sharing of facilities, equipment, mailing lists, or other assets		<input checked="" type="checkbox"/>
n Sharing of paid employees		<input checked="" type="checkbox"/>
o Reimbursement paid to other organization for expenses		<input checked="" type="checkbox"/>
p Reimbursement paid by other organization for expenses		<input checked="" type="checkbox"/>
q Other transfer of cash or property to other organization(s)		<input checked="" type="checkbox"/>
r Other transfer of cash or property from other organization(s)		<input checked="" type="checkbox"/>

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

(a) Name of other organization(s)	(b) Transaction type (a-r)	(c) Amount involved
(1) Scott & White Memorial Hospital	N	27,360,980.
(2) Scott & White Memorial Hospital	O	48,625,210.
(3) Scott & White Memorial Hospital	Q	1,981,855.
(4)		
(5)		
(6)		

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
Scott & White EMS Inc - 75-3242749 2401 S 31st Street Temple, TX 76508	Emergency Transportation	Texas	501 (c) (3)	Line 9	Scott & White Memorial Hospital
Hillcrest Baptist Medical Center - 74-1161944, 100 Hillcrest Medical Blvd, Waco, TX 76708	Hospital services	Texas	501 (c) (3)	Line 3	NA
Scott & White Hospital-Brenham - 74-2519752 2401 S 31st Street Temple, TX 76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare
Scott & White Healthcare Foundation - 27-3513154, 2401 S 31st Street, Temple, TX 76508	Fundraising	Texas	501 (c) (3)	Line 7	Scott & White Healthcare
Scott & White Healthplan - 74-2052197 2401 S 31st Street Temple, TX 76508	HMO/Insurance	Texas	501 (c) (4)		Scott & White Healthcare
Scott & White Hospital-Taylor - 74-1595711 2401 S 31st Street Temple, TX 76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare
Scott & White Hospital-Llano - 27-3026151 2401 S 31st Street Temple, TX 76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare
Scott & White Hospital-College Station - 27-4434451, 2401 S 31st Street, Temple, TX 76508	Hospital services	Texas	501 (c) (3)	Line 3	Scott & White Healthcare
Brenham Hospital Services Corp - 74-2605157 2401 S 31st Street Temple, TX 76508	Healthcare	Texas	501 (c) (3)	Line 11a, I	Scott & White Healthcare
Scott & White Foundation-Brenham - 74-2460815, 2401 S 31st Street, Temple, TX 76508	Fundraising	Texas	501 (c) (3)	Line 7	Scott & White Hospital-Brenham
Brenham Care Center - 74-2663229 2401 S 31st Street Temple, TX 76508	Healthcare	Texas	501 (c) (3)	Line 9	Scott & White Hospital-Brenham
Hillcrest Family Health Center - 74-2730350 100 Hillcrest Medical Blvd Waco, TX 76708	Healthcare	Texas	501 (c) (3)	Line 11c, III-FI	Hillcrest Baptist Medical Center

Schedule R-1 (Form 990) 2009

Part II

Continuation of Identification of Related Tax-Exempt Organizations

[illegible]

Footnotes

Statement 1

Scott & White Hospital-Round Rock Form 990 FYE 8/31/10
Part IX, Line 22

Pursuant to IRC Sec 168(b)(3)(D), the corporation hereby elects to depreciate the following property placed in service in the tax year ended 8/31/10 under the straight line method.

This election applies to the current year's additions.

SCHEDULE O
(Form 1120)

Department of the Treasury
Internal Revenue Service

**Consent Plan and Apportionment Schedule
for a Controlled Group**

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.
▶ See separate instructions.

