



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



Form **990**  
 Department of the Treasury  
 Internal Revenue Service

**Return of Organization Exempt From Income Tax**  
**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)**  
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047  
**2010**  
**Open to Public Inspection**

**A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011**

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

**C** Name of organization  
 HAMILTON CENTER INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite  
 620 EIGHTH AVENUE

City or town, state or country, and ZIP + 4  
 TERRE HAUTE, IN 47804

**D** Employer identification number  
 35-1140758

**E** Telephone number  
 (812) 231-8323

**G** Gross receipts \$ 32,303,921

**F** Name and address of principal officer  
 SUE THOMPSON  
 620 EIGHTH AVENUE  
 TERRE HAUTE, IN 47804

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

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

**H(c)** Group exemption number

**I** Tax-exempt status  501(c)(3)  501(c) ( ) (Insert no )  4947(a)(1) or  527

**J** Website: WWW.HAMILTONCENTER.ORG

**K** Form of organization  Corporation  Trust  Association  Other

**L** Year of formation 1966

**M** State of legal domicile IN

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities  
 HAMILTON CENTER PROVIDES OUTPATIENT AND DAY SERVICES TO MENTALLY ILL AND CHRONICALLY ADDICTED CHILDREN AND ADULTS, RESIDENTIAL AND INPATIENT SERVICES TO MENTALLY ILL ADULTS, PREVENTION AND EARLY INTERVENTION SERVICES TO CHILDREN AND FAMILIES AND REHABILITATION SERVICES TO DEVELOPMENTALLY DISABLED ADULTS

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

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	17
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	17
<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a)	860
<b>6</b> Total number of volunteers (estimate if necessary)	20
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	0
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	0

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	14,306,560	14,157,766
<b>9</b> Program service revenue (Part VIII, line 2g)	19,935,339	17,417,746
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	381,789	317,760
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	265,421	161,888
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	34,889,109	32,055,160
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	77,764	80,866
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	27,157,690	26,404,364
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	7,084,962	7,246,488
<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	34,320,416	33,731,718
<b>19</b> Revenue less expenses Subtract line 18 from line 12	568,693	-1,676,558

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	45,566,646	43,212,291
<b>21</b> Total liabilities (Part X, line 26)	7,114,970	6,406,591
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	38,451,676	36,805,700

**Part II Signature Block**

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

**Sign Here**

\*\*\*\*\*  
 Signature of officer  
 Date 2012-03-05

MEL BURKS CEO  
 Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name ANGELA L ZIRKELBACH CPA  
 Preparer's signature ANGELA L ZIRKELBACH CPA  
 Date  
 Check if self-employed  PTIN  
 Firm's name BLUE & CO LLC  
 Firm's EIN  
 Firm's address ONE AMERICAN SQUARE 2200 INDIANAPOLIS, IN 46282  
 Phone no (317) 633-4705

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

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III  Yes  No

**1** Briefly describe the organization's mission

HAMILTON CENTER EXISTS TO PROVIDE QUALITY BEHAVIORAL HEALTHCARE, WELLNESS, AND HUMAN DEVELOPMENT SERVICES TO OUR COMMUNITY

**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 \$ 17,502,151 including grants of \$ 80,866 ) (Revenue \$ 12,863,864 )

HAMILTON CENTER PROVIDES OUTPATIENT COUNSELING SERVICES IN TEN COUNTIES THROUGHOUT CENTRAL AND WEST CENTRAL INDIANA INCLUDING VIGO, SULLIVAN, OWEN, GREENE, PUTNAM, CLAY, PARKE, VERMILLION, HENDRICKS AND MARION SERVICES ARE PROVIDED BY A VARIETY OF PROFESSIONAL STAFF WITH VARIOUS SPECIALTY AREAS SOME OF WHOM INCLUDE PSYCHIATRISTS, PSYCHOLOGISTS, SOCIAL WORKERS, LICENSED MENTAL HEALTH COUNSELORS, ADDICTION THERAPISTS, AND LICENSED MARRIAGE AND FAMILY THERAPISTS TREATMENT IS INDIVIDUALIZED, PERSON CENTERED AND RECOVERY BASED TREATMENT IS TAILORED TO BE AS BRIEF AS NECESSARY AND IS ORIENTED TOWARD IMPROVING THE PATIENT'S QUALITY OF LIFE AND FUNCTIONING - WORK, SCHOOL AND FAMILY ACTIVITIES SERVICES INCLUDE INDIVIDUAL, MARITAL, GROUP AND FAMILY THERAPY, AS WELL AS PSYCHOLOGICAL TESTING, PSYCHIATRIC EVALUATION/TREATMENT AND ADDICTION SERVICES DURING THE CURRENT YEAR, HAMILTON CENTER PROVIDED 341,620 OUTPATIENT VISITS TO 10,682 CLIENTS

**4b** (Code ) (Expenses \$ 2,792,470 including grants of \$ 0 ) (Revenue \$ 1,869,575 )

HAMILTON CENTER'S RESIDENTIAL SERVICES ARE ROOTED IN THE BELIEF THAT THE TREATMENT OF PERSONS IN NEED OF LONGER TERM CARE BE BASED IN AN AUTHENTIC AND LEAST RESTRICTIVE ENVIRONMENT WHICH IS COMMUNITY-BASED AND ENCOURAGES INTERACTION WITH OTHERS OUR GOAL IS TO ASSIST CLIENTS IN LIVING IN THE COMMUNITY WITH INDEPENDENCE, SELF-WORTH AND DIGNITY RESIDENTIAL SERVICES INCLUDE 24-HOUR SUPERVISED GROUP HOMES, SEMI-INDEPENDENT LIVING, AND SUPPORTED LIVING ARRANGEMENTS WHERE A CLIENT OBTAINS HIS/HER OWN HOUSING AND RECEIVES SUPERVISION FROM HAMILTON CENTER'S STAFF RESIDENTIAL SERVICES ARE PROVIDED IN VIGO AND MARION COUNTIES DURING THE CURRENT YEAR, HAMILTON CENTER PROVIDED 21,080 RESIDENTIAL DAYS TO 113 CLIENTS

**4c** (Code ) (Expenses \$ 2,137,326 including grants of \$ 0 ) (Revenue \$ 2,040,666 )

HAMILTON CENTER OPERATES A 24-HOUR ADULT PSYCHIATRIC INPATIENT UNIT WHICH IS LICENSED BY THE INDIANA DIVISION OF MENTAL HEALTH AND ADDICTION OUR 16-BED UNIT PROVIDES SHORT-TERM STABILIZATION AND TREATMENT FOR BEHAVIORAL AND ADDICTION DISORDERS INPATIENT TREATMENT USUALLY BEGINS WITH A HOLISTIC ASSESSMENT OF THE INDIVIDUAL'S PHYSICAL HEALTH, EMOTIONAL HEALTH, FAMILY LIFE, SOCIAL INTERACTION AND EMPLOYMENT HISTORY TREATMENT IS CONDUCTED BY A TEAM OF PROFESSIONALS WHICH INCLUDES PHYSICIANS, PSYCHIATRISTS, SOCIAL WORKERS, NURSES, ACTIVITY THERAPISTS, PSYCHIATRIC TECHNICIANS, PSYCHOLOGISTS, CASE MANAGERS AND OTHER SPECIALISTS STAFF PSYCHIATRISTS MAKE PSYCHIATRIC EVALUATIONS AND DIAGNOSES, PROVIDE DIRECT TREATMENT AND MONITOR INDIVIDUAL PROGRESS TREATMENT GOALS ARE INDIVIDUALIZED AND DEVELOPED BY THE CLIENT AND THE TREATMENT TEAM SERVICES TAKE PLACE IN A SUPPORTIVE ENVIRONMENT, WHICH PROMOTES UNDERSTANDING OF THE ILLNESS, IMPROVES SELF-ESTEEM AND COMMUNICATION SKILLS, AND HELPS THE CLIENT'S SUPPORT SYSTEM UNDERSTAND THE ILLNESS AND ASSIST IN CARE THE OBJECTIVE DURING A CLIENT'S STAY IS TO ACHIEVE STABILIZATION SO THAT HE/SHE CAN RETURN TO A LESS RESTRICTIVE ENVIRONMENT AS SOON AS POSSIBLE WITH FOLLOW-UP OUTPATIENT CARE DURING THE CURRENT YEAR, HAMILTON CENTER PROVIDED 4,880 INPATIENT DAYS TO 546 CLIENTS

**4d** Other program services (Describe in Schedule O ) **See also Additional Data for Description**  
(Expenses \$ 3,138,213 including grants of \$ ) (Revenue \$ 734,511 )

**4e Total program service expenses** \$ 25,570,160

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i>	Yes	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	Yes	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i>		No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i>	Yes	
<b>5</b> 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? <i>If "Yes," complete Schedule C, Part III.</i>		
<b>6</b> 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>		No
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II.</i>		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i>		No
<b>9</b> Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i>	Yes	
<b>10</b> 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>	Yes	
<b>11</b> 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		
<b>a</b> 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>	Yes	
<b>b</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? <i>If "Yes," complete Schedule D, Part VII.</i>		No
<b>c</b> 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>		No
<b>d</b> 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>	Yes	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
<b>f</b> 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)? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
<b>12a</b> 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>		No
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		No
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV.</i>		No
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S? <i>If "Yes," complete Schedule F, Parts II and IV.</i>		No
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S? <i>If "Yes," complete Schedule F, Parts III and IV.</i>		No
<b>17</b> 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 (see instructions).</i>		No
<b>18</b> 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>	Yes	
<b>19</b> 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>		No
<b>20a</b> Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i>	Yes	
<b>b</b> If "Yes" to line 20a, did the organization attach its audited financial statement to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	Yes	

**Part IV Checklist of Required Schedules** *(continued)*

<b>21</b> 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> . . . . . <input checked="" type="checkbox"/>	<b>21</b>	Yes	
<b>22</b> 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> . . . . . <input checked="" type="checkbox"/>	<b>22</b>		No
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . . <input checked="" type="checkbox"/>	<b>23</b>	Yes	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25</i> . . . . .	<b>24a</b>		No
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>		
<b>25a Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . . <input checked="" type="checkbox"/>	<b>25a</b>		No
<b>b</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> . . . . . <input checked="" type="checkbox"/>	<b>25b</b>		No
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . . <input checked="" type="checkbox"/>	<b>26</b>		No
<b>27</b> 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> . . . . . <input checked="" type="checkbox"/>	<b>27</b>		No
<b>28</b> 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)			
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . . <input checked="" type="checkbox"/>	<b>28a</b>		No
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . . <input checked="" type="checkbox"/>	<b>28b</b>		No
<b>c</b> 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> . . . . . <input checked="" type="checkbox"/>	<b>28c</b>	Yes	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	<b>29</b>		No
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>30</b>		No
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	<b>31</b>		No
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	<b>32</b>		No
<b>33</b> 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> . . . . . <input checked="" type="checkbox"/>	<b>33</b>		No
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . . <input checked="" type="checkbox"/>	<b>34</b>	Yes	
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . . . .	<b>35</b>	Yes	
<b>a</b> 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 checked="" type="checkbox"/> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . . <input checked="" type="checkbox"/>	<b>36</b>		No
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> <input checked="" type="checkbox"/>	<b>37</b>		No
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b>	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . . [ ]

Table with columns for question ID, question text, and Yes/No response. Rows include questions 1a-1b, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year (17); 1b Enter the number of voting members included in line 1a, above, who are independent (17); 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? (No); 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (No); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (No); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (No); 6 Does the organization have members or stockholders? (No); 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (No); 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (Yes); 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (No); 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11b 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 (Yes); 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (Yes); 13 Does the organization have a written whistleblower policy? (Yes); 14 Does the organization have a written document retention and destruction policy? (Yes); 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (Yes); 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (No); 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

Table with 1 column: Question. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed IN; 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply: Own website, Another's website, Upon request; 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table; 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: SUE THOMPSON, 620 EIGHTH AVENUE, TERRE HAUTE, IN 47804, (812) 231-8323.



