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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation) ▶ 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
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A For the 2010 calendar year, or tax year beginning 09-01-2010 and ending 08-31-2011		
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization RIDGEVIEW INSTITUTE INC Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 3995 SOUTH COBB DRIVE City or town, state or country, and ZIP + 4 SMYRNA, GA 300806397	D Employer identification number 58-2077522
	F Name and address of principal officer PAUL HACKMAN 3995 SOUTH COBB DRIVE SMYRNA, GA 300806397	E Telephone number (770) 434-4568
	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
	H(c) Group exemption number ▶	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ WWW.RIDGEVIEWINSTITUTE.COM		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1994
M State of legal domicile GA		

Part I	Summary
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE A CONTINUUM OF MENTAL HEALTH AND ADDICTION TREATMENT SERVICES TO THE COMMUNITY
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets
	3 Number of voting members of the governing body (Part VI, line 1a)
	4 Number of independent voting members of the governing body (Part VI, line 1b)
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)
Revenue	6 Total number of volunteers (estimate if necessary)
	7a Total unrelated business revenue from Part VIII, column (C), line 12 . . .
	b Net unrelated business taxable income from Form 990-T, line 34 . . .
	8 Contributions and grants (Part VIII, line 1h)
	9 Program service revenue (Part VIII, line 2g)
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)
Expenses	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . .
	14 Benefits paid to or for members (Part IX, column (A), line 4)
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)
	16a Professional fundraising fees (Part IX, column (A), line 11e)
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)
Net Assets or Fund Balances	19 Revenue less expenses Subtract line 18 from line 12
	20 Total assets (Part X, line 16)
	21 Total liabilities (Part X, line 26)
	22 Net assets or fund balances Subtract line 21 from line 20

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	2012-07-13 Date			
	PAUL HACKMAN CEO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name SUSAN CLARK	Preparer's signature SUSAN CLARK	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶ PERSHING YOAKLEY & ASSOCIATES PC				Firm's EIN ▶
	Firm's address ▶ ONE CHEROKEE MILLS 2220 SUTHERLAND KNOXVILLE, TN 379192363				Phone no ▶ (865) 673-0844

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

☐

☒

1

Briefly describe the organization's mission

OUR MISSION IS TO PROVIDE A COMPREHENSIVE CONTINUUM OF MENTAL HEALTH AND ADDICTION TREATMENT SERVICES BASED UPON A COMMITMENT TO EXCELLENCE AND QUALITY CARE TO PATIENTS AND FAMILIES WE WILL CONTINUALLY STRIVE TO ASSESS AND IMPROVE OUR PERFORMANCE AS A NONPROFIT HEALTHCARE ORGANIZATION BASED UPON THE RIDGEVIEW TRADITION - QUALITY OF CARE, QUALITY OF SERVICE, QUALITY OF WORKPLACE

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 \$ 17,340,323 including grants of \$) (Revenue \$ 29,612,294)

PATIENT CARE AND TREATMENT - RIDGEVIEW INSTITUTE, INC PROVIDES MENTAL HEALTH AND ADDICTION TREATMENT SERVICES

4b

(Code) (Expenses \$ 107,410 including grants of \$) (Revenue \$)

ASSISTING THOSE WITH DISABILITY - RIDGEVIEW INTITUTE, INC IS THE SPONSOR OF THE GEORGIA COMMUNITY TRUST AND PROVIDES ADMINISTRATION FOR THE TRUST THE GEORGIA COMMUNITY TRUST IS A NONPROFIT POOLED INCOME TRUST FOR INDIVIDUALS WITH A DISABILITY BY UTILIZING THE TRUST, THE INDIVIDUALS WITH THE DISABILITY PRESERVE THEIR RIGHT TO PUBLIC ASSISTANCE, INCLUDING MEDICAID AND SUPPLEMENTAL SECURITY INCOME (SSI) A NOMINAL ANNUAL FEE IS CHARGED BY THE TRUST(\$600 - \$800) THE GEORGIA COMMUNITY TRUST IS THE ONLY SUCH TRUST IN THE STATE OF GEORGIA AND ONE OF A FEW IN THE COUNTRY

4c

(Code) (Expenses \$ 933,296 including grants of \$) (Revenue \$)

FREE ASSESSMENTS ARE OFFERED TO ANYONE IN THE COMMUNITY WHO REQUESTS ONE A TOTAL OF 8,600 FREE ASSESSMENTS WERE PROVIDED DURING FISCAL YEAR 2011 RIDGEVIEW WORKS WITH PEOPLE WHO ARE STRUGGLING WITH MENTAL HEALTH, ADDICTION, EATING DISORDERS, AND OTHER ISSUES AND HELPS RECOMMEND TREATMENT OPTIONS

4d

Other program services (Describe in Schedule O) See also Additional Data for Description

(Expenses \$ 546,174 including grants of \$) (Revenue \$)


















4e

Total program service expenses

\$ 18,927,203

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4	Yes
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. 	11a	Yes
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 	11b	No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 	11c	No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 	11d	Yes
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	Yes
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12a	No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	12b	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Parts II and IV	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Parts III and IV	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20a	Yes
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		No
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance			
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>			
		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	60
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	511
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	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			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a7		
b	Enter the number of voting members included in line 1a, above, who are independent	1b4		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		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?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		No
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c		No
13	Does the organization have a written whistleblower policy?	13		No
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)	15b		No
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure	
17	List the States with which a copy of this Form 990 is required to be filed▶GA
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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 ▶ DIANA REDMOND 3995 SOUTH COBB DRIVE SMYRNA, GA 300806397 (770) 434-4568