OMB No 1545-0123

2010

Name

Scott & White Hospital - Round Rock

Employer identification number

20-3749695

Part I Apportionment Plan Information

- 1** Type of controlled group:
- a** ☒ Parent-subsidiary group
 - b** ☐ Brother-sister group
 - c** ☐ Combined group
 - d** ☐ Life insurance companies only
- 2** This corporation has been a member of this group:
- a** ☒ For the entire year.
 - b** ☐ From _____, 20_____, until _____, 20_____.
- 3** This corporation consents and represents to:
- a** ☒ Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on December 31, 2009, and for all succeeding tax years.
 - b** ☐ Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending _____, 20_____, and for all succeeding tax years.
 - c** ☐ Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
 - d** ☐ Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, 20_____, and for all succeeding tax years.
- 4** If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:
- a** ☐ Elected by the component members of the group.
 - b** ☐ Required for the component members of the group.
- 5** If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).
- a** ☐ No apportionment plan is in effect and none is being adopted.
 - b** ☐ An apportionment plan is already in effect. It was adopted for the tax year ending _____, 20_____, and for all succeeding tax years.
- 6** If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency?
See instructions.
- a** ☐ Yes.
 - (i) ☐ The statute of limitations for this year will expire on _____, 20_____.
 - (ii) ☐ On _____, 20_____, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until _____, 20_____.
 - b** ☐ No. The members may not adopt or amend an apportionment plan.
- 7** Required information and elections for component members. Check the applicable box(es) (see instructions).
- a** ☐ The corporation will determine its tax liability by applying the maximum tax rate imposed by section 11 to the entire amount of its taxable income.
 - b** ☐ The corporation and the other members of the group elect the FIFO method (rather than defaulting to the proportionate method) for allocating the additional taxes for the group imposed by section 11(b)(1).
 - c** ☐ The corporation has a short tax year that does not include December 31.

Part II Taxable Income Apportionment (See instructions)

Caution: Each total in Part II, column (g) for each component member must agree with Form 1120, page 1, line 30 or the comparable line of such member's tax return.

(a) Group member's name and employer identification number		(b) Tax year end (Yr-Mo)	Taxable Income Amount Allocated to Each Bracket					(g) Total (add columns (c) through (f))
			(c) 15%	(d) 25%	(e) 34%	(f) 35%		
1	Scott & White Memorial Hospital 74-1166904	08/31	0	0	0	0	0	0
2	Scott & White Clinic 74-2958277	08/31	0	0	0	0	0	0
3	Scott & White Hospital - Round Rock 20-3749695	08/31	0	0	0	0	0	0
4	Scott & White Continuing Care Hospital 20-2850920	08/31	0	0	0	0	0	0
5	Scott & White EMS, Inc. 75-3242749	08/31	0	0	0	0	0	0
6	Scott & White Properties 74-2497061	08/31	0	0	0	0	0	0
7	Hillcrest Baptist Medical Center 74-1161944	08/31	0	0	0	0	0	0
8	Hillcrest Family Health Center 74-2730350	08/31	0	0	0	0	0	0
9	Hillcrest Physician Services 74-2967081	08/31	0	0	0	0	0	0
10	Hillcrest Health Holdings, Inc. 74-2793367	12/31	0	0	0	0	0	0
Total			0	0	0	0	0	0

Scott & White Hospital - Round Rock 20-3749695

Part III Income Tax Apportionment (See instructions)

Income Tax Apportionment

(a) Group member's name	(b) 15%	(c) 25%	(d) 34%	(e) 35%	(f) 5%	(g) 3%	(h) Total income tax (combine lines (b) through (g))
1 Scott & White Memorial Hospital	0	0	0	0	0	0	0
2 Scott & White Clinic	0	0	0	0	0	0	0
3 Scott & White Hospital - Round Rock	0	0	0	0	0	0	0
4 Scott & White Continuing Care Hospital	0	0	0	0	0	0	0
5 Scott & White EMS, Inc.	0	0	0	0	0	0	0
6 Scott & White Properties	0	0	0	0	0	0	0
7 Hillcrest Baptist Medical Center	0	0	0	0	0	0	0
8 Hillcrest Family Health Center	0	0	0	0	0	0	0
9 Hillcrest Physician Services	0	0	0	0	0	0	0
10 Hillcrest Health Holdings, Inc.	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0

Scott & White Hospital - Round Rock 20-3749695

Part IV Other Apportionments (See instructions)