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

(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			
See Additional Data Table										
<b>1b Sub-Total</b>										
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>							1,447,174	0	188,540	

**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 **11**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
NETECH CORPORATION 12272 HANCOCK ST CARMEL, IN 46032	CONTRACTED PHONE SYSTEM SERVICES	558,481
JR SCRIPTS PHARMACY NO 1 LLC 13 MEADOWS CT TERRE HAUTE, IN 47803	PHARMACY SERVICES	189,584
UNION HOSPITAL 1606 N 7TH ST TERRE HAUTE, IN 47804	DIETARY, LAUNDRY AND PHARMACY SERVICES	133,957
ADVANTAGE COUNSELING 1005 E MAIN ST PLAINFIELD, IN 46168	CONTRACTED DIRECT SERVICE PROVIDER	127,032
UNICARE SYSTEMS 540 NORTH TAMiami TRAIL SARASOTA, FL 34236	CONTRACTED COMPUTER MAINTENANCE	111,404

**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 **5**

**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	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . . <b>1a</b>					
	<b>b</b> Membership dues . . . . . <b>1b</b>					
	<b>c</b> Fundraising events . . . . . <b>1c</b>					
	<b>d</b> Related organizations . . . . . <b>1d</b>					
	<b>e</b> Government grants (contributions) . . . . . <b>1e</b>	13,999,829				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . . <b>1f</b>	157,937				
	<b>g</b> Noncash contributions included in lines 1a-1f \$					
	<b>h Total.</b> Add lines 1a-1f . . . . .	14,157,766				
	<b>Program Service Revenue</b>	<b>2a</b> NET PATIENT SERVICE RE	900099	17,417,746	17,417,746	
<b>b</b> _____						
<b>c</b> _____						
<b>d</b> _____						
<b>e</b> _____						
<b>f</b> All other program service revenue						
<b>g Total.</b> Add lines 2a-2f . . . . .			17,417,746			
<b>Other Revenue</b>		<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .		363,500		363,500
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .					
	<b>5</b> Royalties . . . . .					
	<b>6a</b> Gross Rents	(i) Real				
		(ii) Personal				
		<b>b</b> Less rental expenses				
		<b>c</b> Rental income or (loss)				
	<b>d</b> Net rental income or (loss) . . . . .					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	152,057	40,800		
		(ii) Other				
		<b>b</b> Less cost or other basis and sales expenses	135,102	103,495		
		<b>c</b> Gain or (loss)	16,955	-62,695		
<b>d</b> Net gain or (loss) . . . . .		-45,740		-45,740		
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . <b>a</b>			17,566			
	<b>b</b> Less direct expenses . . . . . <b>b</b>		10,164			
	<b>c</b> Net income or (loss) from fundraising events . . . . .		7,402		7,402	
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . . <b>a</b>						
	<b>b</b> Less direct expenses . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from gaming activities . . . . .					
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>						
	<b>b</b> Less cost of goods sold . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . . . .					
<b>11a</b> REPREST PAYEE FEES	Miscellaneous Revenue	900099	90,870	90,870		
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> All other revenue . . . . .		63,616		63,616	
	<b>e Total.</b> Add lines 11a-11d . . . . .		154,486			
<b>12 Total revenue.</b> See Instructions . . . . .		32,055,160	17,508,616	0	388,778	

**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
<b>1</b>	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	80,866	80,866		
<b>2</b>	Grants and other assistance to individuals in the U S See Part IV, line 22				
<b>3</b>	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
<b>4</b>	Benefits paid to or for members				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .	537,705	261,928	275,777	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages	19,430,677	14,836,308	4,594,369	
<b>8</b>	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	1,042,342	745,136	297,206	
<b>9</b>	Other employee benefits . . . . .	3,869,517	3,134,858	734,659	
<b>10</b>	Payroll taxes . . . . .	1,524,123	1,195,207	328,916	
<b>a</b>	Fees for services (non-employees)				
	Management . . . . .				
<b>b</b>	Legal . . . . .	49,437	22,022	27,415	
<b>c</b>	Accounting . . . . .	79,858	35,573	44,285	
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising services See Part IV, line 17 . . . . .				
<b>f</b>	Investment management fees . . . . .	31,191	13,894	17,297	
<b>g</b>	Other . . . . .	159,076	70,862	88,214	
<b>12</b>	Advertising and promotion . . . . .	154,482	70,987	83,495	
<b>13</b>	Office expenses . . . . .	965,599	795,727	169,872	
<b>14</b>	Information technology . . . . .				
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	1,318,556	952,954	365,602	
<b>17</b>	Travel . . . . .	620,123	519,961	100,162	
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b>	Conferences, conventions, and meetings . . . . .	207,711	94,979	112,732	
<b>20</b>	Interest . . . . .				
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	1,291,854	979,164	312,690	
<b>23</b>	Insurance . . . . .	594,063	410,077	183,986	
<b>24</b>	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 )				
<b>a</b>	PURCHASED SERVICES	513,025	489,234	23,791	
<b>b</b>	DUES AND SUSBSRIPT	463,368	254,129	209,239	
<b>c</b>	BAD DEBTS	450,913	405,386	45,527	
<b>d</b>					
<b>e</b>					
<b>f</b>	All other expenses	347,232	200,908	146,324	
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24f	33,731,718	25,570,160	8,161,558	0
<b>26</b>	<b>Joint costs.</b> 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				

**Part X Balance Sheet**

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .		<b>1</b>	
	<b>2</b> Savings and temporary cash investments . . . . .	24,552,575	<b>2</b>	22,536,134
	<b>3</b> Pledges and grants receivable, net . . . . .	49,629	<b>3</b>	379,049
	<b>4</b> Accounts receivable, net . . . . .	2,864,097	<b>4</b>	2,484,360
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> 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) Schedule L . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	329,131	<b>9</b>	233,767
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	28,345,385		
	<b>b</b> Less accumulated depreciation . . . . .	14,286,402	14,688,735	<b>10c</b> 14,058,983
	<b>11</b> Investments—publicly traded securities . . . . .	824,066	<b>11</b>	1,216,924
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .	2,258,413	<b>15</b>	2,303,074
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	45,566,646	<b>16</b>	43,212,291	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	4,239,780	<b>17</b>	3,660,502
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	43,521	<b>19</b>	57,670
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities Complete Part X of Schedule D . . . . .	2,831,669	<b>25</b>	2,688,419
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	7,114,970	<b>26</b>	6,406,591
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	36,911,350	<b>27</b>	35,267,166
	<b>28</b> Temporarily restricted net assets . . . . .	1,540,326	<b>28</b>	1,538,534
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	38,451,676	<b>33</b>	36,805,700	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	45,566,646	<b>34</b>	43,212,291	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	32,055,160
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	33,731,718
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	-1,676,558
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	38,451,676
<b>5</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>5</b>	30,582
<b>6</b>	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	<b>6</b>	36,805,700

**Part XII Financial Statements and Reporting**

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

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
<b>b</b>	Were the organization's financial statements audited by an independent accountant?	Yes	
<b>c</b>	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
<b>d</b>	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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
<b>3a</b>	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?	Yes	
<b>b</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	

**SCHEDULE A**  
(Form 990 or 990EZ)

**Public Charity Status and Public Support**

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization  
HAMILTON CENTER INC

Employer identification number

35-1140758

**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 to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h  
 a  Type I      b  Type II      c  Type III - Functionally integrated      d  Type III - Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f  If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?  
 (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?  
 (ii) a family member of a person described in (i) above?  
 (iii) a 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

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

**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
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
<b>6 Public Support.</b> 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
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>11 Total support</b> (Add lines 7 through 10)						
<b>12</b> Gross receipts from related activities, etc (See instructions )					<b>12</b>	

**13 First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** **Section C. Computation of Public Support Percentage**

<b>14</b> Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	<b>14</b>	
<b>15</b> Public Support Percentage for 2009 Schedule A, Part II, line 14	<b>15</b>	

**16a 33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **b 33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **17a 10%-facts-and-circumstances test—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 **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 **18 Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

**Part III Support Schedule for Organizations Described in 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 year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public Support</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support</b> (Add lines 9, 10c, 11 and 12)						
<b>14 First Five Years</b> 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 <b>stop here</b> 						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2009 Schedule A, Part III, line 15	<b>16</b>	

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

<b>17</b> Investment income percentage for <b>2010</b> (line 10c column (f) divided by line 13 column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2009</b> Schedule A, Part III, line 17	<b>18</b>	
<b>19a 33 1/3% support tests—2010.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization 		
<b>b 33 1/3% support tests—2009.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization 		
<b>20 Private Foundation</b> If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

**Part IV** **Supplemental Information.** Supplemental Information. Complete this part to provide the 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).

---

<b>Facts And Circumstances Test</b>
-------------------------------------

--

--

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 35-1140758  
**Name:** HAMILTON CENTER INC

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
LOUISE ANDERSON BOARD PRESIDENT	1 00	X						0	0	0
RICHARD PITTELKOW BOARD VICE PRESIDENT	1 00	X						0	0	0
CARY SPARKS BOARD TREASURER	1 00	X						0	0	0
REBECCA PORTER BOARD SECRETARY	1 00	X						0	0	0
TERRY BARR BOARD MEMBER 7 1-8 1 10	1 00	X						0	0	0
TONY BREWER BOARD MEMBER 7 1-1 1 11	1 00	X						0	0	0
JAMES CLAYTON BOARD MEMBER 7 1-11 1 10	1 00	X						0	0	0
MICHAEL HAGEMEYER BOARD MEMBER	1 00	X						0	0	0
JOHN HANCEWICS BOARD MEMBER	1 00	X						0	0	0
MARJORIE HAYS BOARD MEMBER	1 00	X						0	0	0
JAMES JENKINS BOARD MEMBER	1 00	X						0	0	0
JIM LUZAR BOARD MEMBER	1 00	X						0	0	0
SHARON MELLOH BOARD MEMBER	1 00	X						0	0	0
MAX MILLER BOARD MEMBER	1 00	X						0	0	0
BOBBY MOORE BOARD MEMBER	1 00	X						0	0	0
RYAN OILAR BOARD MEMBER	1 00	X						0	0	0
ROBERT RENDACI BOARD MEMBER	1 00	X						0	0	0
ROBERT RHODES BOARD MEMBER	1 00	X						0	0	0
SARAH THOMAS BOARD MEMBER	1 00	X						0	0	0
DONNA WILSON BOARD MEMBER	1 00	X						0	0	0
GALEN GOODE CEO	40 00			X				218,624	0	34,698
SUE THOMPSON EXECUTIVE DIRECTOR OF FISCAL SERVICES	40 00			X				98,172	0	10,157
MEL BURKS CEO AS OF JANUARY 2012	0 00			X				0	0	0
DAVID K HILTON MEDICAL DIRECTOR	40 00				X			223,271	0	23,129
ABDUL SUBHAN PSYCHIATRIST	40 00					X		185,962	0	18,528