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ROBERT FINK CHAIRMAN	40.00	X						56,708	0	24,166
(2) THOMAS B JOHNS MEDICAL DIRECTOR	40.00	X						214,421	0	0
(3) MARJORIE BUSH BOARD MEMBER	2.00	X						0	0	0
(4) JOHN RAY BOARD MEMBER	2.00	X						0	0	0
(5) JOHN GATES BOARD MEMBER	2.00	X						0	0	0
(6) LEROY BROCK BOARD MEMBER	2.00	X						0	0	0
(7) TED SMITH BOARD MEMBER	2.00	X						0	0	0
(8) PAUL HACKMAN CEO/PRESIDENT	40.00			X				312,789	0	32,212
(9) JERRY MAGNISON CFO	40.00			X				146,848	0	14,164
(10) FRANK SARTOR DIR. OF ADMIN. SV.	40.00			X				138,658	0	28,016
(11) BARB LINDENBAUM DIR. OF CLINICAL SV.	40.00			X				147,510	0	19,940
(12) DEBRA BERGMAN DIR. OF BUSINESS DEV.	40.00			X				116,444	0	18,841
(13) DEBORAH BAKER RN	40.00					X		120,224	0	0

Part VII

(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			
1b	Sub-Total									
c	Total from continuation sheets to Part VII, Section A									
d	Total (add lines 1b and 1c)							1,253,602	0	137,339

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: 7

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SOUTHERN FOOD SERVICE 500 OFFICE PARK DR SUITE 210 BIRMINGHAM, AL 35223	DIETARY SERVICES	511,261
EMORY ADVENTIST HOSPITAL 3949 S COBB DR SMYRNA, GA 30080	LAB SERVICES	301,152
CARTER'S PHARMACY 3988 ATLANTA RD SMYRNA, GA 30080	PHARMACY CONTRACTED	252,001
THOMAS B JOHNS MD 4015 S COBB DR SMYRNA, GA 30080	MEDICAL DIRECTOR	214,421
STEVEN LYNN MD 4015 S COBB DR SMYRNA, GA 30080	PROGRAM DIRECTOR	211,496
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 17		

Part VIII

Statement of Revenue

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f					
	Program Service Revenue	2a		Business Code			
PATIENT REVENUES		623990	29,864,154	29,864,154			
b		CAFETERIA	624200	53,932		53,932	
c		FAMILY WORKSHOPS	621990	22,606	22,606		
d		MEDICAL STAFF APPLICAT	621990	3,100	3,100		
e		MEDICAL RECORDS	621990	1,790	1,790		
f		All other program service revenue					
g		Total. Add lines 2a-2f		29,945,582			
Other Revenue	3		Investment income (including dividends, interest and other similar amounts)		96,904		96,904
	4		Income from investment of tax-exempt bond proceeds				
	5		Royalties				
	6a	(i) Real		(ii) Personal			
		418,888					
		757,176					
		-338,288					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		-338,288	-338,288		
	7a	(i) Securities		(ii) Other			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a			
		b Less direct expenses		b			
c	Net income or (loss) from fundraising events						
9a	Gross income from gaming activities See Part IV, line 19		a				
			b				
	b Less direct expenses						
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances		a				
	b Less cost of goods sold		b				
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11a	MISCELLANEOUS		900099	10,781		10,781	
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d			10,781			
12 Total revenue. See Instructions				29,714,979	29,553,362	0	161,617

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	866,029		866,029	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	14,427,674	9,482,096	4,945,578	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	2,087,714	1,294,383	793,331	
10	Payroll taxes	1,172,216	726,774	445,442	
a	Fees for services (non-employees) Management				
b	Legal	10,717	6,645	4,072	
c	Accounting	79,357	49,201	30,156	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	3,381,252	2,096,376	1,284,876	
12	Advertising and promotion				
13	Office expenses				
14	Information technology				
15	Royalties				
16	Occupancy	934,350	579,297	355,053	
17	Travel	58,776	36,441	22,335	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	108,277	67,132	41,145	
20	Interest	520,382	322,637	197,745	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	984,172	610,187	373,985	
23	Insurance	750,318	465,197	285,121	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	BAD DEBTS	1,743,313	1,743,313		
b	SUPPLIES	1,077,983	668,349	409,634	
c	EQUIPMENT RENTAL & MAIN	184,619	114,464	70,155	
d	TRAINING	181,853	112,749	69,104	
e	ANCILLARY	151,752	94,086	57,666	
f	All other expenses	738,511	457,876	280,635	
25	Total functional expenses. Add lines 1 through 24f	29,459,265	18,927,203	10,532,062	0
26	Joint costs. Check here <input checked="" 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
Assets	1	Cash—non-interest-bearing			4,461,682	1	4,368,707
	2	Savings and temporary cash investments			3,353,826	2	3,404,245
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			4,244,307	4	4,170,837
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			76,127	8	86,824
	9	Prepaid expenses and deferred charges			568,615	9	554,836
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	24,081,465			
	b	Less: accumulated depreciation	10b	10,856,432	13,746,397	10c	13,225,033
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			1,773,881	15	1,727,964
	16	Total assets. Add lines 1 through 15 (must equal line 34)			28,224,835	16	27,538,446
Liabilities	17	Accounts payable and accrued expenses			2,083,055	17	1,626,177
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			10,663,197	20	10,058,220
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			1,310,288	25	1,430,040
	26	Total liabilities. Add lines 17 through 25			14,056,540	26	13,114,437
Net Assets or Fund Balances		Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets			14,168,295	27	14,424,009
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
		Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			14,168,295	33	14,424,009
	34	Total liabilities and net assets/fund balances			28,224,835	34	27,538,446