Other Apportionments

(a) Group member's name	(b) Accumulated earnings credit	(c) AMT exemption amount	(d) Phaseout of AMT exemption amount	(e) Penalty for failure to pay estimated tax	(f) Other
1 Scott & White Memorial Hospital	250,000	40,000	310,000	1,000,000	0
2 Scott & White Clinic	0	0	0	0	0
3 Scott & White Hospital - Round Rock	0	0	0	0	0
4 Scott & White Continuing Care Hospital	0	0	0	0	0
5 Scott & White EMS, Inc.	0	0	0	0	0
6 Scott & White Properties	0	0	0	0	0
7 Hillcrest Baptist Medical Center	0	0	0	0	0
8 Hillcrest Family Health Center	0	0	0	0	0
9 Hillcrest Physician Services	0	0	0	0	0
10 Hillcrest Health Holdings, Inc.	0	0	0	0	0
Total					

Schedule O (Form 1120) (2010)



Office of the Secretary of State

CERTIFICATE OF FILING OF

Scott & White Hospital - Round Rock
800476729

[formerly: Scott & White Community hospital corporation]

The undersigned, as Secretary of State of Texas, hereby certifies that a Restated Certificate of Formation for the above named domestic nonprofit corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 06/01/2010

Effective: 06/01/2010



A handwritten signature in cursive script, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State

**RESTATED CERTIFICATE OF FORMATION
OF
SCOTT & WHITE COMMUNITY HOSPITAL CORPORATION**

A Texas Non-Profit Corporation

(Effective May 28, 2010)

FILED
In the Office of the
Secretary of State of Texas

JUN 01 2010

Corporations Section

AMENDED AND RESTATED CERTIFICATE OF FORMATION

ARTICLE ONE

The name of the corporation is Scott & White Community Hospital Corporation. The corporation hereby adopts this Restated Certificate of Formation which accurately copies the Articles of Incorporation and all amendments thereto that are in effect to date and as further amended by such Restated Certificate of Formation as hereinafter set forth and which contain no other change in any provision thereof.

ARTICLE TWO

The Articles of Incorporation of the Corporation are amended by the Restated Certificate of Formation as follows:

1. Update provisions with regard to the Business Organizations Code.
2. Update membership and change composition of the board of Directors of the corporation.
3. Change the name of the Corporation to Scott & White Hospital – Round Rock.
4. Replace Scott and White Memorial Hospital and Scott, Sherwood and Brindley Foundation as the sole corporate member of the Corporation with Scott & White Healthcare as the Corporation's sole corporate member.

RECEIVED

JUN 01 2010

Secretary of State

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Scott & White Hospital - Round Rock 20-3749695

ARTICLE THREE

Each such amendment made by the Restated Certificate of Formation has been effected in conformity with the provisions of the Texas Non-Profit Corporation Act and the Texas Business Organizations Code and such Restated Certificate of Formation and each such amendment made by the Restated Certificate of Formation were adopted on January 29, 2010 in the following manner:

The Restated Certificate of Formation and the amendments made by such Restated Certificate of Formation were adopted and approved pursuant to the Corporation's bylaws at a meeting of the Board of Trustees of Scott and White Memorial Hospital and Scott, Sherwood and Brindley Foundation (SWMHSSBF), the sole corporate member of the Corporation, held on January 29, 2010, and received the vote of a majority of Trustees then in office, there being no other members having voting rights in respect thereof.

ARTICLE FOUR

The Articles of Incorporation and all amendments thereto are hereby superseded by the following Restated Certificate of Formation, which accurately copy the entire text thereof, including any previous amendments and as amended as set forth above:

ARTICLE ONE ENTITY NAME AND TYPE

The filing entity is a non-profit corporation. The name of the entity is Scott & White Hospital – Round Rock.

ARTICLE TWO REGISTERED OFFICE AND AGENT

The registered agent is an individual resident of the state whose name is Jimmy L. Carroll, General Counsel. The business address of the registered agent and the registered office address is 2401 South 31st Street, Temple, Texas 76508.

ARTICLE THREE BOARD OF DIRECTORS

The management of the affairs of the corporation is vested in the Board of Directors. The standards for a director designated as a Director shall be controlled by Chapter 22.221 of the Texas Business Organizations Code (BOC). The number of Directors constituting the board of Directors and the names and addresses of the persons who are to serve as Directors until the next annual meeting of members or until their successors are elected and qualified are as follows.