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
SHASHIKANT S PATEL PSYCHIATRIST	40 00					X		185,674	0	26,973
MATHEWS JOHN PSYCHIATRIST	40 00					X		183,391	0	36,276
RUTHGAYLE STITH PSYCHIATRIST	40 00					X		180,850	0	21,391
DAVID M THOMAS PSYCHIATRIST	40 00					X		171,230	0	17,388

**Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)**

**4d. Other program services**

(Code ) (Expenses \$ 2,121,128 including grants of \$ 0 ) (Revenue \$ 0 )  
INFANT AND TODDLER SERVICES PROGRAMS ARE EARLY CHILDHOOD PROGRAMS FOR FAMILIES WITH CHILDREN FROM BIRTH TO THREE YEARS OF AGE THEIR FOCUS IS TO PROVIDE EXCELLENT SUPPORTIVE, EDUCATIONAL AND THERAPEUTIC SERVICES TO ENHANCE THE LIVES OF INFANTS, YOUNG CHILDREN AND THEIR FAMILIES ADMISSION CRITERIA IS DIFFERENT FOR EACH PROGRAM, BUT ALL SERVICES ARE FREE OF CHARGE TO FAMILIES INFANT AND TODDLER SERVICES PROGRAMS ARE PREVENTATIVE IN NATURE AND WORK WITH CHILDREN AND FAMILIES TO BUILD ON THEIR STRENGTHS WE RECOGNIZE THAT FAMILIES WITH YOUNG CHILDREN DEAL WITH CHALLENGING AND OFTEN STRESSFUL SITUATIONS OUR PROGRAMS ARE DESIGNED TO MEET EACH FAMILY'S INTERESTS AND PRIORITIES AS RELATED TO THEIR CHILD'S GROWTH AND DEVELOPMENT SERVICES INCLUDE WRITTEN INFORMATION, ASSISTANCE IN CONNECTING WITH COMMUNITY SERVICES AND/OR EXTENDED SUPPORT THROUGH HOME VISITS OR GROUP ACTIVITIES INFANT AND TODDLER SERVICES CONSISTS OF THREE MAJOR PROGRAMS INCLUDING FIRST STEPS, EARLY HEAD START AND HEALTHY FAMILIES EARLY HEAD START IS OFFERED IN VIGO COUNTY HEALTHY FAMILIES IS OFFERED IN GREENE, VERMILLION, VIGO AND SULLIVAN COUNTIES IN INDIANA FIRST STEPS IS OFFERED IN CLAY, DAVIESS, GREENE, KNOX, MARTIN, OWEN, PARKE, PUTNAM, SULLIVAN, VERMILLION AND VIGO COUNTIES DURING THE CURRENT YEAR, FIRST STEPS SERVED 2618 CHILDREN, EARLY HEAD START SERVED 128 CHILDREN, AND HEALTHY FAMILIES SERVED 325 CHILDREN

(Code ) (Expenses \$ 1,017,085 including grants of \$ 0 ) (Revenue \$ 734,511 )  
SPECTRUM SERVICES IS THE NAME OF HAMILTON CENTER'S REHABILITATION DIVISION THIS DIVISION PROVIDES SERVICES FOR PERSONS WITH DISABILITIES IN THE FORM OF COMMUNITY AND FACILITY HABILITATION, MUSIC THERAPY, PRE-VOCATIONAL AND SUPPORTED EMPLOYMENT THE ULTIMATE GOAL FOR THIS PROGRAMMING IS TO MAXIMIZE INDEPENDENT LIVING AND FULL COMMUNITY INCLUSION SPECTRUM SERVICES IS ACCREDITED BY CARF, THE REHABILITATION ACCREDITATION COMMISSION DURING THE CURRENT YEAR, HAMILTON CENTER REHABILITATION SERVICES SERVED 180 CLIENTS

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

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

2010

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 V, line 46 (Political Campaign Activities), then

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

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

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

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

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

Table with 2 columns: Name of the organization (HAMILTON CENTER INC) and Employer identification number (35-1140758)

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?
4a Was a correction made?
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?
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization

**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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)														
<b>d</b> Other exempt purpose expenditures														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)														
<b>f</b> Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%; text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)														
<b>h</b> Subtract line 1g from line 1a If zero or less, enter -0-														
<b>i</b> Subtract line 1f from line 1c If zero or less, enter -0-														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

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

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
<b>2a</b> Lobbying non-taxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots non-taxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

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

	(a)		(b)
	Yes	No	Amount
<b>1</b> 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			
<b>a</b> Volunteers?		No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
<b>c</b> Media advertisements?		No	
<b>d</b> Mailings to members, legislators, or the public?		No	
<b>e</b> Publications, or published or broadcast statements?		No	
<b>f</b> Grants to other organizations for lobbying purposes?		No	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
<b>i</b> Other activities? If "Yes," describe in Part IV	Yes		4,892
<b>j</b> Total lines 1c through 1i			4,892
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	<b>1</b>	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	<b>2</b>	
<b>3</b> Did the organization agree to carryover lobbying and political expenditures from the prior year?	<b>3</b>	

**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".**

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	
<b>2</b> Section 162(e) non-deductible lobbying and political expenditures ( <b>do not include amounts of political expenses for which the section 527(f) tax was paid</b> ).		
<b>a</b> Current year	<b>2a</b>	
<b>b</b> Carryover from last year	<b>2b</b>	
<b>c</b> Total	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	
<b>4</b> 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?	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**Part IV Supplemental Information**

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

Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	PORTION OF DUES ATTRIBUTED TO LOBBYING PAID TO THE FOLLOWING ORGANIZATIONS IN ASSOCIATION OF REHABILITATION FACILITIES, INDIANA HEALTH AND HOSPITAL, IN COUNCIL OF COMMUNITY MENTAL HEALTH CENTERS AND THE TERRE HAUTE CHAMBER OF COMMERCE

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2010

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization HAMILTON CENTER INC

Employer identification number 35-1140758

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

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

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply): Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X \$

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

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

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

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

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

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

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

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

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance (123,743), 1d Additions during the year (2,140,340), 1e Distributions during the year (1,819,589), 1f Ending balance (444,493)

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

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

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

Table with 6 columns: (a) Current Year, (b) Prior Year, (c) Two Years Back, (d) Three Years Back, (e) Four Years Back. Rows: 1a Beginning of year balance, b Contributions, c Investment earnings or losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance

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

- a Board designated or quasi-endowment, b Permanent endowment 0.970%, c Term endowment 99.170%

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

Table with 3 columns: Description, Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b 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.

Table with 5 columns: Description of investment, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)



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

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

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

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

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

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

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
	PART IV, LINE 1B	HELD FUNDS FOR PATIENTS - REPRESENTATIVE PAYEE ACCOUNTS
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE MAJORITY OF ENDOWMENT FUNDS ARE TEMPORARILY RESTRICTED NET ASSETS THESE FUNDS ARE LIMITED BY DONORS TO A SPECIFIC TIME PERIOD OR PURPOSE RESTRICTIONS PRIMARILY RELATE TO UTILIZING ASSETS FOR SPECIFIC BEHAVIORAL HEALTH AND EDUCATION PROGRAMS THE REMAINDER OF THE ENDOWMENT FUNDS ARE HELD BY A COMMUNITY FOUNDATION TRUST ON BEHALF OF HAMILTON CENTER WITH ONLY THE INVESTMENT INCOME AVAILABLE FOR THE CENTER'S CHARITABLE PURPOSE
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRE MANAGEMENT TO EVALUATE TAX POSITIONS TAKEN BY THE CENTER AND RECOGNIZE A TAX LIABILITY IF THE CENTER HAS TAKEN AN UNCERTAIN POSITION THAT MORE LIKELY THAN NOT WOULD NOT BE SUSTAINED UPON EXAMINATION BY VARIOUS FEDERAL AND STATE TAXING AUTHORITIES MANAGEMENT HAS ANALYZED THE TAX POSITIONS TAKEN BY THE CENTER, AND HAS CONCLUDED THAT AS OF JUNE 30, 2011 AND 2010, THERE ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTED TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF A LIABILITY OR DISCLOSURE IN THE ACCOMPANYING FINANCIAL STATEMENTS THE CENTER IS SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS
		PARTS XI, XII, AND XIII ARE NOT REQUIRED AS THE ORGANIZATION IS PART OF A CONSOLIDATED FINANCIAL STATEMENT THE CONSOLIDATED FINANCIAL STATEMENTS ARE AUDITED BY AN INDEPENDENT ACCOUNTING FIRM AND PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

SCHEDULE G (Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2010

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization HAMILTON CENTER INC

Employer identification number 35-1140758

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations, b Internet and e-mail solicitations, c Phone solicitations, d In-person solicitations, e Solicitation of non-government grants, f Solicitation of government grants, g Special fundraising events

2a Did the organization have a written or oral agreement with any individual... Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements...

Table with 6 columns: (i) Name and address of individual or entity (fundraiser), (ii) Activity, (iii) Did fundraiser have custody or control of contributions?, (iv) Gross receipts from activity, (v) Amount paid to (or retained by) fundraiser listed in col (i), (vi) Amount paid to (or retained by) organization.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		<b>HAMILTON CENTER GOLF TOURNAMENT</b> (event type)	_____	_____	(Add col (a) through col (c))
			(event type)	(total number)	
<b>Revenue</b>	<b>1</b> Gross receipts . . . . .	17,366			17,366
	<b>2</b> Less Charitable contributions . . . . .				
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	17,366			17,366
<b>Direct Expenses</b>	<b>4</b> Cash prizes . . . . .	300			300
	<b>5</b> Non-cash prizes . . . . .	2,740			2,740
	<b>6</b> Rent/facility costs . . . . .	5,775			5,775
	<b>7</b> Food and beverages . . . . .				
	<b>8</b> Entertainment . . . . .				
	<b>9</b> Other direct expenses . . . . .	1,349			1,349
	<b>10</b> Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶				10,164
<b>11</b> Net income summary Combine lines 3 and 10 in column (d) . . . . . ▶				7,202	

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross revenue . . . . .				
<b>Direct Expenses</b>	<b>2</b> Cash prizes . . . . .				
	<b>3</b> Non-cash prizes . . . . .				
	<b>4</b> Rent/facility costs . . . . .				
	<b>5</b> Other direct expenses . . . . .				
<b>6</b> Volunteer labor . . . . .	<input type="checkbox"/> Yes      % <input type="checkbox"/> No	<input type="checkbox"/> Yes      % <input type="checkbox"/> No	<input type="checkbox"/> Yes      % <input type="checkbox"/> No		
<b>7</b> Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶					
<b>8</b> Net gaming income summary Combine lines 1 and 7 in column (d) . . . . . ▶					

**9** Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

**a** Is the organization licensed to operate gaming activities in each of these states? . . . . .  Yes  No

**b** If "No," Explain \_\_\_\_\_

**10a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? . . . . .  Yes  No

**b** If "Yes," Explain \_\_\_\_\_

- 11** Does the organization operate gaming activities with nonmembers? . . . . .  Yes  No
- 12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .  Yes  No

**13** Indicate the percentage of gaming activity operated in

<b>a</b> The organization's facility . . . . .	<b>13a</b>
<b>b</b> An outside facility . . . . .	<b>13b</b>

**14** Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶

Address ▶

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .  Yes  No

**b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_

**c** If "Yes," enter name and address

Name ▶

Address ▶

**16** Gaming manager information

Name ▶

Gaming manager compensation ▶ \$

Description of services provided ▶

- Director/officer                       Employee                       Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .  Yes  No

**b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$

**Part IV** Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

SCHEDULE H (Form 990)

Hospitals

OMB No 1545-0047

2010

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization HAMILTON CENTER INC

Employer identification number

35-1140758

Part I Financial Assistance and Certain Other Community Benefits at Cost

1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a. 1b If "Yes," is it a written policy? 2 If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. 3a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? 3b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? 5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? 5c 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? 6a Does the organization prepare a community benefit report during the tax year? 6b If "Yes," did the organization make it available to the public? Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Table with 7 columns: (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. Rows include Financial Assistance and Means-Tested Government Programs (a-d) and Other Benefits (e-k).