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	29,714,979
2	Total expenses (must equal Part IX, column (A), line 25)	2	29,459,265
3	Revenue less expenses Subtract line 2 from line 1	3	255,714
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	14,168,295
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	14,424,009

Part XII Financial Statements and Reporting

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

		Yes	No
1	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		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a 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		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
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		

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization RIDGEVIEW INSTITUTE INC	Employer identification number 58-2077522
---	--

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
11g(i)		
11g(ii)		
11g(iii)		

(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	
Total									

Part II

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))					14	
15 Public Support Percentage for 2009 Schedule A, Part II, line 14					15	
16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and 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 IIIPart 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
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support (Add lines 9, 10c, 11 and 12)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section501(c)(3) organization, check this box and stop here 						

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
b 33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

Part IV

Supplemental Information. 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).

Additional Data

Software ID:
Software Version:
EIN: 58-2077522
Name: RIDGEVIEW INSTITUTE INC

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

4d. Other program services				
(Code	) (Expenses \$	25,639	including grants of \$	) (Revenue \$
SPONSORSHIP OF FIVE TO SIX PROFESSIONAL EDUCATION PROGRAMS WITH SIX SCHOLARSHIPS				
(Code	) (Expenses \$	9,639	including grants of \$	) (Revenue \$
MEETING SPACE PROVIDED FOR 35 COMMUNITY BASED FREE SUPPORT GROUPS WEEKLY				
(Code	) (Expenses \$	492,573	including grants of \$	) (Revenue \$
CHARITY CARE PROVIDED TO PATIENTS UNABLE TO PAY FOR TREATMENT				
(Code	) (Expenses \$	18,323	including grants of \$	) (Revenue \$
FELLOWSHIP PROGRAM				

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

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

Name of the organization RIDGEVIEW INSTITUTE INC	Employer identification number 58-2077522
---	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If “Yes,” describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities	▶ \$
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization’s funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

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

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

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

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

Part II-B

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

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

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	RIDGEVIEW INSTITUTE PAYS MEMBERSHIP DUES TO THE AMERICAN HOSPITAL ASSOCIATION, GEORGIA HOSPITAL ASSOCIATION, NATIONAL ASSOCIATION OF ADDICTION TREATMENT PROVIDERS, AND NATIONAL ASSOCIATION OF PSYCHIATRIC HEALTH SYSTEMS. A PORTION OF THESE DUES ARE DESIGNATED FOR LOBBYING ACTIVITIES BY THESE ORGANIZATIONS.

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
RIDGEVIEW INSTITUTE INC

Employer identification number

58-2077522

Part I

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

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

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of a certified historic structure☐ Preservation of open space

2

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

	Held at the End of the Year
a	Total number of conservation easements
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

3

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

4

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

5

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

☐ Yes☐ No

6

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

7

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

8

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

☐ Yes☐ No

9

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

Part III

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

1a

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

b

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

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

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

2

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

a

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

b

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

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2010

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

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

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	1,726,885			1,726,885
b Buildings	16,578,771		6,094,380	10,484,391
c Leasehold improvements	728,815		586,007	142,808
d Equipment	5,038,218		4,176,045	862,173
e Other	8,776			8,776
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				13,225,033

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	129,714,979
2	Total expenses (Form 990, Part IX, column (A), line 25)	29,459,265
3	Excess or (deficit) for the year Subtract line 2 from line 1	255,714
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4 - 8	0
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	255,714

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	130,472,155
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a	
b	Donated services and use of facilities2b	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d757,176	
e	Add lines 2a through 2d	2e757,176
3	Subtract line 2e from line 1	329,714,979
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b	4c0
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	529,714,979

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	130,216,440
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d757,175	
e	Add lines 2a through 2d	2e757,175
3	Subtract line 2e from line 1	329,459,265
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b	4c0
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	529,459,265

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
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	RIDGEVIEW INSTITUTE, INC. (RVI) IS EXEMPT FROM FEDERAL INCOME TAXES PURSUANT TO SECTION 501(A), AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC), AS AMENDED. THE LLC IS ORGANIZED UNDER GEORGIA LAW AND THE IRC AS A LIMITED LIABILITY COMPANY. THE INCOME FROM THE LLC'S OPERATIONS IS NOT CONSIDERED UNRELATED BUSINESS INCOME TO RVI, AND IS THEREFORE NOT SUBJECT TO TAX. ACCORDINGLY, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS. AT AUGUST 31, 2011, MANAGEMENT DOES NOT BELIEVE THAT RVI OR THE LLC HOLDS ANY UNCERTAIN TAX POSITIONS THAT WOULD REQUIRE FINANCIAL STATEMENT RECOGNITION OR DISCLOSURE UNDER FASB ASC 740, INCOME TAXES (ASC 740).
PART XII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 757,176
PART XIII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 757,176 ROUNDING -1