<u>NAME</u>	<u>ADDRESS</u>
Alfred B. Knight, M.D.	300 University Blvd., Round Rock, Texas 78664
Patricia Currie	300 University Blvd., Round Rock, Texas 78664
Ted Hejl	300 University Blvd., Round Rock, Texas 78664
Stuart Whitlow	300 University Blvd., Round Rock, Texas 78664
James Mills	300 University Blvd., Round Rock, Texas 78664
Tom Burdett	300 University Blvd., Round Rock, Texas 78664
Franklin Chang, M.D.	300 University Blvd., Round Rock, Texas 78664
Ernie Bovio	300 University Blvd., Round Rock, Texas 78664
Dennis Laraway	300 University Blvd., Round Rock, Texas 78664

ARTICLE FOUR MEMBER

The non-profit corporation shall have one corporate member, Scott & White Healthcare. The member shall have such rights and obligations as are set forth in the BOC, this Certificate of Formation, and the Bylaws of the Corporation.

ARTICLE FIVE PURPOSES

This non-profit corporation is established for the following purposes, which are not expressly prohibited under Chapters 2 or 22 of the BOC, including any purpose described by Chapter 2.002 of the BOC:

A. The Corporation is organized and shall be operated exclusively for charitable, educational, literary and scientific purposes, and the Corporation pledges its assets for use in performing those purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and corresponding provisions of any subsequent federal tax laws, by engaging directly in any business or activities permitted by the BOC in support of such purposes and by making distributions to other organizations for use, by the distributees, in support of such purposes, as described and limited in Articles Five and Six hereof, and, in furtherance of these purposes, the Corporation shall be organized and operated as set forth in this Article Five. The pledge set forth in the preceding sentence is intended, and shall be construed, to be a dedication of such assets to the accomplishment of the purposes of the Corporation and not to create a lien or security interest on the assets or the revenues of the Corporation or to limit the Corporation's ability to encumber its assets and revenues.

B. The Corporation shall, directly or through its affiliates and subsidiaries, own and/or operate health care facilities, provide health care services and engage in such other health care related activities as may be necessary or desirable, all for the purposes of:

1. Performing managerial, financial, educational, administrative, and custodial functions for its affiliated entities including the support of medical facilities or services for the use and benefit of the public.

2. Furnishing medical and health care services in any form, for the care, treatment and prevention of diseases within and without hospitals, without regard to the person's ability to pay in accordance with the charity policy adopted by the Corporation.

3. Providing for the construction, support, maintenance and operation of health care facilities; providing education in health care and disease prevention; and providing and maintaining a training institution for medical, nursing and allied health personnel.

4. Possessing all the powers authorized and allowed to non-profit charitable corporations, under the BOC, which do not, except to an insubstantial degree, represent any activities or powers that are not in furtherance of the exempt purposes of this Corporation.

5. Doing any and all other acts, things, business or businesses in any manner connected with or necessary, incidental, convenient, or auxiliary to any of the purposes hereinabove enumerated or calculated, directly or indirectly, to promote the charitable purposes of the Corporation.

ARTICLE SIX MANNER OF DISTRIBUTION

The corporation is authorized on its winding up to distribute the non-profit corporation's assets in a manner other than as provided by Chapter 22.304 of the BOC. The manner of distribution is as follows:

Upon dissolution of the Corporation, after paying or making provision for the payment of all of the liabilities of the Corporation, any interest in any funds, property or assets of any kind, real, personal or mixed, shall not be transferred to private ownership, but shall be distributed exclusively to its Member, provided that in the event its Member is not then a Qualified Recipient (as hereinafter defined), the assets which would have been distributed to its Member shall be distributed by the Board of Directors, in its sole discretion, to an entity which is a Qualified Recipient. "Qualified Recipient" means an organization that is existing and qualified as exempt from federal income taxation under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code.