**Part II Community Building Activities** during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(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
<b>1</b> Physical improvements and housing						
<b>2</b> Economic development						
<b>3</b> Community support						
<b>4</b> Environmental improvements						
<b>5</b> Leadership development and training for community members						
<b>6</b> Coalition building						
<b>7</b> Community health improvement advocacy						
<b>8</b> Workforce development						
<b>9</b> Other						
<b>10 Total</b>						

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

		Yes	No
<b>1</b>	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . .		No
<b>2</b>	Enter the amount of the organization's bad debt expense (at cost) . . . . .		
<b>3</b>	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy . . . . .		
<b>4</b>	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 a portion of bad debt amounts as community benefit		

**Section B. Medicare**

<b>5</b>	Enter total revenue received from Medicare (including DSH and IME) . . . . .	<b>5</b>	891,018
<b>6</b>	Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	<b>6</b>	949,005
<b>7</b>	Subtract line 6 from line 5. This is the surplus or (shortfall) . . . . .	<b>7</b>	-57,987
<b>8</b>	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: <input checked="" type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

<b>9a</b>	Does the organization have a written debt collection policy? . . . . .	Yes	
<b>9b</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 . . . . .	Yes	

**Part IV Management Companies and Joint Ventures**

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



**Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 24

Name and address

Type of Facility (Describe)

1	See Additional Data Table
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

**Part VI Supplemental Information**

Complete this part to provide the following information

- 1 **Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6l, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 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 financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities 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 )
- 6 **Affiliated health care system.** 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
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 3C CHARITY CARE APPLICATION PROCESS WILL DETERMINE A PERSON'S ELIGIBILITY CHARITY CARE REVIEW COMMITTEE REVIEWS HEALTH AND MEDICAL INSURANCE COVERAGE, AVAILABILITY OF PAYMENT UNDER FEDERAL, STATE OR OTHER REIMBURSEMENT PROGRAM, CURRENT FEDERAL POVERTY INCOME GUIDELINES, TOTAL HOUSEHOLD INCOME, HOUSEHOLD SIZE, MEDICAL/FINANCIAL OBLIGATIONS AND LIVING EXPENSES, AND AVAILABILTY OF ALL OTHER ASSETS WHEN DETERMINING AN INDIVIDUALS ELIGIBLY FOR CHARITY CARE

Identifier	ReturnReference	Explanation
		PART I, LINE 7G THE SUBSIDIZED HEALTH SERVICES ARE FOR THE ACCESS CENTER THAT PROVIDES 24 HOUR CRISIS RESPONSE AND REFERRAL ASSISTANCE THE ORGANIZATION DOES NOT PROVIDE ANY SUBSIDIZED HEALTH SERVICES ATTRIBUTABLE TO PHYSICIAN CLINICS

Identifier	ReturnReference	Explanation
		PART III, LINE 4 SECTION A BAD DEBT EXPENSE LINE 2 FOOTNOTE TO ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSES MANAGEMENT ESTIMATES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS RECEIVABLE BASED ON AN EVALUATION OF HISTORICAL LOSSES, CURRENT ECONOMIC CONDITIONS, AND OTHER FACTORS UNIQUE TO ITS CUSTOMER BASE PART III, LINE 4 SECTION A BAD DEBT EXPENSE LINE 3 EXPLANATION FOR RATIONAL FOR INCLUDING OTHER BAD DEBT AMOUNT IN COMMUNITY BENEFIT NO OTHER BAD DEBT AMOUNTS HAVE BEEN INCLUDED AS COMMUNITY BENEFIT THE ORGANIZATION BELIEVES THAT IT ACCURATELY CAPTURES ALL CHARITY CARE DEDUCTIONS PROVIDED ACCORDING TO THE FINANCIAL ASSISTANCE POLICY AND THE AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS NEGLIGIBLE

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE SOURCE USED TO DETERMINE THE AMOUNT OF MEDICARE ALLOWABLE COSTS REPORTED FOR PART III, SECTION B, MEDICARE HAS BEEN PROVIDED FROM THE YEAR ENDED JUNE 30, 2011 REPORT HOSPITAL STATEMENT OF REIMBURSABLE COST

Identifier	ReturnReference	Explanation
		PART III, LINE 9B INSTALLMENT ARRANGEMENTS ARE AVAILABLE TO PATIENTS QUALIFYING FOR CHARITY CARE OR FINANCIAL ASSISTANCE COLLECTION OF DELINQUENT ACCOUNTS START AFTER 90 DAYS UNLESS FINANCIAL ARRANGEMENTS ARE MADE ANY EXTENUATING CIRCUMSTANCES ARE EVALUATED BY THE CHIEF FISCAL OFFICER PROCEEDING ANY LEGAL OR WRITE-OFF ACTION

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE ORGANIZATION ASSESS COMMUNITY NEEDS THROUGH VOLUNTEER BOARDS, COMMUNITY INVOLVEMENT, VOLUNTEERING, CUSTOMER SATISFACTION SURVEYS, AND BOARD SERVICE

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 THE ORGANIZATION INFORMS AND EDUCATES PATIENTS ABOUT ELIGIBILITY FOR ASSISTANCE DURING THE INITIAL CONTACT BY PHONE OR DURING THE FIRST "INTAKE" MEETING DURING THE INITIAL MEETING THE INDIVIDUAL RECEIVES AN "AFFIDAVIT FOR FINANCIAL ELIGIBILITY" FORM TO COMPLETE WHICH HELPS THE ORGANIZATION DETERMINE ELIGIBILITY FOR FEE REDUCTIONS ALSO, INDIVIDUALS CAN OBTAIN A BROCHURE FROM THE ORGANIZATION'S WEBSITE PROVIDING INFORMATION ABOUT SERVICES, FEES, AND FEE ADJUSTMENT ELIGIBILITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 GEOGRAPHIC AREA THE ORGANIZATION COMMUNITY INCLUDES THE FOLLOWING COUNTIES SERVED CLAY, GREEN, MARION, OWEN, PARKE, PUTNAM, SULLIVAN, VERMILLION, VIGO, AND HENDRICKS DEMOGRAPHICS POPULATION SERVED BASED ON INCOME LESS THAN \$8,000 64% \$8,000 - 9,999 3% \$10,000 - 14,999 5% \$15,000 - 19,999 4% \$20,000 - 29,999 4% \$30,000 + 9% UNKNOWN 11% POPULATION SERVED BASE ON AGE LESS THAN 3 11% 4 - 17 27% 18 - 24 12% 25 - 44 28% 45 - 64 19% 65 + 3%

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 THE ORGANIZATION FURTHERS ITS EXEMPT PURPOSE BY PROMOTING HEALTH OF THE COMMUNITY THROUGH THE FOLLOWING THE MAJORITY OF THE ORGANIZATION'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA THESE VOLUNTEERS ARE NEITHER EMPLOYEES NOR INDEPENDENT CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS THEREOF ANY SURPLUS FUNDS ARE APPLIED DIRECTLY OR INDIRECTLY TO IMPROVE SERVICES THE ORGANIZATION HAS A PRESENCE ON MANY COMMUNITY COLLABORATIVE COMMITTEES AND GROUPS SUCH AS THE TERRE HAUTE HOMELESS COALITION, LOCAL COORDINATING COUNCILS ON DRUG ABUSE IN SEVERAL COMMUNITIES, THE STATEWIDE COMMITTEE FOR DISASTER RELIEF AND EMERGENCY RESPONSE, A SPONSOR AND CONTRIBUTOR FOR TERRE HAUTE'S MINI MEDICAL SCHOOL, AND AN ACTIVE PARTICIPANT IN DISABILITIES AWARENESS MONTH TO NAME A FEW THE ORGANIZATION ALSO FURTHERS ITS EXEMPT PURPOSE BY PROMOTING THE HEALTH OF THE COMMUNITY BY PROVIDING INFORMATION BOOTHS AT COUNTY FAIRS, HEALTH FAIRS AND OTHER "HEALTH FUNCTIONS" IN OUR COMMUNITY THE ORGANIZATION ALSO ORGANIZED A CONSUMER HEALTH FAIR FOR THE COMMUNITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 NOT APPLICABLE THE ORGANIZATION IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM PART VI, LINE 8 NOT APPLICABLE THE ORGANIZATION DOES NOT FILE A COMMUNITY BENEFIT REPORT

Schedule H (Form 990) 2010

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 35-1140758  
**Name:** HAMILTON CENTER INC

**Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

<b>Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility</b> (list in order of size, measured by total revenue per facility, from largest to smallest)	
How many non-hospital facilities did the organization operate during the tax year? <u>24</u>	
Name and address	Type of Facility (Describe)
HAMILTON CENTER 620 EIGHTH AVENUE TERRE HAUTE, IN 47804	ADMINISTRATIVE/OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 1175 FT HARRISON RD TERRE HAUTE, IN 47805	COMMUNITY BASED RESIDENTIAL HOME
HAMILTON CENTER 1636 KESSLER BLVD N DRIVE INDIANAPOLIS, IN 46222	COMMUNITY BASED RESIDENTIAL HOME
HAMILTON CENTER 2701 CRAWFORD ST TERRE HAUTE, IN 47802	COMMUNITY BASED RESIDENTIAL HOME
HAMILTON CENTER 9221 E US 40 TERRE HAUTE, IN 47803	COMMUNITY BASED RESIDENTIAL HOME
HAMILTON CENTER 1410 E CROSSING BLVD TERRE HAUTE, IN 47802	SUB-ACUTE UNIT
HAMILTON CENTER 3911 E LEE DRIVE ROCKVILLE, IN 47872	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 6919 E 10TH STREET STE B1 INDIANAPOLIS, IN 46219	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 1616 WABASH AVE TERRE HAUTE, IN 47807	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 18 N 1ST STREET TERRE HAUTE, IN 47807	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 5621 NORTH TACOMA AVE A INDIANAPOLIS, IN 46220	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 500 EIGHTH AVENUE TERRE HAUTE, IN 47804	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 2134 MARY SHERMAN DR SULLIVAN, IN 47882	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 510 S MAIN ST CLINTON, IN 47842	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER PO BOX 553 LINTON, IN 47441	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 66 WABASH CT TERRE HAUTE, IN 47807	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 1211 E NATIONAL AVE BRAZIL, IN 47834	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 215 N JEFFERSON ST ROCKVILLE, IN 47872	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 239 HILLSDALE AVE GREENCASTLE, IN 46135	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 431 E MAIN BLOOMFIELD, IN 47424	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 900 SOUTHFIELD DR PLAINFIELD, IN 46168	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 909 W HILLSIDE AVE SPENCER, IN 47460	OUTPATIENT CLINICAL SERVICE CLINIC
HAMILTON CENTER 36 S 14TH STREET TERRE HAUTE, IN 47807	EARLY HEAD START DAYCARE
HAMILTON CENTER 42 S 15TH STREET TERRE HAUTE, IN 47807	EARLY HEAD START DAYCARE



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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 NO GRANT FUNDS WERE AWARDED TO THE RECIPIENTS INCLUDED ON SCHEDULE I THE ASSISTANCE PROVIDED WERE ONE TIME CONTRIBUTIONS TO OTHER ORGANIZATIONS THAT DO NOT REQUIRE MONITORING OF THE RECIPIENT'S USE BY HAMILTON CENTER

**Schedule J**  
**(Form 990)**

**Compensation Information**

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

**▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.**

**▶ Attach to Form 990. ▶ See separate instructions.**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
HAMILTON CENTER INC

**Employer identification number**

35-1140758

**Part I Questions Regarding Compensation**

Yes No

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

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

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

**1b**

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

**2**

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

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Compensation committee   | <input checked="" type="checkbox"/> Written employment contract                     |
| <input 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 from the organization or a related organization?

