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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)

2010

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

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

A For the 2010 calendar year, or tax year beginning 6/01, 2010, and ending 5/31, 2011

B Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

LUBBOCK METHODIST HOSPITAL SYSTEM
3615 19TH STREET
LUBBOCK, TX 79410

D Employer Identification Number

75-2221668

E Telephone number

(806) 725-4364

G Gross receipts \$ 456,337.

F Name and address of principal officer KAREN WORLEY
SAME AS C ABOVEH(a) Is this a group return for affiliates? ☐ Yes ☒ NoH(b) Are all affiliates included? ☐ Yes ☐ No

If 'No,' attach a list (see instructions)

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

J Website: ▶ N/A

H(c) Group exemption number ▶

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of Formation 1987

M State of legal domicile TX

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	THE PURPOSE OF LUBBOCK METHODIST HOSPITAL SYSTEM (LMHS) IS TO ASSIST ST. JOSEPH HEALTH SYSTEM IN THE GOVERNMENT AND FULFILLMENT OF COVENANT HEALTH SYSTEM MISSION. THE MISSION OF COVENANT HEALTH SYSTEM IS TO EXTEND CHRISTIAN MINISTRY BY CARING FOR THE WHOLE PERSON - BODY,	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	26
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	25
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	0
	6	Total number of volunteers (estimate if necessary)	6	26
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	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)	48,046.	96,722.
	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)	48,046.	96,722.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		200,134.
	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)	16,402.	24,470.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	16,402.	224,604.
	19	Revenue less expenses Subtract line 18 from line 12	31,644.	-127,882.
	20	Total assets (Part X, line 16)	3,057,727.	3,199,332.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	0.	0.
	22	Net assets or fund balances Subtract line 21 from line 20	3,057,727.	3,199,332.

Part II Signature Block

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

Signature of officer: *Karen Worley* Date: *October 13, 2011*
 Type or print name and title: *KAREN WORLEY*

Print/Type preparer's name: JOHN SERIGHT Preparer's Signature: *JOHN SERIGHT* Date: *10/17/11*
 Check ☐ if self-employed PTIN: N/A
 Firm's name: ▶ ROBINSON BURDETTE MARTIN & SERIGHT, LLP
 Firm's address: ▶ 9816 SLIDE ROAD SUITE 301 LUBBOCK, TX 79424
 Firm's EIN: ▶ N/A
 Phone no: (806) 744-3333

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

☒ Yes ☐ No

BAA For Paperwork Reduction Act Notice, see the separate instructions.

TEEA0113L 12/21/10

Form 990 (2010)

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒

- 1 Briefly describe the organization's mission

SEE SCHEDULE O

- 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 \$ 200,134. including grants of \$ 200,134.) (Revenue \$)

SEE SCHEDULE O

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 ▶ 200,134.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		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? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		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? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI		X
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		X
f 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 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		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? If 'Yes,' complete Schedule F, Parts I and IV		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? If 'Yes,' complete Schedule F, Parts II and IV		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? If 'Yes,' complete Schedule F, Parts III and IV		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? If 'Yes,' complete Schedule G, Part I (see instructions)		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? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 a Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

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>	21 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>	22	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>	23	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, and 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>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>	25b	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>	26	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>	27	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):	28	
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	29	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>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>	31	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>	32	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>	33	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>	34 X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	36	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>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	38 X	

BAA

Form 990 (2010)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1 a 0		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1 b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c		
2 a 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.	2 a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2 b		
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).			
3 a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a		X
b If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3 b		
4 a 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)?	4 a		X
b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5 a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c		
6 a 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?	6 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7 a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year.	7 d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		X
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9 a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9 b		
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.	10 a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10 b		
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.	11 a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b		
12 a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12 b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13 a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13 b		
c Enter the amount of reserves on hand.	13 c		
14 a Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.	14 b		

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.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	26	
1b Enter the number of voting members included in line 1a, above, who are independent	25	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders? SEE SCHEDULE O	X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? SEE SCHEDULE O	X	
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? SEE SCH O	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies (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?		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?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990 SEE SCHEDULE O		
12a Does the organization have a written conflict of interest policy? If 'No,' go to line 13		X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done		
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers of key employees of the organization		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?		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?		

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 SEE SCHEDULE O
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 ▶ SHARON PRATHER 3623 22ND PLACE LUBBOCK TX 79410 806-725-6089

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** 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.