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
RIDGEVIEW INSTITUTE INC

Employer identification number
58-2077522

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	Yes	
b	If "Yes," is it a written policy?	Yes	
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 <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>		
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%</div> <div><input type="checkbox"/> 150%</div> <div><input type="checkbox"/> 200%</div> <div><input checked="" type="checkbox"/> Other <u>125.000000000000 %</u></div> b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> 250%</div> <div><input type="checkbox"/> 300%</div> <div><input type="checkbox"/> 350%</div> <div><input type="checkbox"/> 400%</div> <div><input type="checkbox"/> Other _____%</div> c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 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"?	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		No
6a	Does the organization prepare a community benefit report during the tax year?		No
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						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			144,415		144,415	0 520 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			146,871		146,871	0 530 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			291,286		291,286	1 050 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			35,278		35,278	0 130 %
f Health professions education (from Worksheet 5)			18,323		18,323	0 070 %
g Subsidized health services (from Worksheet 6)			1,040,706		1,040,706	3 750 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j Total Other Benefits			1,094,307		1,094,307	3 950 %
k Total. Add lines 7d and 7j			1,385,593		1,385,593	5 000 %

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

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes
2	Enter the amount of the organization's bad debt expense (at cost)	2	1,030,918
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	0
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	3,365,417
6	Enter Medicare allowable costs of care relating to payments on line 5	6	3,443,804
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-78,387
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

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

Section A. Hospital Facilities

How many hospital facilities did the organization operate during the tax year? 1

Schedule H (Form 990) 2010

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? _____

Name and address	Type of Facility (Describe)
1	
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, 6i, 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 RIDGEVIEW PROVIDES A DISCOUNT TO ANY PATIENT WHO DOES NOT QUALIFY FOR FREE CARE AS LONG AS THE PATIENT PROVIDES REQUESTED FINANCIAL INFORMATION UNDER THE FINANCIAL ASSISTANCE POLICY

Identifier	ReturnReference	Explanation
		PART I, LINE 7 COST TO CHARGE RATIO IS DETERMINED AS FOLLOWS TOTAL EXPENSES LESS BAD DEBTS OF \$27,558,376 DIVIDED BY GROSS REVENUES OF \$46,602,062 EQUALS COST TO CHARGE RATIO OF 59 14 %

Identifier	ReturnReference	Explanation
		PART I, LINE 7G SUBSIDIZED HEALTH SERVICES INCLUDE (1) ADMINISTRATION OF THE GEORGIA COMMUNITY TRUST (A NONPROFIT POOLED INCOME TRUST FOR INDIVIDUALS WITH A DISABILITY) AND (2) FREE MENTAL HEALTH ASSESSMENTS OFFERED TO THE COMMUNITY NO COSTS WERE ATTRIBUTABLE TO A PHYSICIAN CLINIC

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) \$1,743,313 IN BAD DEBT EXPENSES WERE SUBTRACTED FROM FORM 990, PART IX, LINE 25 FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN

Identifier	ReturnReference	Explanation
		PART II N/A

Identifier	ReturnReference	Explanation
		PART III, LINE 4 COST OF BAD DEBTS WAS DETERMINED BY TAKING THE BOOKED BAD DEBTS OF \$1,743,313 TIMES THE COST TO CHARGE RATIO OF 59.14%

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE COST OF MEDICARE WAS DETERMINED BY TAKING THE MEDICARE CHARGES OF \$5,823,579 TIMES THE COST TO CHARGE RATIO OF 59 14 %

Identifier	ReturnReference	Explanation
		PART III, LINE 9B RIDGEVIEW INSTITUTE HAS THE POLICY FOR INTERNAL AND EXTERNAL COLLECTION PRACTICES THAT TAKES INTO ACCOUNT THE EXTENT TO WHICH THE PATIENT QUALIFIES FOR CHARITY, A PATIENT'S GOOD FAITH EFFORT TO APPLY FOR A GOVERNMENTAL PROGRAM OR FOR CHARITY FROM RIDGEVIEW INSTITUTE, AND A PATIENT'S GOOD FAITH EFFORT TO COMPLY WITH HIS/HER PAYMENT AGREEMENTS WITH RIDGEVIEW INSTITUTE FOR PATIENTS WHO QUALIFY FOR CHARITY AND FOR PATIENTS WHO ARE COOPERATING IN GOOD FAITH TO RESOLVE THEIR HOSPITAL BILLS, RIDGEVIEW INSTITUTE MAY OFFER EXTENDED PAYMENT PLANS TO ELIGIBLE PATIENTS, WILL NOT IMPOSE WAGE GARNISHMENTS OR LIENS ON PRIMARY RESIDENCES, WILL NOT SEND UNPAID BILLS TO OUTSIDE COLLECTION AGENCIES, AND WILL CEASE ALL COLLECTION EFFORTS