**4a**

No

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

**4b**

No

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

**4c**

No

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

**Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.**

**5** For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization?

**5a**

No

**b** Any related organization?

**5b**

No

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

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

**a** The organization?

**6a**

Yes

**b** Any related organization?

**6b**

No

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

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

**7**

No

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III

**8**

No

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?

**9**

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies 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				
(1) GALEN GOODE	(i) (ii)	212,173 0	0 0	6,451 0	15,461 0	19,237 0	253,322 0	0 0
(2) DAVID K HILTON	(i) (ii)	218,627 0	4,230 0	414 0	15,648 0	7,481 0	246,400 0	0 0
(3) ABDUL SUBHAN	(i) (ii)	179,800 0	6,000 0	162 0	0 0	18,528 0	204,490 0	0 0
(4) SHASHIKANT S PATEL	(i) (ii)	184,455 0	0 0	1,219 0	13,445 0	13,528 0	212,647 0	0 0
(5) MATHEWS JOHN	(i) (ii)	183,211 0	0 0	180 0	13,218 0	23,058 0	219,667 0	0 0
(6) RUTHGAYLE STITH	(i) (ii)	180,436 0	0 0	414 0	12,741 0	8,650 0	202,241 0	0 0
(7) DAVID M THOMAS	(i) (ii)	164,816 0	6,000 0	414 0	0 0	17,388 0	188,618 0	0 0
( 8 )								
( 9 )								
( 10 )								
( 11 )								
( 12 )								
( 13 )								
( 14 )								
( 15 )								
( 16 )								

**Part III Supplemental Information**

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

Identifier	Return Reference	Explanation
	PART I, LINE 6	HAMILTON CENTER HAS A PERFORMANCE BASED EVALUATION SYSTEM THAT INCLUDES INDIVIDUAL GOAL SETTING AND EVALUATION ANNUALLY IF THRESHOLDS FOR PERFORMANCE ARE MET AND HCI HAS INCOME IN EXCESS OF BUDGETED LEVELS EMPLOYEES SHARE IN THE EXCESS AND ARE PAID AS A PERCENTAGE OF SALARY

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2010

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization HAMILTON CENTER INC

Employer identification number 35-1140758

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) FIRST FINANCIAL BANK	ENTITY OF WHICH CURRENT BOARD MEMBER SERVES AS VICE PRESIDENT	35,855	TRUST AND PENSION SERVICES BOARD MEMBER, CARY SPARKS, SERVES AS VICE PRESIDENT FOR FIRST FINANCIAL BANK'S TRUST DEPARTMENT FIRST FINANCIAL PROVIDES TRUST AND PENSION SERVICES WITH APPROXIMATELY \$11.5 MILLION IN PENSION DEPOSITS. IN ADDITION FIRST FINANCIAL ALSO HOLDS THE CENTER'S PRIMARY OPERATING CHECKING AND PAYROLL ACCOUNTS.		No

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
------------	------------------	-------------

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

OMB No 1545-0047

**2010**

**Open to Public  
Inspection**

**Name of the organization**  
HAMILTON CENTER INC

**Employer identification number**  
35-1140758

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE ADMINISTRATIVE COMMITTEE OF THE BOARD OF DIRECTORS WERE PROVIDED WITH A COPY AND REVIEWED THE COMPLETED FORM 990 AS PRESENTED BY BLUE AND CO , LLC THE ADMINISTRATIVE COMMITTEE REPORTED TO THE FULL BOARD THEIR UNDERSTANDING AND ACCEPTANCE OF THE DOCUMENTED INFORMATION THE REVIEW IS RECORDED IN THE ADMINISTRATIVE COMMITTEE MEETING MINUTES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	HAMILTON CENTER REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE WRITTEN CONFLICT OF INTEREST POLICY AS FOLLOWS 1 COMPLETION OF A UNIFORM CONFLICT OF INTEREST DISCLOSURE STATEMENT AS DESIGNATED IN THE CORPORATE POLICY 2 NOTIFICATIONS TO SUPERVISORS AND BOARD PRESIDENT AS CONFLICTS ARE DETERMINED 3 BARRING ACTION BY THE EMPLOYEE OR RECUSING FROM ACTIVITIES BOARD MEMBERS UNTIL THE CONFLICT IS RESOLVED 4 ALTERNATIVES ARE INVESTIGATED AND DECISIONS ARE MADE TO SATISFACTORILY RESOLVE THE CONFLICT UP TO AND INCLUDING TERMINATION OF EMPLOYMENT OR BOARD RESIGNATION THE CHIEF EXECUTIVE OFFICER HAS FINAL DECISION AUTHORITY WHEN EMPLOYEES ARE INVOLVED AND THE BOARD PRESIDENT HAS FINAL DECISION AUTHORITY WHEN BOARD MEMBERS ARE INVOLVED

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER, EXECUTIVE DIRECTORS, AND MEDICAL DIRECTOR ARE DETERMINED BY A COMMITTEE OF THE BOARD OF DIRECTORS AS FOLLOWS 1 COMPARABILITY DATA IS GATHERED BASED ON SIMILAR ORGANIZATIONS, SIMILAR CIRCUMSTANCES, GEOGRAPHICAL APPLICABILITY, EDUCATION, AND EXPERIENCE 2 ONLY INDEPENDENT MEMBERS OF THE BOARD ARE ALLOWED TO REVIEW AND ESTABLISH COMPENSATION 3 COMPENSATION DECISIONS ARE DOCUMENTED CONCURRENTLY DURING THE DECISION MAKING PROCESS AND ARE REFLECTED IN THE BOARD MINUTES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	UPON WRITTEN REQUEST RECEIVED VIA U S MAIL TO 620 EIGHTH AVENUE, TERRE HAUTE, IN 47804, HAMILTON CENTER MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY , AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC BY RETURN MAIL

<b>Identifier</b>	<b>Return Reference</b>	<b>Explanation</b>
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 30,582

<b>Identifier</b>	<b>Return Reference</b>	<b>Explanation</b>
OVERSIGHT OF AUDIT	FORM 990, PART XII, LINE 2C	THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS AND NO PROCESSES HAVE CHANGED FROM THE PRIOR YEAR

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2010**

**Open to Public  
Inspection**

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

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
HAMILTON CENTER INC

**Employer identification number**

35-1140758

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

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

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) HCI PROPERTY DEVELOPMENT LANGE APARTMENTS 620 EIGHTH AVENUE TERRE HAUTE, IN47804 80-0077891	LOW INCOME HOUSING	IN	HCI PROPERTY DEVELOPMENT ORGANIZATION INC	RELATED		-52,527		No		Yes		

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) HCI PROPERTY DEVELOPMENT ORGANIZATION INC 620 EIGHTH AVENUE TERRE HAUTE, IN47804 56-2396950	REAL ESTATE	IN	N/A	C	-5,710	-51,543	100 000 %

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

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
  
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
  
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
  
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
  
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

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

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			



**Part VII Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
------------	------------------	-------------



**HAMILTON  
CENTER, INC.**

[www.hamiltoncenter.org](http://www.hamiltoncenter.org)

**HAMILTON CENTER, INC.**

**CONSOLIDATED FINANCIAL STATEMENTS**

**AND**

**SUPPLEMENTARY INFORMATION**

**JUNE 30, 2011 AND 2010**

CPA ADVISORS

 **blue**

# HAMILTON CENTER, INC.

## TABLE OF CONTENTS JUNE 30, 2011

---

	Page
<b>Report of Independent Auditors</b> .....	1
<b>Consolidated Financial Statements</b>	
Consolidated Statements of Financial Position .....	3
Consolidated Statements of Activities .....	4
Consolidated Statements of Changes in Net Assets.....	5
Consolidated Statements of Cash Flows .....	6
Notes to Consolidated Financial Statements .....	7
<b>Supplementary Information</b>	
Consolidating Statement of Financial Position - June 30, 2011 .....	24
Consolidating Statement of Activities and Changes in Net Assets – Year Ended June 30, 2011 .....	25
Schedule of Expenditures of State, County, and Local Awards – Year Ended June 30, 2011 .....	26
Schedule of Expenditures of Federal Awards – Year Ended June 30, 2011 .....	27
Notes to the Schedule of Expenditures of Federal Awards – Year Ended June 30, 2011 .....	28
<b>Report of Independent Auditors on Internal Control over Financial Reporting</b> and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards .....	29
<b>Report of Independent Auditors on Compliance with Requirements</b> That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	31
<b>Schedule of Findings and Questioned Costs – Year Ended June 30, 2011</b> .....	33

---



Board of Directors  
Hamilton Center, Inc.  
Terre Haute, Indiana

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2011, on our consideration of HCI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were performed for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements of the HCI. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic consolidated financial statements of HCI. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements.

*Blue & Co., LLC*

August 23, 2011

# HAMILTON CENTER, INC.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION JUNE 30, 2011 AND 2010

	2011	2010
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 9,723,133	\$ 11,632,359
Investments	11,425,661	11,233,985
Patient accounts receivable, net of allowance for doubtful accounts of \$784,461 in 2011 and \$652,279 in 2010	1,069,181	1,301,137
Other accounts receivable	1,799,852	1,616,241
Prepaid expense	233,767	329,131
Total current assets	<u>24,251,594</u>	<u>26,112,853</u>
<b>Assets limited as to use</b>		
Board designated	2,185,144	2,154,963
Donor restricted	764,692	684,452
Total assets limited as to use	<u>2,949,836</u>	<u>2,839,415</u>
<b>Property and equipment, net</b>	17,033,967	17,787,664
Total assets	<u>\$ 44,235,397</u>	<u>\$ 46,739,932</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 624,799	\$ 805,962
Accrued salaries, employee benefits and related withholdings	3,059,228	3,462,722
Deferred income	57,670	43,521
Estimated third-party settlements	2,688,419	2,831,669
Total current liabilities	<u>6,430,116</u>	<u>7,143,874</u>
<b>Long-term liabilities</b>		
Long-term debt	900,000	900,000
Interest	375,343	313,391
Deposits	13,641	11,444
Total long-term liabilities	<u>1,288,984</u>	<u>1,224,835</u>
Total liabilities	7,719,100	8,368,709
<b>Net assets</b>		
Limited partner's interest	1,084,390	1,218,851
Unrestricted	34,472,123	36,235,796
Temporarily restricted	959,784	916,576
Total net assets	<u>36,516,297</u>	<u>38,371,223</u>
Total liabilities and net assets	<u>\$ 44,235,397</u>	<u>\$ 46,739,932</u>

See accompanying notes to the financial statements.