ARTICLE SEVEN POWERS

The Corporation shall have the power to engage in any and all lawful activities incidental to the purposes of the Corporation; provided, however, that with respect to the exercise of such powers:

A. The Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Code, or as a corporation, contributions to which are deductible under Section 170(c)(2) of the Code;

B. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any Director or officer of the Corporation, or any other private individual (except that compensation may be paid and expenses may be paid or reimbursed for services rendered to or for the Corporation in furtherance of one or more of its purposes, provided that such compensation and expenses are reasonable and not excessive in amount); and

C. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including the publishing or distribution of statements or otherwise) in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE EIGHT LIMITATIONS OF POWER

8.01 Actions Requiring Approval of the Member. The following actions shall be taken only upon the approval of the Board of Directors of the Member, by majority vote, and approval of the Board of Directors of the Corporation shall not be required for such actions:

(a) Amendment, restatement or repeal of the Certificate of Formation or Bylaws of the Corporation.

(b) Sale, exchange, lease or other transfer of all or substantially all of the assets of the Corporation, including under Subchapter F of Chapter 11 of the BOC.

(c) Merger or consolidation of the Corporation, including a plan of merger under Subchapter F of Chapter 11 of the BOC.

(d) Dissolution of the Corporation.

(e) Election of members to the Board of Directors of the Corporation.

(f) Removal of a member of the Board of Directors of the Corporation.

(g) Creation of affiliates or subsidiaries of the Corporation, and approval of their initial governing documents.

(h) Incurrence of debt not otherwise included in the capital or operating budgets of the Corporation.

(i) Discontinuing the operations of a licensed health care facility controlled by the Corporation.

(j) Voluntary winding up under Chapter 11;

(k) Revocation of a voluntary decision to wind up under Chapter 11.151 of the BOC.

(l) Cancellation of an event requiring winding up under Chapter 11.152 of the BOC.

(m) A reinstatement under Chapter 11.202 of the BOC.

(n) A distribution plan under Chapter 22.305 of the BOC.

(o) A plan of conversion under Chapter 11, Subchapter F of the BOC.

(p) A plan of exchange under Chapter 11, Subchapter F of the BOC.

(q) Such other approval rights with respect to the Corporation as set forth in the Bylaws.

**ARTICLE NINE
ACTION BY WRITTEN CONSENT**

Any action required by the BOC to be taken at a meeting of the Directors of the Corporation, or any action that may be taken at a meeting of the Directors or of any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Directors or committee members as would be necessary to take that action at a meeting at which all of the Directors or members of the committee were present and voted.

**ARTICLE TEN
LIMITATION OF LIABILITY**

10.01 General Limitation of Liability for Directors.

(a) A Director shall discharge the Director's duties, including duties as a committee member, in good faith, with ordinary care, and in a manner the Director reasonably believes to be in the best interest of the corporation.

(b) A Director is not liable to the Corporation, a member, or another person for an action taken or not taken as a Director if the Director acted in compliance with this section. A person seeking to establish liability of a Director must prove that the Director did not act:

- (1) in good faith;
- (2) with ordinary care; and
- (3) in a manner the Director reasonably believed to be in the best interest of the Corporation.

10.02 Exceptions for Limitation of Liability of Directors (Directors). Pursuant to Chapter 7.001(b) of the BOC, a Director (Director) of the organization is not liable to the organization or its owners or members for monetary damages for an act or omission by the person in the person's capacity as a Director (Director), except that Chapter 7.001(b) does not authorize the elimination or limitation of the liability of a Director (Director) to the extent the person is found liable under applicable law for:

- (1) a breach of the person's duty of loyalty, if any, to the Corporation or its owners or members;
- (2) an act or omission not in good faith that:
 - (a) constitutes a breach of duty of the person to the Corporation; or
 - (b) involves intentional misconduct or a knowing violation of law;

(3) a transaction from which the person received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the person's duties; or

(4) an act or omission for which the liability of a Director (Director) is expressly provided by an applicable statute.

10.03 Limitation of Liability of Officers. Pursuant to Chapter 22.235(a) of the BOC, an officer is not liable to the corporation or any other person for an action taken or omission made by the officer in the person's capacity as an officer unless the officer's conduct was not exercised:

- (1) in good faith;
- (2) with ordinary care; and
- (3) in a manner the officer reasonably believes to be in the best interest of the Corporation.