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 CURRENTLY, THERE IS NO METHODOLOGY IN PLACE TO CAPTURE DATA THAT WOULD PROVIDE AN OVERALL PICTURE OF THE STATUS OF BEHAVIORAL HEALTH IN THE ORGANIZATION'S SERVICE AREA RIDGEVIEW INSTITUTE UTILIZES A NUMBER OF DATA SOURCES TO EVALUATE THE NEEDS OF THE COMMUNITY AND OF THOSE PATIENTS AND FAMILIES IT SERVES INCLUDING 1 INTERNAL REFERRAL AND DIAGNOSTIC TRACKING OF EACH PATIENT 2 GEORGIA HOSPITAL ASSOCIATION COMMUNITY DATA REPORTS 3 DEPARTMENT OF COMMUNITY HEALTH DATA REPORTS 4 NATIONAL ASSOCIATION OF PSYCHIATRIC HEALTH SYSTEMS ANNUAL DATA REPORT 5 NATIONAL ASSOCIATION OF ADDICTION TREATMENT PROVIDERS RESOURCES6 REGULAR MEETINGS AND LUNCHES WITH STAKEHOLDERS, INCLUDING LEGISLATIVE AND COMMUNITY OFFICIALS AND PROVIDERS THIS INFORMATION IS REVIEWED REGULARLY BY SENIOR MANAGEMENT AND THE BOARD, FORMULATED INTO ANNUAL BUDGETS, BOTH OPERATING AND CAPITAL, AND INTEGRATED INTO THE ONGOING STRATEGIC PLAN

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 RIDGEVIEW INSTITUTE UTILIZES A NUMBER OF WAYS TO INFORM AND EDUCATE PATIENTS AND PERSONS ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER THE CHARITY CARE POLICY INCLUDING 1 SIGNS WHICH ARE CONSPICUOUSLY LOCATED THROUGHOUT THE ADMISSIONS AREAS OF THE HOSPITAL THAT DETAIL THE AVAILABILITY OF CHARITY CARE AND THE APPLICATION PROCESS, 2 DISCUSSIONS WITH PATIENTS AT THE TIME OF SERVICE BY VARIOUS HOSPITAL PERSONNEL INCLUDING THE ADMISSIONS REPRESENTATIVE AND THE FINANCIAL COUNSELOR ABOUT THE AVAILABILITY AND APPLICATION PROCESS FOR CHARITY CARE, AND 3 TELEPHONE CALLS TO PATIENTS BY THE RIDGEVIEW INSTITUTE COLLECTION PERSONNEL AND THE COLLECTION AGENCY WHEREBY AVAILABILITY AND THE APPLICATION PROCESS ARE AGAIN DISCUSSED

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 RIDGEVIEW MOST DIRECTLY SERVES COBB COUNTY (POPULATION APPROXIMATELY 690,000 BASED ON 2010 CENSUS) AND ADJOINING COUNTIES IN THE METRO ATLANTA AREA APPROXIMATELY 65% OF THE PATIENTS AT RIDGEVIEW INSTITUTE COME FROM GEORGIA, WITH THE GREATEST NUMBER COMING FROM THE METRO ATLANTA AREA THE REMAINDER COMES MOSTLY FROM ADJACENT STATES IN THE SOUTHEAST, THOUGH A FEW COME FROM OTHER PLACES IN THE UNITED STATES THERE ARE SIX OTHER FREE-STANDING BEHAVIORAL HEALTH FACILITIES IN THE GREATER METRO ATLANTA AREA THERE ARE THREE OTHER TREATMENT CENTERS THAT PROVIDE AN OUTPATIENT AND/OR RESIDENTIAL LEVEL OF CARE FOR ADDICTION PATIENTS ONLY

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 TO SERVE OUR LOCAL AREA, RIDGEVIEW INSTITUTE PROVIDES OVER 35 FREE COMMUNITY SUPPORT GROUPS WEEKLY OPEN TO THE PUBLIC WE OFFER FREE ASSESSMENTS AND REFERRALS 24/7 WE WORK CLOSELY WITH THE COBB COUNTY SCHOOLS TO MAKE THESE ASSESSMENTS READILY AVAILABLE FOR STUDENTS IN NEED WE OFFER QUARTERLY WORKSHOPS IN PARTNERSHIP WITH THE GEORGIA PTA ABOUT RELEVANT MENTAL HEALTH AND SUBSTANCE ABUSE ISSUES FACING YOUTH WE ALSO PROVIDE SPEAKERS FOR LOCAL SCHOOLS AND UNIVERSITIES ON RELEVANT TOPICS ADDITIONALLY, WE TRAIN NURSES, MASTER LEVEL CLINICIANS AND PHYSICIANS AT THE FACILITY (BOTH IN STRUCTURED INTERNSHIPS/ROTATIONS, AS WELL AS PROFESSIONAL SEMINARS OPEN TO PROFESSIONALS 5 - 6 TIMES A YEAR) WE ARE CONTRACTED WITH 35 INSURANCE COMPANIES, INCLUDING THE 3 MANAGED MEDICAID COMPANIES, TO ALLOW OUR SERVICES TO BE ACCESSIBLE TO A BROAD RANGE OF THE POPULATION WE ALSO MAINTAIN AN OPEN MEDICAL STAFF AND HAVE A GOVERNING BOARD MADE UP OF VARIOUS COMMUNITY MEMBERS RIDGEVIEW INSTITUTE REINVESTS ANY EXCESS REVENUES (OVER EXPENSES) BACK INTO ITS PROGRAMS AND FACILITIES

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 N/A

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.