# HAMILTON CENTER, INC.

## CONSOLIDATED STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
<b>Unrestricted operating revenues, gains and other support</b>		
Net patient revenue	\$ 17,380,426	\$ 19,917,298
Grants	10,846,326	11,376,709
County tax levy	1,104,315	977,928
Other	2,705,732	2,521,501
Net assets released from restriction	96,481	52,225
Total unrestricted operating revenues, gains and other support	32,133,280	34,845,661
<b>Expenses</b>		
Salaries and wages	19,967,059	20,629,668
Client wages	24,990	21,564
Employee benefits	6,440,616	6,550,805
Operating expenses	3,474,748	3,532,400
Office expense	318,402	295,500
Travel and transportation	626,044	694,260
Building expenses	854,669	946,485
Purchased services	513,025	584,167
Depreciation expense	1,415,799	1,475,361
Bad debt expense (refunds)	450,913	(25,892)
Other expenses	9,952	13,669
Total expenses	34,096,217	34,717,987
Unrestricted income (loss) from operations	(1,962,937)	127,674
<b>Non-operating gains (losses)</b>		
Interest income	178,859	211,962
Unrealized gains (losses), net	(51,361)	(34,265)
Gains on disposition of assets	(62,695)	7,253
Total non-operating gains	64,803	184,950
Excess revenues over expenses/ changes in unrestricted net assets	(1,898,134)	312,624
<b>Temporarily restricted net assets</b>		
Income on investments	40,791	48,030
Realized gains (losses) on investments	16,955	(17,049)
Unrealized gain (loss) on investments	81,943	81,191
Net assets released from restriction	(96,481)	(52,225)
Change in temporarily restricted net assets	43,208	59,947
Change in net assets	\$ (1,854,926)	\$ 372,571

See accompanying notes to the financial statements.

## HAMILTON CENTER, INC.

### CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2011 AND 2010

---

	Limited Partner's Interest	Unrestricted	Temporarily Restricted	Total Net Assets
Balance at 6/30/09	\$ 1,402,871	\$ 35,739,152	\$ 856,629	\$ 37,998,652
Change in net assets	<u>(184,020)</u>	<u>496,644</u>	<u>59,947</u>	<u>372,571</u>
Balance at 6/30/10	1,218,851	36,235,796	916,576	38,371,223
Change in net assets	<u>(134,461)</u>	<u>(1,763,673)</u>	<u>43,208</u>	<u>(1,854,926)</u>
Balance at 6/30/11	<u>\$ 1,084,390</u>	<u>\$ 34,472,123</u>	<u>\$ 959,784</u>	<u>\$ 36,516,297</u>

---

See accompanying notes to the financial statements.

# HAMILTON CENTER, INC.

## CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
<b>Operating activities</b>		
Change in net assets	\$ (1,854,926)	\$ 372,571
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation expense	1,415,799	1,475,361
Realized (gains) losses, net	(16,955)	17,049
Unrealized (gains) losses, net	(30,582)	(46,926)
Gains on disposition of assets	62,695	(7,253)
Bad debts (refunds)	450,913	(25,892)
Change in assets and liabilities		
Patient accounts receivable	(218,957)	1,168,647
Prepaid expense	95,364	(149,862)
Other accounts receivable	(183,611)	1,236,717
Accounts payable and accrued expenses	(181,163)	289,350
Accrued salaries, employee benefits and related withholdings	(403,494)	362,630
Deferred income	14,149	14,525
Estimated third-party settlements	(143,250)	474,416
Accrued interest	61,952	58,943
Deposits	2,197	(1,841)
Net cash from operating activities	<u>(929,869)</u>	<u>5,238,435</u>
<b>Investing activities</b>		
Change in investments, net	(243,037)	760,428
Change in assets limited as to use, net	(11,523)	(997,469)
Purchase of property and equipment	(724,797)	(2,076,174)
Net cash from investing activities	<u>(979,357)</u>	<u>(2,313,215)</u>
Net change in cash and cash equivalents	(1,909,226)	2,925,220
<b>Cash and cash equivalents</b>		
Beginning of year	11,632,359	8,707,139
End of year	<u>\$ 9,723,133</u>	<u>\$ 11,632,359</u>

See accompanying notes to the financial statements.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Hamilton Center, Inc. (the Center) is incorporated in accordance with the Indiana Not For Profit Corporation Act. The Center provides comprehensive services to the mentally ill and developmentally disabled.

HCI Property Development Organization, Inc. (the Corporation) serves as the general partner of HCI Property Development – Lange Apartments, LP (the Partnership) and has a 0.01% ownership interest in the Partnership. Great Lakes Capital Fund for Housing Limited Partnership X and 5/3 Fund I serve as the limited partners and have a 63.56% and 36.43% ownership interest in the Partnership, respectively. The Partnership was organized to develop, improve, maintain and operate a low-income housing residential apartment complex. As the general partner, HCI Property Development Organization, Inc. exerts control over the Partnership. As such, the financial statements of the Partnership have been consolidated with the Center. All material intercompany transactions have been eliminated.

The Center is the 100% owner of HCI Property Development Organization, Inc. As such, the consolidated financial statements of the HCI Property Development Organization, Inc. have been consolidated with the Center. All material intercompany transactions have been eliminated.

The consolidated entity will be referred to as HCI.

#### Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Areas where significant estimates sensitive to change in the near term, which are used in the accompanying consolidated financial statements, include the allowance for doubtful accounts, estimated third-party settlements and self-funded medical claims incurred but not reported. Actual results could differ from those estimates.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### Cash and Cash Equivalents

HCI considers deposits with an original maturity of three months or less, excluding assets whose use is limited, to be cash and cash equivalents. HCI maintains its cash in accounts, which, at times, may exceed federally insured limits. HCI has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash and cash equivalents.

### Investments

Investments include cash and investments with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated financial statements based on quoted market prices for those or similar investments. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in non-operating gains unless the income or loss is restricted by donor or law.

### Assets Limited As To Use

Assets limited as to use primarily include assets designated by the Board of Directors for future capital acquisitions and those which are donor restricted. Those assets are composed of cash and marketable securities.

### Property and Equipment

Property and equipment acquisitions are recorded at cost, or if donated, at the fair market value at the date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance, repairs, and minor renewals are expensed as incurred. When properties are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized.

Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method.

### Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by HCI has been limited by donors to a specific time period or purpose. Restrictions primarily relate to utilizing assets for specific behavioral health and education programs.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### Donations and Bequests

Donations and bequests are reported at fair value as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restriction.

### Net Patient Revenue and Accounts Receivable

HCI has agreements with third-party payers that provide for payments to HCI at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. No accrual is made for those retroactive adjustments that are not reasonably estimable. Management estimates an allowance for doubtful accounts receivable based on an evaluation of historical losses, current economic conditions, and other factors unique to its customer base.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount.

HCI participates in the Medicaid Disproportionate Share Hospital program. Subject to certain qualification criteria, HCI is entitled to participate in the program annually. HCI recognized reimbursement from the program within net patient revenue of \$-0- and \$199,577 during the years ended June 30, 2011 and 2010, respectively. This program is a Federal program administered by the State.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### Public Support

HCI receives certain federal, state, local, and private grants for providing services in specific program areas. These amounts are generally classified as grant revenue for financial reporting purposes and are reported as grants in the unrestricted operating revenues, gains and other support on the Consolidated Statements of Activities and Changes in Net Assets. Receipt of these funds is subject to the fulfillment of certain obligations by the Center as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency.

In addition, Indiana state law stipulates that the counties served by comprehensive community mental health centers provide the centers a designated amount per assessed value of taxable property in the county. Tax receipts from this basic appropriation are accrued monthly by HCI. These amounts are classified and reported as county tax levy in the unrestricted operating revenues, gains and other support on the Consolidated Statements of Activities and Changes in Net Assets.

### Mental Health Funds Recovery

HCI participates in the Mental Health Funds Recovery Program. Funding for the Mental Health Funds Recovery Program is available through the Medicaid Program for certain administrative activities. Funding under the Mental Health Funds Recovery Program is available only to those providers who are certified as Managed Care Providers or Community Mental Health Centers by the Division of Mental Health and Addiction. Amounts recorded for the program are included in other unrestricted operating revenues, gains and other support.

### Charity Care

HCI provides care to patients who meet certain criteria under its charity care policy at amounts less than its established rates.

### Deferred Income

HCI recognizes deferred revenue as income during the period in which the Center provides the services.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### Operating Indicator

The Consolidated Statements of Activities include an operating indicator, excess of revenue over expenses/changes in unrestricted net assets. Excess of revenue over expenses/changes in unrestricted net assets includes unrestricted income from operations, interest income, unrealized gains and losses on investments, and certain other non-operating gains and losses. Changes in temporarily restricted net assets, which are excluded from the operating indicator, include interest income, unrealized gains and losses on investments, and certain other non-operating gains and losses related to temporarily restricted assets.

### Fair Value of Financial Instruments

Financial instruments consist of cash and cash equivalents, patient accounts receivable, assets whose use is limited, accounts payable, accrued liabilities, and estimated third-party settlements. The carrying amounts reported in the balance sheets for cash and cash equivalents, patient accounts receivable, accounts payable, accrued liabilities, and estimated third-party settlements approximate fair value based on their nearness to maturity. The fair values of assets whose use is limited are estimated based on quoted market prices for those or similar investments. The fair value of the notes payable has not been deemed practical to determine due to the forgivable nature of these financial instruments.

### Income Taxes

The Center is exempt from income taxes under Internal Revenue Code Section 501(a) as organizations described in Section 501(c)(3).

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Center and recognize a tax liability if the Center has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Center, and has concluded that as of June 30, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

As such, the Center is generally exempt from income taxes. However, the Center is required to file Federal Form 990 – Return of Organization from Income Tax, which is an informational return only.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

HCI Property Development Organization, Inc (the Corporation) is a taxable entity. As the corporation has recorded a loss, no provision is made for federal and state taxes on income.

HCI Property Development - Lange Apartments, LP (the Partnership) is a taxable entity, in which income and losses are allocated to its Partners; therefore, no provision is made for federal and state taxes on income. The Corporation's share of the Partnership's loss does not create a tax liability.

Both the Corporation and Partnership have filed their federal and state income tax returns for June 30, 2010 and December 31, 2010, respectively. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions)

### Pension Plan

HCI has a defined contribution pension plan covering all eligible employees.

### Reclassification

Certain amounts from 2010 have been reclassified to conform to the current year presentation.