This section shall not affect the liability of the Corporation for an act or omission of the officer.

10.04 Amendment of Statutes. If the BOC, the Charitable Immunity and Liability Act of 1987, as amended, or any federal or other state statute is amended to authorize the further elimination or limitation of the liability of Directors or officers of the Corporation, then the liability of a Director or officer of the Corporation shall be limited to the fullest extent permitted by the statutes of the State of Texas and the United States of America, as so amended, and such elimination or limitation of liability shall be in addition to, and not in lieu of, the limitation on the liability of a Director or officer of the Corporation provided by the foregoing provisions of this Article 10. Any repeal of or amendment to this Article 10 shall be prospective only and shall not adversely affect any limitation on the liability of a Director or officer of the Corporation existing at the time of such repeal or amendment.

ARTICLE ELEVEN INDEMNIFICATION

11.01 Indemnification. The Corporation shall indemnify and advance expenses to any current or former Director, officer, committee member, employee, or agent of the Corporation, and their respective successors in interest, to the fullest extent allowed by the BOC, applicable federal and state law, this Certificate of Formation, the Bylaws, and the indemnification policies adopted from time to time by the THR Board of Directors. The Corporation shall have the power to purchase and maintain at its cost and expense insurance on behalf of such persons.

11.02 Limitation of Indemnification.

- (a) The Corporation shall only indemnify a current or former Director, officer, committee member, employee, or agent of the Corporation who was, is, or is threatened

to be made a respondent in a proceeding to the extent permitted by Chapter 8.102 of the BOC if it is determined in accordance with Chapter 8.103 of the BOC that:

- (1) the person:
 - (A) acted in good faith;
 - (B) reasonably believed:
 - (i) in the case of conduct in the person's official capacity, that the person's conduct was in the Corporation's best interests; and
 - (ii) in any other case, that the person's conduct was not opposed to the Corporation's best interests; and
 - (C) in the case of a criminal proceeding, did not have a reasonable cause to believe the person's conduct was unlawful;
- (2) with respect to expenses, the amount of expenses other than a judgment is reasonable; and
- (3) indemnification should be paid.

(b) Action taken or omitted by a Director (Director) or delegate with respect to an employee benefit plan in the performance of the person's duties for a purpose reasonably believed by the person to be in the interest of the participants and beneficiaries of the plan if for a purpose that is not opposed to the best interests of the Corporation.

(c) Action taken or omitted by a delegate to another enterprise for a purpose reasonably believed by the delegate to be in the interest of the other enterprise or its owners or members is for a purpose that is not opposed to the best interests of the Corporation.

(d) A person does not fail to meet the standard under Subsection (a)(1) solely because of the termination of a proceeding by:

- (1) judgment;
- (2) order;
- (3) settlement;
- (4) conviction; or
- (5) a plea of nolo contendere or its equivalent

**ARTICLE TWELVE
AMENDMENT OF CERTIFICATE OF FORMATION
AND BYLAWS**

The power to amend the Certificate of Formation and Bylaws of the Corporation shall be exclusively reserved to the Member as set forth in the Bylaws of the Corporation. Other reserved powers may be set forth in the Bylaws.

ARTICLE THIRTEEN CONFLICTS OF INTEREST

The Board of Directors shall, in the exercise of its overall duties and responsibilities, take such steps as it deems appropriate to avoid and resolve potential conflicts of interest between the personal interests of Directors and the activities and interests of the Corporation. Such steps shall include adopting and requiring compliance with duality and conflict of interest policies and procedures and providing a method for individuals to disclose and resolve potential conflicts of interest. All conflicts of interest shall be disclosed to the Board of Directors and made a matter of record.

ARTICLE FOURTEEN EFFECTIVENESS OF FILING

This document becomes effective on May 28, 2010, and is filed by the Secretary of State.

ARTICLE FIFTEEN EXECUTION

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Signed this 28 day of May, 2010.

**SCOTT & WHITE HOSPITAL - ROUND
ROCK**

By: 

Jimmy L. Carroll, ~~General Counsel~~

Assistant Secretary

Approved by Member: January 29, 2010