Name of the organization
RIDGEVIEW INSTITUTE INC

Employer identification number
58-2077522

Part I

Questions Regarding Compensation

	Yes	No
<div>1a</div> <div>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</div> <div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div>		
<div>b</div> <div>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</div>	1b	
<div>2</div> <div>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?</div>	2	
<div>3</div> <div>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</div> <div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div></div><div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div>4</div> <div>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</div>		
<div>a</div> <div>Receive a severance payment or change-of-control payment from the organization or a related organization?</div>	4a	No
<div>b</div> <div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div>	4b	No
<div>c</div> <div>Participate in, or receive payment from, an equity-based compensation arrangement?</div>	4c	No
<div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		
<div></div> <div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div>		
<div>5</div> <div>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</div>		
<div>a</div> <div>The organization?</div>	5a	No
<div>b</div> <div>Any related organization?</div>	5b	No
<div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		
<div>6</div> <div>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</div>		
<div>a</div> <div>The organization?</div>	6a	No
<div>b</div> <div>Any related organization?</div>	6b	No
<div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		
<div>7</div> <div>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</div>	7	No
<div>8</div> <div>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</div>	8	No
<div>9</div> <div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div>	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) THOMAS B JOHNS	(i)	214,421	0	0	0	0	214,421	0
	(ii)	0	0	0	0	0	0	0
(2) PAUL HACKMAN	(i)	279,560	33,229	0	9,699	22,513	345,001	0
	(ii)	0	0	0	0	0	0	0
(3) JERRY MAGNISON	(i)	131,248	15,600	0	4,781	9,383	161,012	0
	(ii)	0	0	0	0	0	0	0
(4) FRANK SARTOR	(i)	120,721	17,937	0	4,398	23,618	166,674	0
	(ii)	0	0	0	0	0	0	0
(5) BARB LINDENBAUM	(i)	128,428	19,082	0	4,678	15,262	167,450	0
	(ii)	0	0	0	0	0	0	0
(6)								
(7)								
(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
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Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
RIDGEVIEW INSTITUTE INC

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2010

Open to Public Inspection

Employer identification number
58-2077522

Part I

Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A HOSPITAL AUTHORITY OF THE CITY OF SMYRNA GEORGIA	58-2401110	NONEAVAIL	06-16-2005	3,672,000	2005 BONDS - EXPANSION		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	3,672,000							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds	73,440							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	3,598,560							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2005							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X						
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III

Private Business Use

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

Part IIIPrivate Business Use (Continued)

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

Part IVArbitrage

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

Part VSupplemental Information

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

Identifier	Return Reference	Explanation

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ 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.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
RIDGEVIEW INSTITUTE INC

Employer identification number
58-2077522

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

1	(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

(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?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$										

Part III Grants or Assistance Benefitting Interested Persons.

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

(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) RAY AND SHERMAN	BOARD MEM JOHN RAY	39,315	RAY & SHERMAN PROVIDE LEGAL SERVICES TO RIDGEVIEW INSTITUTE, INC BOARD MEMBER JOHN RAY IS AN OWNER OF RAY & SHERMAN ALL TRANSACTIONS ARE CONDUCTED AT ARM'S LENGTH		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
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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

RIDGEVIEW INSTITUTE INC

Employer identification number

58-2077522

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE FORM 990 WAS PREPARED BY AN UNRELATED AND INDEPENDENT ACCOUNTING FIRM AND REVIEWED BY THE ORGANIZATION'S MANAGEMENT A COPY OF THE FORM 990 WILL BE PROVIDED TO THE BOARD PRIOR TO FILING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12	THE BY-LAWS HAVE A CONFLICT OF INTEREST SECTION THE BOARD MEMBERS ARE REQUIRED TO COMPLETE ANNUALLY A RELATIONSHIP DECLARATION PERTAINING TO CONFLICT OF INTEREST A POLICY IS STILL BEING WORKED ON TO COVER CONFLICT OF INTEREST IN MORE DETAIL THERE IS CURRENTLY NO WHISTLEBLOWER POLICY IT IS THE INTENT TO ESTABLISH THIS POLICY IN THE NEW YEAR

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15A	THE BOARD USES THE FOLLOWING TOOLS TO ESTABLISH THE COMPENSATION FOR THE CEO - A COMPENSATION COMMITTEE (COMPRISED OF INDEPENDENT BOARD MEMBERS), A WRITTEN CONTRACT FOR THE CEO, COMPENSATION SURVEYS, AND BOARD LEVEL APPROVAL THE CEO USES BENCHMARK SURVEYS AND RECRUITERS TO ESTABLISH THE COMPENSATION FOR THE OTHER OFFICERS AND KEY EMPLOYEES OF THE HOSPITAL

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES THESE DOCUMENTS AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE ORGANIZATION HAS A COMMITTEE THAT ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT THE OVERSIGHT PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
RIDGEVIEW INSTITUTE INC

Employer identification number
58-2077522

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
(1) RIDGEVIEW REAL ESTATE LLC 3995 SOUTH COBB DRIVE SMYRNA, GA 30080 58-2077522	RENTAL PROPERTY	GA	418,888	2,314,695	N/A

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) Disproporionate 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	

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

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

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

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)			

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

[illegible]

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation
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**RIDGEVIEW INSTITUTE, INC.
AND SUBSIDIARY**

***Audited Consolidated Financial Statements
(and Supplemental Information)***

Years Ended August 31, 2011 and 2010



RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Audited Consolidated Financial Statements and Supplemental Information

Years Ended August 31, 2011 and 2010

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Consolidated Financial Statements

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Certified Public Accountants
Two Ravinia Drive, Suite 1175
Atlanta, GA 30346
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www.pyapc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Ridgeview Institute, Inc.:

We have audited the accompanying consolidated balance sheets of Ridgeview Institute, Inc. and Subsidiary (the Hospital) as of August 31, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the management of the Hospital. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ridgeview Institute, Inc. and Subsidiary as of August 31, 2011 and 2010, and the results of their operations, changes in net assets, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental information presented on pages 18 through 21 is for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the consolidated financial statements taken as a whole.