### Subsequent Events

HCI has evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements are available to be issued which is August 23, 2011.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 2. CONCENTRATION OF CREDIT RISK

HCI grants credit without collateral to its patients, most of whom are local residents. The mix of accounts receivable and gross revenues as of June 30 is as follows:

	Receivables		Revenues	
	2011	2010	2011	2010
Medicaid	44%	52%	63%	65%
Medicare	12%	14%	9%	8%
Self Pay	21%	18%	16%	18%
Other	23%	16%	12%	9%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

### 3. INVESTMENTS

A summary of marketable securities at fair market value at June 30 is as follows:

	2011	2010
Cash and cash equivalents	\$ 752,624	\$ 3,321,678
Certificates of deposit	7,872,342	6,565,138
Annuities	2,800,695	1,347,169
	<u>\$ 11,425,661</u>	<u>\$ 11,233,985</u>

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 4. FAIR VALUE MEASUREMENTS

Major classes of assets and liabilities that are measured at fair value are categorized according to a fair value hierarchy that prioritizes the inputs to value techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 inputs are readily determinable using unadjusted quoted prices for identical assets or liabilities in active markets. Level 2 inputs are derived from quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets (other than those included in Level 1) which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. If the inputs used fall within different levels of the hierarchy, the categorization is based upon the lowest level input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011:

*Fixed income securities:* Corporate bonds - valued based on estimates on similar investments and the use of a third party service. US Government and agency securities and other fixed income bonds - valued at closing price reported on the active market on which the securities are traded.

*Mutual funds and marketable equity securities:* Valued at the net asset value (NAV) of shares held by the Plan at year-end.

*Annuities:* Value derived from discounting expected future cash flows using current market rates.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

The tables below segregate all financial assets and liabilities as of June 30, 2011 and 2010 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	June 30, 2011			
	Total	Level 1	Level 2	Level 3
<b>Investments</b>				
Annuity contracts	\$ 2,800,695	\$ -0-	\$ -0-	\$ 2,800,695
	<u>2,800,695</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,800,695</u>
Cash and cash equivalents	752,624			
Certificates of deposit	7,872,342			
Total investments	<u>\$ 11,425,661</u>			
<b>Assets whose use is limited</b>				
<b>Fixed Income</b>				
U S government and agency obligations	\$ 150,107	\$ -0-	\$ 150,107	\$ -0-
Corporate bonds	20,553	-0-	20,553	-0-
Other fixed income	78,722	-0-	78,722	-0-
<b>Marketable equity securities</b>				
Materials	17,927	17,927	-0-	-0-
Industrials	37,752	37,752	-0-	-0-
Consumer discretionary	32,684	32,684	-0-	-0-
Energy	36,320	36,320	-0-	-0-
Financials	43,928	43,928	-0-	-0-
Health care	23,040	23,040	-0-	-0-
Information technology	60,248	60,248	-0-	-0-
Consumer staples	35,669	35,669	-0-	-0-
Miscellaneous	21,752	21,752	-0-	-0-
<b>Mutual funds</b>				
Small/mid cap funds	91,757	91,757	-0-	-0-
International funds	52,044	52,044	-0-	-0-
Annuity contracts	514,421	-0-	-0-	514,421
	<u>1,216,924</u>	<u>\$ 453,121</u>	<u>\$ 249,382</u>	<u>\$ 514,421</u>
Cash and cash equivalents	288,499			
Certificates of deposit	1,444,413			
Total assets whose use is limited	<u>\$ 2,949,836</u>			

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

	June 30, 2010			
	Total	Level 1	Level 2	Level 3
Investments				
Annuity contracts	\$ 1,347,169	\$ -0-	\$ -0-	\$ 1,347,169
	1,347,169	\$ -0-	\$ -0-	\$ 1,347,169
Cash and cash equivalents	3,321,678			
Certificates of deposit	6,565,138			
Total investments	\$ 11,233,985			
Assets whose use is limited				
Fixed Income				
U S government and agency obligations	\$ 145,341	\$ -0-	\$ 145,341	\$ -0-
Corporate bonds	21,275	-0-	21,275	-0-
Other fixed income	79,402	-0-	79,402	-0-
Marketable equity securities				
Materials	15,341	15,341	-0-	-0-
Industrials	31,454	31,454	-0-	-0-
Consumer discretionary	18,993	18,993	-0-	-0-
Energy	25,029	25,029	-0-	-0-
Financials	30,764	30,764	-0-	-0-
Health care	27,803	27,803	-0-	-0-
Information technology	56,410	56,410	-0-	-0-
Consumer staples	35,948	35,948	-0-	-0-
Miscellaneous	12,413	12,413	-0-	-0-
Mutual funds				
Large cap funds	6,914	6,914	-0-	-0-
Small/mid cap funds	73,803	73,803	-0-	-0-
International funds	39,135	39,135	-0-	-0-
Annuity contracts	201,986	-0-	-0-	201,986
	822,011	\$ 374,007	\$ 246,018	\$ 201,986
Cash and cash equivalents	264,688			
Certificates of deposit	1,752,716			
Total assets whose use is limited	\$ 2,839,415			

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

A reconciliation of activity for 2011 and 2010 for assets measured at fair value based upon significant unobservable (non-market) information is as follows:

	Annuity contracts	
	2011	2010
Balance, beginning of year	\$ 1,549,155	\$ 811,274
Unrealized gains (losses) relating to instruments still held at the reporting date	127,961	37,881
Purchases, sales, issuances, and settlements, net	<u>1,638,000</u>	<u>700,000</u>
Balance, end of year	<u>\$ 3,315,116</u>	<u>\$ 1,549,155</u>

### 5. ASSETS LIMITED AS TO USE

The Board of Directors has designated certain current assets for the purpose of future replacement and expansion of facilities and equipment. In addition, donors have designated certain current assets for the purpose of specified program activities. These assets consist of the following at June 30:

	2011	2010
Board designated	\$ 2,185,144	\$ 2,154,963
Donor restricted	<u>764,692</u>	<u>684,452</u>
	<u>\$ 2,949,836</u>	<u>\$ 2,839,415</u>

  

	2011	2010
Cash and cash equivalents	\$ 288,499	\$ 262,633
Fixed income	249,382	247,932
Certificates of deposit	1,444,413	1,752,716
Marketable equity securities	309,320	254,255
Mutual funds	143,801	119,893
Annuity contracts	<u>514,421</u>	<u>201,986</u>
	<u>\$ 2,949,836</u>	<u>\$ 2,839,415</u>

---

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 6. PROPERTY AND EQUIPMENT

Property and equipment at June 30 follows:

	2011	2010
Land and improvements	\$ 3,017,776	\$ 3,020,226
Buildings and improvements	23,407,538	22,488,882
Fixed and moveable equipment	5,660,947	7,253,786
Construction in process	40,380	769,202
	<u>32,126,641</u>	<u>33,532,096</u>
Less accumulated depreciation	15,092,674	15,744,432
	<u>\$ 17,033,967</u>	<u>\$ 17,787,664</u>

### 7. ESTIMATED THIRD-PARTY SETTLEMENTS

Estimated third-party settlements for the Medicare, Medicaid, and Medicaid Rehab Option (MRO) reflect the difference between interim reimbursement and reimbursement as determined by contractual agreements in addition to settlements for third-party audits. Estimated third-party settlements reflect any difference owed to or by the HCI after Medicare and Medicaid cost reports have been audited. Audits for these programs have been conducted through fiscal years 2010.

HCI recorded approximately \$13,782,000 and \$18,611,000 of MRO revenue for the years ended June 30, 2011 and 2010, respectively. A portion of the MRO liability, \$-0- and \$435,097 for the years ended June 30, 2011 and 2010, respectively, became available to HCI because of the retroactive increase in the Federal Medical Assistance Percentages which is a part of the Federal Stimulus Package.

The MRO program is subject to periodic audit. Currently, HCI has filed requests for administrative appeal of the results of two such audits. A settlement has not been reached at this time. HCI has recorded an estimated liability for these items.

Based upon reports previously submitted for Medicare and Medicaid and MRO revenue, HCI has estimated and recorded a liability of \$2,520,383 and \$2,287,472 respectively, at June 30, 2011 and 2010.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 8. LONG-TERM DEBT

Long-term debt consisted of the following at June 30:

	<u>2011</u>	<u>2010</u>
A 4.99% fixed rate note made available by the Indiana Housing Finance Authority (IHFA) under the Home Investment Partnership Act. Interest on the note accrues and is recorded as a long-term payable within the consolidated financial statements. The interest and principal are forgivable, at maturity, provided the Corporation complies with the rent and property use restrictions disclosed in the note. The note matures June 30, 2034. This note is secured by a real estate mortgage.	\$400,000	\$400,000
A 4.99% fixed rate note made available through the Federal Home Loan Bank of Indianapolis for Affordable Housing Program (AHP) funds. Interest on the note accrues and is recorded as a long-term payable within the consolidated financial statements. The interest and principal are forgivable, at maturity, provided the Corporation complies with the rent and property use restrictions disclosed in the note. The note matures March 31, 2024. This note is secured by a real estate mortgage.	<u>500,000</u>	<u>500,000</u>
	<u>\$900,000</u>	<u>\$900,000</u>

The Center borrowed funds of \$400,000 from IHFA and \$500,000 from AHP. The Center in turn executed a promissory note to loan the funds to the Partnership.

### 9. TEMPORARILY RESTRICTED NET ASSETS

Total net assets held by HCI for temporarily restricted purposes are \$959,784 and \$916,576 and as of June 30, 2011 and 2010, respectively. Net assets released from restrictions were \$96,481 and \$52,225 for 2011 and 2010, respectively.

Temporarily restricted net assets are available for the following purposes at June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Education trust	\$ 764,692	\$ 684,452
Long-lived assets restricted as to use	195,092	232,124
	<u>\$ 959,784</u>	<u>\$ 916,576</u>

---

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 10. NET PATIENT SERVICE REVENUE

HCI has agreements with third-party payers including Medicare, Medicaid and the State of Indiana and other commercial insurance carriers that provide for payments to the HCI at amounts different from its established rates.

The following is a schedule of gross service charges by category, charity care and contractual adjustments incurred during 2011 and 2010:

Service charges	2011	2010
Inpatient	\$ 4,961,788	\$ 5,044,340
Outpatient	25,772,857	28,830,162
Residential services	2,590,150	2,996,480
Rehabilitation	690,815	722,643
	<u>34,015,610</u>	<u>37,593,625</u>
Charity care charges foregone and contractual adjustments	<u>(16,635,184)</u>	<u>(17,676,327)</u>
Net patient service revenue	<u>\$ 17,380,426</u>	<u>\$ 19,917,298</u>

### 11. CHARITY CARE

In accordance with its mission, grant requirements and state regulations, HCI provides services to patients and charges them based on their ability to pay according to a sliding fee scale. The amount of charges foregone for services and supplies furnished under the HCI's charity care policy totaled approximately \$5,110,181 and \$6,242,460 for the years ended June 30, 2011 and 2010, respectively.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 12. COMMITMENTS AND CONTINGENCIES

#### Self-Funded Health Plan

HCI is committed to pay for employees' health care costs. A third-party administrator has been retained to process and present all benefit claims to HCI for payment. HCI has purchased excess loss insurance from Anthem Blue Cross and Blue Shield. HCI is responsible for the funding of all claims and related administrative costs up to a specific amount of \$85,000 per individual per policy year, up to \$1,000,000 per individual per lifetime, and up to \$5,091,600 per year on the group as a whole. A liability of \$380,373 and \$467,434 has been recorded as of June 30, 2011 and 2010, respectively, to estimate claims pending on that date. Group health insurance expense for the years ended June 30, 2011 and 2010 totaled \$3,592,721 and \$3,652,288, respectively.