- 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, if any. 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(1) JOHN C. ANDERSON BOARD MEMBER	1	X						0.	0.	0.
(2) R. BYRN BASS BOARD MEMBER	1	X						0.	0.	0.
(3) SUZANNE BLAKE BOARD MEMBER	1	X						0.	0.	0.
(4) RAYMOND BRIGHAM, PH.D. BOARD MEMBER	1	X						0.	0.	0.
(5) ABEL CASTRO BOARD MEMBER	1	X						0.	0.	0.
(6) BETH ANN COCHRAN, MD BOARD MEMBER	1	X						0.	0.	0.
(7) MIKE CUNNINGHAM VICE CHAIRMAN	1	X		X				0.	0.	0.
(8) TED DOTTS BOARD MEMBER	1	X						0.	0.	0.
(9) RICHARD EDWARDS BOARD MEMBER	1	X						0.	116,377.	0.
(10) LES EUBANK BOARD MEMBER	1	X						0.	0.	0.
(11) SAM HAWTHORNE SECRE/TREASURER	1	X		X				0.	0.	0.
(12) BRENT HOFFMAN BOARD MEMBER	1	X						0.	0.	0.
(13) CHARLES KEY BOARD MEMBER	1	X						0.	0.	0.
(14) VAN MAY BOARD MEMBER	1	X						0.	0.	0.
(15) JACK MCCUTCHIN BOARD MEMBER	1	X						0.	0.	0.
(16) BRIAN NICHOLSON, MD BOARD MEMBER	1	X						0.	0.	0.
(17) BARRY ORR BOARD MEMBER	1	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (check all that apply) Individual trustee or director Institutional trustee Officer Key employee Highest compensated employee Former	(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
(18) EMMIE OVERTON BOARD MEMBER	1	X	0.	0.	0.
(19) DAN POPE BOARD MEMBER	1	X	0.	0.	0.
(20) MICHAEL ROBERTSON, MD BOARD MEMBER	1	X	0.	0.	0.
(21) ROBERT SALEM, MD BOARD MEMBER	1	X	0.	0.	0.
(22) JOHN SIMPSON BOARD MEMBER	1	X	0.	0.	0.
(23) CHRIS SIMS BOARD MEMBER	1	X	0.	0.	0.
(24) BILL WILLIAMS, MD BOARD MEMBER	1	X	0.	0.	0.
(25) KAREN WORLEY CHAIRMAN	1	X	0.	0.	0.
(26) JOHN ZWIACHER BOARD MEMBER	1	X	0.	0.	0.
(27) _____					
(28) _____					
(29) _____					
1 b Sub-total			0.	116,377.	0.
c Total from continuation sheets to Part VII, Section A			0.	0.	0.
d Total (add lines 1b and 1c)			0.	116,377.	0.

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

	Yes	No
3		X
4		X
5		X

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 or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

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

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 **0**

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	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f				
	g Noncash contributions included in lns 1a-1f \$					
h Total. Add lines 1a-1f						
PROGRAM SERVICE REVENUE	Business Code					
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
g Total. Add lines 2a-2f						
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		56,337.	56,337.		
	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	400,000.			
	b Less cost or other basis and sales expenses		359,615.			
	c Gain or (loss)		40,385.			
	d Net gain or (loss)		40,385.	40,385.		
	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						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions			96,722.	96,722.	0.	0.

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	200,134.	200,134.		
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	0.	0.	0.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
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	15,889.		15,889.	
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	8,581.		8,581.	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a -----				
b -----				
c -----				
d -----				
e -----				
f All other expenses				
25 Total functional expenses Add lines 1 through 24f	224,604.	200,134.	24,470.	0.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

BAA

Form 990 (2010)

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash – non-interest-bearing		1	
	2 Savings and temporary cash investments	198,824.	2	157,887.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a		
	b Less accumulated depreciation	10b	10c	
	11 Investments – publicly traded securities	2,858,903.	11	3,041,445.
	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		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,057,727.	16	3,199,332.	
LIABILITIES	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	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		25	
	26 Total liabilities. Add lines 17 through 25	0.	26	0.
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	3,057,727.	27	3,199,332.
	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.	3,057,727.	33	3,199,332.
	34 Total liabilities and net assets/fund balances.	3,057,727.	34	3,199,332.

BAA

Form 990 (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	96,722.
2	Total expenses (must equal Part IX, column (A), line 25)	2	224,604.
3	Revenue less expenses Subtract line 2 from line 1	3	-127,882.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,057,727.
5	Other changes in net assets or fund balances (explain in Schedule O) SEE SCHEDULE O	5	269,487.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	3,199,332.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

☐

- 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?
- 2b 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 separate basis, consolidated 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		
3a		X
3b		

BAA

Form 990 (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

LUBBOCK METHODIST HOSPITAL SYSTEM

Employer identification number

75-2221668

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

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

- 1 ☐ A church, convention of churches or association of churches 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 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 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?