Atlanta, Georgia
November 22, 2011

Pershing Yoakley & Associates PC

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY***Consolidated Balance Sheets***

	<i>August 31,</i>	
	<i>2011</i>	<i>2010</i>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 6,728,597	\$ 6,786,485
Assets limited as to use	519,060	510,599
Patient accounts receivable, less estimated allowances for uncollectible accounts of approximately \$1,420,000 in 2011 and \$1,640,000 in 2010	4,170,837	4,244,307
Other receivables	34,628	68,973
Estimated third-party payor settlements	146,160	131,568
Inventory	86,824	76,127
Prepaid expenses and other assets	567,239	578,591
TOTAL CURRENT ASSETS	12,253,345	12,396,650
INVESTMENTS	1,044,355	1,029,023
ASSETS LIMITED AS TO USE		
Held under bond indentures	1,128,164	1,119,703
Internally designated	95,950	83,841
	1,224,114	1,203,544
Less amount required to meet current obligations	(519,060)	(510,599)
	705,054	692,945
PROPERTY AND EQUIPMENT, net	13,225,033	13,746,397
BOND ISSUANCE COSTS, net of accumulated amortization of approximately \$590,000 in 2011 and \$541,000 in 2010	310,660	359,820
TOTAL ASSETS	\$ 27,538,447	\$ 28,224,835

	<i>August 31,</i>	
	<i>2011</i>	<i>2010</i>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 1,765,214	\$ 2,226,629
Accrued payroll and compensated absences	1,250,533	1,166,714
Current portion of long-term debt and capital leases	661,314	618,868
TOTAL CURRENT LIABILITIES	3,677,061	4,012,211
LONG-TERM DEBT AND CAPITAL LEASES, less		
current portion	9,437,376	10,044,329
TOTAL LIABILITIES	13,114,437	14,056,540
COMMITMENTS AND CONTINGENCIES - Note 1		
NET ASSETS	14,424,010	14,168,295
 TOTAL LIABILITIES AND NET ASSETS		
	\$ 27,538,447	\$ 28,224,835

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY***Consolidated Statements of Operations and Changes in Net Assets***

	<i>Year Ended August 31,</i>	
	<i>2011</i>	<i>2010</i>
CHANGES IN NET ASSETS		
Revenue, gains and other support:		
Net patient service revenue	\$ 29,864,154	\$ 29,064,779
Other revenue, including investment income	608,001	730,486
TOTAL REVENUE, GAINS AND OTHER SUPPORT	30,472,155	29,795,265
Expenses:		
Salaries and wages	16,141,353	15,102,988
Employee benefits	3,337,809	2,811,130
Purchased services	3,561,147	3,655,351
Supplies	1,288,134	1,334,084
Estimated provision for bad debts	1,743,313	1,799,162
Insurance	750,318	870,304
Other expenses	1,793,414	2,092,603
Interest expense	520,382	542,900
Depreciation and amortization	1,080,570	1,101,066
TOTAL EXPENSES	30,216,440	29,309,588
EXCESS OF REVENUE, GAINS AND OTHER SUPPORT OVER EXPENSES AND INCREASE IN NET ASSETS	255,715	485,677
NET ASSETS, BEGINNING OF YEAR	14,168,295	13,682,618
NET ASSETS, END OF YEAR	\$ 14,424,010	\$ 14,168,295

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows

	<i>Year Ended August 31,</i>	
	<i>2011</i>	<i>2010</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 255,715	\$ 485,677
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,080,570	1,101,066
Loss on disposal of property and equipment	27,961	-
Estimated provision for bad debts	1,743,313	1,799,162
Changes in asset and liability accounts:		
Patient accounts receivable	(1,669,843)	(1,021,310)
Other receivables	34,345	(30,446)
Estimated third-party payor settlements	(14,592)	98,792
Inventory	(10,697)	(6,609)
Prepaid expenses and other assets	11,352	(196,868)
Investments	(15,332)	374,045
Accounts payable and accrued expenses	(461,415)	3,601
Accrued payroll and compensated absences	83,819	123,702
Total adjustments	809,481	2,245,135
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,065,196	2,730,812
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(464,786)	(702,250)
Net change in assets limited as to use	(20,570)	674,465
NET CASH USED IN INVESTING ACTIVITIES	(485,356)	(27,785)
CASH FLOWS FROM FINANCING ACTIVITIES		
Letter of credit fees	(7,408)	(9,613)
Principal payments on long-term debt and capital leases	(630,320)	(598,444)
CASH USED IN FINANCING ACTIVITIES	(637,728)	(608,057)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(57,888)	2,094,970
CASH AND CASH EQUIVALENTS, beginning of year	6,786,485	4,691,515
CASH AND CASH EQUIVALENTS, end of year	\$ 6,728,597	\$ 6,786,485
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	\$ 524,919	\$ 546,460
Equipment purchases financed with capital leases	\$ 54,636	\$ -

See notes to consolidated financial statements.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended August 31, 2011 and 2010

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: On May 24, 1994, Ridgeview Institute, Inc. (RVI) was incorporated in the State of Georgia as a non-profit organization which provides psychiatric and other treatment programs within its geographic location.