#### Medical Malpractice Claims

The State of Indiana puts a judgment cap of \$1,250,000 on malpractice claims for those institutions and individual physicians willing to participate in the state funded insurance "pool". The "pool" requires that an institution/physician be responsible for the first \$250,000 of every claim and the state will fund the remaining balance of each claim. In addition to the above, the state also requires that each individual physician carry a policy year aggregate limit of \$750,000 and the institution (based upon size) carry a \$5,000,000 policy year aggregate limit.

HCI has eliminated its risk by purchasing an insurance policy that covers all claims for the required \$250,000 occurrence limit and the \$5,000,000 statutory aggregate limit for the institution and a \$250,000 occurrence and \$750,000 statutory aggregate limit for each scheduled physician.

#### Operating Leases

HCI leases office space under operating leases expiring at various times through April 2026. Total rental expense for the years ended June 30, 2011 and 2010 was \$191,923 and \$171,585 respectively, and has been included in building expense in the statements of activities.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

The following is a schedule of future minimum lease payments under operating leases that have initial or remaining terms in excess of one year:

Year Ending June 30:	
2012	\$ 101,246
2013	85,509
2014	34,637
2015	30,000
2016	30,000
Thereafter	295,000
	<u>\$ 576,392</u>

### Litigation

HCI is involved in certain other litigation arising in the ordinary course of business. After consultation with legal counsel, it is management's opinion that these matters will be resolved without material adverse effect on the HCI's financial position or statement of activities.

### 13. PENSION PLAN

Substantially all employees of HCI are covered under a defined contribution pension plan. HCI is required to contribute an amount equal to 7% of each participant's compensation.

HCI maintains a 403(b) tax deferred annuity plan for any employee who elects to participate.

In addition, HCI has a 457(b) deferred compensation plan that provides for elective employee deferrals covering a select group of management or highly compensated individuals.

Pension expense charged to operations amounted to \$1,042,342 and \$1,040,516, respectively, for the years ended June 30, 2011 and 2010.

# HAMILTON CENTER, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2011 AND 2010

---

### 14. FUNCTIONAL EXPENSE

HCI provides comprehensive mental health services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2011</u>	<u>2010</u>
Mental health care program and support services	\$ 28,402,149	\$ 28,951,329
General and administrative	5,694,068	5,766,658
	<u>\$ 34,096,217</u>	<u>\$ 34,717,987</u>

SUPPLEMENTARY INFORMATION

# HAMILTON CENTER, INC.

## CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2011

	Hamilton Center	HCI Property Development	Lange Apartments	Consolidating Entries	Consolidated Totals
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 9,376,561	\$ 984	\$ 345,588	\$ -0-	\$ 9,723,133
Investments	11,425,661	-0-	-0-	-0-	11,425,661
Patient accounts receivable, net of allowance for doubtful accounts of \$784,461	1,069,181	-0-	-0-	-0-	1,069,181
Other accounts receivable	1,794,228	-0-	5,624	-0-	1,799,852
Prepaid expense	233,767	-0-	-0-	-0-	233,767
Total current assets	23,899,398	984	351,212	-0-	24,251,594
<b>Assets limited as to use</b>					
Board designated	2,185,144	-0-	-0-	-0-	2,185,144
Donor restricted	764,692	-0-	-0-	-0-	764,692
Total assets limited as to use	2,949,836	-0-	-0-	-0-	2,949,836
<b>Property and equipment, net</b>	14,058,983	-0-	2,974,984		17,033,967
<b>Other assets</b>	2,304,074	(52,527)	-0-	(2,251,547)	-0-
Total assets	\$ 43,212,291	\$ (51,543)	\$ 3,326,196	\$ (2,251,547)	\$ 44,235,397
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Accounts payable and accrued expenses	\$ 601,274	\$ 39,096	\$ 23,525	\$ (39,096)	\$ 624,799
Accrued salaries, employee benefits	3,059,228	-0-	-0-	-0-	3,059,228
Deferred income	57,670	-0-	-0-	-0-	57,670
Estimated third-party settlements	2,688,419	-0-	-0-	-0-	2,688,419
Total current liabilities	6,406,591	39,096	23,525	(39,096)	6,430,116
<b>Long-term liabilities</b>					
Long-term debt	-0-	-0-	900,000	-0-	900,000
Due to Hamilton Center, Inc	-0-	-0-	981,824	(981,824)	-0-
Interest	-0-	-0-	375,343	-0-	375,343
Deposits	-0-	-0-	13,641	-0-	13,641
Total long-term liabilities	-0-	-0-	2,270,808	(981,824)	1,288,984
Total liabilities	6,406,591	39,096	2,294,333	(1,020,920)	7,719,100
<b>Net assets</b>					
Limited Partner's Interest	-0-	-0-	-0-	1,084,390	1,084,390
Unrestricted	35,267,166	(90,639)	1,031,863	(1,736,267)	34,472,123
Temporarily restricted	1,538,534	-0-	-0-	(578,750)	959,784
Total net assets	36,805,700	(90,639)	1,031,863	(1,230,627)	36,516,297
Total liabilities and net assets	\$ 43,212,291	\$ (51,543)	\$ 3,326,196	\$ (2,251,547)	\$ 44,235,397

See Report of Independent Auditors on Pages 1 and 2.

# HAMILTON CENTER, INC.

## CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED JUNE 30, 2011

	Hamilton Center	HCI Property Development	Lange Apartments	Consolidating Entries	Consolidated Totals
<b>Unrestricted operating revenues, gains and other support</b>					
Net patient revenue	\$ 17,380,426	\$ -0-	\$ -0-	\$ -0-	\$ 17,380,426
Grants	10,846,326	-0-	-0-	-0-	10,846,326
County tax levy	1,104,315	-0-	-0-	-0-	1,104,315
Other	2,416,497	-0-	289,235	-0-	2,705,732
Net assets released from restriction	141,481	-0-	-0-	(45,000)	96,481
Total unrestricted operating revenues, gains and other support	31,889,045	-0-	289,235	(45,000)	32,133,280
<b>Expenses</b>					
Salaries and wages	19,967,059	-0-	-0-	-0-	19,967,059
Client wages	24,990	-0-	-0-	-0-	24,990
Employee benefits	6,440,616	-0-	-0-	-0-	6,440,616
Operating expenses	3,250,083	-0-	224,665	-0-	3,474,748
Office expense	312,692	5,710	-0-	-0-	318,402
Travel and transportation	626,044	-0-	-0-	-0-	626,044
Building expenses	854,669	-0-	-0-	-0-	854,669
Purchased services	513,025	-0-	-0-	-0-	513,025
Depreciation expense	1,291,854	-0-	123,945	-0-	1,415,799
Bad debts	450,913	-0-	-0-	-0-	450,913
Interest expense	-0-	-0-	75,333	(75,333)	-0-
Other expenses	9,937	15	-0-	-0-	9,952
Total expenses	33,741,882	5,725	423,943	(75,333)	34,096,217
Unrestricted income (loss) from operations	(1,852,837)	(5,725)	(134,708)	30,333	(1,962,937)
<b>Non-operating gains (losses)</b>					
Interest income	322,709	-0-	232	(144,082)	178,859
Unrealized losses, net	(51,361)	-0-	-0-	-0-	(51,361)
Gains on sale on disposition of assets	(62,695)	-0-	-0-	-0-	(62,695)
Total non-operating gains (losses)	208,653	-0-	232	(144,082)	64,803
Excess revenues over expenses/ changes in unrestricted net assets	(1,644,184)	(5,725)	(134,476)	(113,749)	(1,898,134)
<b>Temporarily restricted net assets</b>					
Income on investments	40,791	-0-	-0-	-0-	40,791
Realized gains (losses) on investments	16,955	-0-	-0-	-0-	16,955
Unrealized gain on investments	81,943	-0-	-0-	-0-	81,943
Net assets released from restriction	(141,481)	-0-	-0-	45,000	(96,481)
Change in temporarily restricted net assets	(1,792)	-0-	-0-	45,000	43,208
Change in net assets	(1,645,976)	(5,725)	(134,476)	(68,749)	(1,854,926)
<b>Net assets</b>					
Beginning of year	38,451,676	(84,914)	1,166,339	(1,161,878)	38,371,223
End of year	<u>\$ 36,805,700</u>	<u>\$ (90,639)</u>	<u>\$ 1,031,863</u>	<u>\$ (1,230,627)</u>	<u>\$ 36,516,297</u>

See Report of Independent Auditors on Pages 1 and 2.

# HAMILTON CENTER, INC.

## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

---

### Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of HCI under programs of the federal government for the year ended June 30, 2011. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of HCI, it is not intended to and does not present the financial position, changes in net assets, or cash flows of HCI.

### Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(1) Non-cash assistance note include in the Early Head Start expenditures above as of June 30, 2011 is \$229,198.



Bluebird Capital Services, Inc. 300 North 2nd Street, Suite 2000, Terre Haute, IN 47706  
Tel: 812-342-3285 Fax: 812-342-3286

REPORT OF INDEPENDENT AUDITORS ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors  
Hamilton Center, Inc.  
Terre Haute, Indiana

We have audited the consolidated financial statements of Hamilton Center, Inc. and its Subsidiaries (HCI) as of and for the year ended June 30, 2011, and have issued our report thereon dated August 23, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources issued by the Indiana State Board of Accounts.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered HCI's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of HCI's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the HCI's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors  
Hamilton Center, Inc.  
Terre Haute, Indiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether HCI's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of HCI in a separate letter dated August 23, 2011.

This report is intended solely for the information of the board of directors, management, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Blue & Co., LLC

August 23, 2011



Blue Cross of Indiana, 100 North Dearborn Street, Suite 2000, Indianapolis, IN 46204  
1-800-441-1105 • 317-542-3285 • [BlueCrossIndiana.com](http://bluecrossindiana.com)

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

Board of Directors  
Hamilton Center, Inc.  
Terre Haute, Indiana

Compliance

We have audited Hamilton Center, Inc. and its Subsidiaries (HCI)'s compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of HCI's major federal programs for the year ended June 30, 2011. HCI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of HCI's management. Our responsibility is to express an opinion on the HCI's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about HCI's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on HCI's compliance with those requirements.

In our opinion, HCI complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Board of Directors  
Hamilton Center, Inc.  
Terre Haute, Indiana

### Internal Control Over Compliance

Management of HCI is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered HCI's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the HCI's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the board of directors, management, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Blue & Co., LLC*

August 23, 2011

# HAMILTON CENTER, INC.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2011

---

### Section I -- Summary of Audit Results

#### Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	___ yes <u>X</u> none noted
Noncompliance material to financial statements noted?	___ yes <u>X</u> no

#### Federal Awards

Internal controls over major programs	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	___ yes <u>X</u> none noted
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	___ yes <u>X</u> no

Identification of major program

CFDA Number (s)  
93 959

Name of Federal Program or Cluster  
Block Grant for Prevention and  
Treatment of Substance Abuse

Dollar threshold used to distinguish between type A and B programs	\$300,000
Auditee qualified as low-risk auditee?	<u>X</u> yes    ___ no

### Section II -- Financial Statement Findings

No matters reported.

### Section III -- Federal Award Findings and Questioned Costs

No matters reported.

---