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A) NW TEXAS CONF OF THE UNITED METH CH									
(B)	75-1087424	01	X						0.
(C)									
(D)									
(E)									
Total									0.

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

Schedule A (Form 990 or 990-EZ) 2010

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include 'unusual grants'.)						
2 Tax revenues levied for the organization's benefit and either paid to it 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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 2010 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	%
16a 33-1/3% support test – 2010. If the organization did not check the box on line 13, and the 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 – 2009. 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 – 2010. 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 – 2009. 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"/>		

BAA

Schedule A (Form 990 or 990-EZ) 2010

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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a **33-1/3% support tests — 2010.** 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 — 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

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

SCHEDULE I
(Form 990)

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

OMB No 1545-0047

2010

Department of the Treasury
Internal Revenue Service

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



Name of the organization

LUBBOCK METHODIST HOSPITAL SYSTEM

Employer identification number

75-2221668

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ **Yes** ☐ **No**

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Part II can be duplicated if additional space is needed ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) COVENANT FOUNDATION 3623 22ND PLACE LUBBOCK, TX 79410	75-2897026	501 (C) (3)	175,134.	0.			R. SALEM MD HISTORICAL COLLECTION
(2) COVENANT FOUNDATION 3623 22ND PLACE LUBBOCK, TX 79410	75-2897026	501 (C) (3)	25,000.	0.			UNDERWRITING LECTURE SERIES
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

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

2

3 Enter total number of other organizations

0

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

TEEA3901L 10/29/10

Schedule I (Form 990) 2010

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

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

This image shows a vertical rectangular sheet of white paper designed for handwriting practice. It features ten evenly spaced, horizontal dashed lines running from the left edge to the right edge. The lines are thin and black, providing a guide for letter height and placement. There are no margins, text, or other markings on the page.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

Name of the organization

LUBBOCK METHODIST HOSPITAL SYSTEM

Employer identification number

75-2221668

FORM 990, PART III, LINE 1 - ORGANIZATION MISSION

THE PURPOSE OF LUBBOCK METHODIST HOSPITAL SYSTEM (LMHS) IS TO ASSIST ST. JOSEPH
HEALTH SYSTEM IN THE GOVERNMENT AND FULFILLMENT OF COVENANT HEALTH SYSTEM MISSION.
THE MISSION OF COVENANT HEALTH SYSTEM IS TO EXTEND CHRISTIAN MINISTRY BY CARING FOR
THE WHOLE PERSON - BODY, MIND, AND SPIRIT - AND BY WORKING WITH OTHERS TO IMPROVE
HEALTH AND QUALITY OF LIFE IN OUR COMMUNITIES.

FORM 990, PART III, LINE 4A - PROGRAM SERVICE ACCOMPLISHMENTS

THE LUBBOCK METHODIST HOSPITAL SYSTEM (LMHS) BOARD MEETS FOUR TIMES A YEAR AND HAS
THREE ACTIVE COMMITTEES: OPERATING, OVERSIGHT AND NOMINATING. THE OPERATING
COMMITTEE DETERMINES THE FINANCIAL FEASIBILITY OF PROJECTS, ACTS, AND UNDERTAKINGS
REFERRED TO IT BY THE BOARD; REVIEWS FINANCIAL STATEMENTS AND APPRAISES THE
PERFORMANCE OF LMHS; COUNSELS WITH THE BOARD AND THE OFFICERS ON CURRENT AND
LONG-TERM FISCAL AFFAIRS AND MAKES RECOMMENDATIONS TO THE BOARD CONCERNING THE FISCAL
AFFAIRS; RECOMMENDS POLICIES AND AGENCIES FOR THE MANAGEMENT OF FUNDS; OVERSEES
FINANCIAL AND LEGAL AUDIT NEEDS AND MAKES RECOMMENDATIONS; OVERSEES AND MAKES
RECOMMENDATIONS REGARDING INSURANCE NEEDS. IN SO DOING, THE BOARD SPONSORS BOTH THE
DEBAKEY LECTURESHIP SERIES AND FUNDS THE DR. ROBERT SALEM HISTORICAL COLLECTION. THE
OVERSIGHT COMMITTEE IS RESPONSIBLE FOR OVERSEEING THE RELATIONSHIP WITH COVENANT
HEALTH SYSTEM/ST. JOSEPH HEALTH SYSTEM. IN THIS ROLE, CORPORATE ALLOCATION IS
REVIEWED ON AN ANNUAL BASIS. THE NOMINATING COMMITTEE RECOMMENDS MEMBERS OF THE LMHS
BOARD, OFFICERS OF THE LMHS BOARD, AND MEMBERS OF THE COVENANT HEALTH SYSTEM BOARD.

FORM 990, PART VI, LINE 6 - EXPLANATION OF CLASSES OF MEMBERS OR SHAREHOLDER

THE NORTHWEST TEXAS CONFERENCE OF THE UNITED METHODIST CHURCH IS THE SOLE MEMBER OF
LUBBOCK METHODIST HOSPITAL SYSTEM.

Name of the organization

LUBBOCK METHODIST HOSPITAL SYSTEM

Employer identification number

75-2221668

FORM 990, PART VI, LINE 7A - HOW MEMBERS OR SHAREHOLDERS ELECT GOVERNING BODY

THE BOARD MEMBERS OF LUBBOCK METHODIST HOSPITAL SYSTEM ARE ELECTED BY THE NORTHWEST TEXAS CONFERENCE OF THE UNITED METHODIST CHURCH.

FORM 990, PART VI, LINE 7B - DECISIONS OF GOVERNING BODY APPROVAL BY MEMBERS OR SHAREHOLDERS

DECISIONS REQUIRING APPROVAL & TYPE OF VOTING RIGHTS

THE NORTHWEST TEXAS CONFERENCE OF THE UNITED METHODIST CHURCH, AS THE SOLE MEMBER OF LUBBOCK METHODIST HOSPITAL SYSTEM (LMHS), HAS THE FOLLOWING RIGHTS: A) ELECT THE MEMBERS OF THE LMHS BOARD OF DIRECTORS. B) APPROVE THE DISSOLUTION OF LMHS. C) APPROVE ANY AMENDMENTS TO THE LMHS ARTICLES AND/OR BYLAWS.

FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS

PROCESS USED BY MANAGEMENT AND/OR GOVERNING BODY TO REVIEW 990

THE FORM 990 IS PREPARED BY AN OUTSIDE ACCOUNTING FIRM. IT IS THEN REVIEWED BY THE CONTROLLER AND THE CFO OF CHS. THE FORM 990 IS REVIEWED BY THE CHAIR OF THE OPERATING COMMITTEE OF LUBBOCK METHODIST HOSPITAL SYSTEM BOARD AND A SUMMARY IS PRESENTED TO THE OPERATING COMMITTEE AND REPORTED ON AT AN LMHS BOARD MEETING.

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

LUBBOCK METHODIST HOSPITAL SYSTEM MAKES ITS GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

LUBBOCK METHODIST HOSPITAL SYSTEM

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Employer identification number

75-2221668

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

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	(g) Sec 512(b)(13) controlled entity?
(1) NW TEXAS CONFERENCE OF THE UMC 1401 AVENUE M LUBBOCK, TX 79401 75-1087424	RELIGIOUS	TX	501 (C) (3)	1	N/A	X
(3) -----						
(4) -----						
(5) -----						
(6) -----						
(7) -----						

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 organizations treated as a partnership during the tax year.)

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

(2) -----												

(3) -----												

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
(1) -----							

(2) -----							

(3) -----							

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

Note		Yes	No
1 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?			
a	Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		X
b	Gift, grant, or capital contribution to other organization(s)		X
c	Gift, grant, or capital contribution from other organization(s)		X
d	Loans or loan guarantees to or for other organization(s)		X
e	Loans or loan guarantees by other organization(s)		X
f	Sale of assets to other organization(s)		X
g	Purchase of assets from other organization(s)		X
h	Exchange of assets		X
i	Lease of facilities, equipment, or other assets to other organization(s)		X
j	Lease of facilities, equipment, or other assets from other organization(s)		X
k	Performance of services or membership or fundraising solicitations for other organization(s)		X
l	Performance of services or membership or fundraising solicitations by other organization(s)		X
m	Sharing of facilities, equipment, mailing lists, or other assets		X
n	Sharing of paid employees		X
o	Reimbursement paid to other organization for expenses		X
p	Reimbursement paid by other organization for expenses		X
q	Other transfer of cash or property to other organization(s)		X
r	Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Dispropor- tionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) ----- ----- ----- -----										
(2) ----- ----- ----- -----										
(3) ----- ----- ----- -----										
(4) ----- ----- ----- -----										
(5) ----- ----- ----- -----										
(6) ----- ----- ----- -----										
(7) ----- ----- ----- -----										
(8) ----- ----- ----- -----										

Part VII	Supplemental Information
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Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

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SCHEDULE O - SUPPLEMENTAL INFORMATION

PAGE 1

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LUBBOCK METHODIST HOSPITAL SYSTEM

75-2221668

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FORM 990, PART XI, LINE 5
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

NET UNREALIZED GAINS OR LOSSES ON INVESTMENTS

	\$	269,487.
TOTAL	\$	<u>269,487.</u>