Principles of Consolidation and Basis of Presentation: The consolidated financial statements include the financial statements of RVI and its wholly-owned subsidiary, Ridgeview Real Estate, LLC (the LLC). The formation of the LLC was for the purpose of purchasing a medical office building and subsequent rental activity. All significant intercompany balances and transactions are eliminated upon consolidation. Collectively, RVI and the LLC will be referred to as "the Hospital" throughout the notes to the consolidated financial statement.

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 certain reported amounts of assets and liabilities and disclosures 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. Actual results could differ from those estimates.

Cash and Cash Equivalents: Cash and cash equivalents include amounts on deposit and certain highly liquid investments with an original maturity of three months or less when purchased, except uninvested cash accounts held as part of investments or assets limited as to use. At August 31, 2011, the Hospital had amounts on deposit and other cash equivalents at financial institutions in amounts which exceed federal depository insurance limits. Management believes the risk relate to these deposits is minimal.

Investments and Assets Limited as to Use: Investments are unrestricted as to use and are measured at fair value based on quoted market prices. Investments consist primarily of mutual funds and a money market account held by RVI. RVI accounts for its investments as trading securities and, as such, records unrealized gains and losses on those investments as investment income, which is included in other revenue in the accompanying Statements of Operations and Changes in Net Assets. Assets limited as to use primarily include assets held by trustees under bond indenture and an accumulation of unrestricted donations from former patients and patient families that have been internally designated by management for an undetermined future use. Substantially all assets limited as to use at August 31, 2011 and 2010 are invested in cash equivalents with a single issuer whose carrying value approximates fair value. Assets limited as to use that are required to meet current liabilities have been classified as current assets in the Consolidated Balance Sheets.

Inventory: Inventory is valued at the lower of cost (first-in, first-out method) or market.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

Property and Equipment: Property and equipment acquisitions are recorded at cost. Major renewals and improvements are charged to the property accounts while replacements, maintenance, and repairs, which do not improve or extend the life of the respective assets, are charged to operations.

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

Management of the Hospital periodically reviews property and equipment for indicators of potential impairment of long-lived assets and, if such review indicates carrying amounts may not be recoverable, adjusts the carrying value and recognizes a loss. Management does not believe that any unrecognized impairment exists at August 31, 2011.

Bond Issuance Costs: Bond issuance costs are amortized over the life of the related borrowings using the bonds outstanding method.

Net Patient Service Revenue and Receivables: RVI has agreements with third-party payors that provide for payments to RVI at amounts different from its established rates. Payment arrangements include discounted charges and per diem payments. Net patient service revenue is reported on the accrual basis at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. 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. Management believes that adequate provision has been made for any adjustments which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonably possible that management's estimates will change in 2012, although the amount of such change cannot be estimated.

Patient accounts receivable are reported net of an estimated allowance for uncollectible accounts and an estimated allowance for contractual adjustments. The estimated contractual allowance represents the difference between established billing rates and estimated reimbursement from Medicare and other third-party payment programs. Current operations are charged with an estimated provision for bad debts through the establishment of the estimated allowance for uncollectible accounts based upon historical experience, the age of the accounts and any unusual circumstances which affect the collection of patient accounts receivable.

Charity Care: RVI provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Charges forgone for charity care provided based on established rates totaled approximately \$493,000 and \$306,000 for the years ended August 31, 2011 and 2010, respectively. The estimated cost of providing these charity care services totaled approximately \$433,000 and \$266,000 for the years ended August 31, 2011 and

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

2010, respectively. Because RVI does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Excess of Revenue, Gains and Other Support over Expenses: The Consolidated Statements of Operations and Changes in Net Assets include the caption "Excess of Revenue, Gains and Other Support over Expenses" (the Measurement.) Changes in unrestricted net assets that are excluded from the Measurement, consistent with industry practice, include changes in unrealized gains and losses on investments that are other than trading securities, permanent transfers of assets for other than goods and services and contributions of long-lived assets, if any.

Income Taxes: RVI is exempt from federal income taxes pursuant to Section 501(a), as an organization described in Section 501(c)(3) of the Internal Revenue Code (IRC), as amended. The LLC is organized under Georgia law and the IRC as a limited liability company. The income from the LLC's operations is not considered unrelated business income to RVI, and is therefore not subject to tax. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. At August 31, 2011, management does not believe that RVI or the LLC holds any uncertain tax positions that would require financial statement recognition or disclosure under generally accepted accounting principles.

Subsequent Events: Management has evaluated all events or transactions that occurred after August 31, 2011 through November 22, 2011, the date the consolidated financial statements were available to be issued. During this period, management did not note any material recognizable subsequent events that required recognition or disclosure in the accompanying consolidated financial statements.

New Accounting Pronouncements: In August 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2010-23, *Measuring Charity Care for Disclosure*, which amends FASB Accounting Standards Codification (ASC) Topic 954, *Health Care Entities*. This Update provides amendments that require cost to be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care. The amendments in this Update also require disclosure of the method used to identify or determine such costs. This Update is effective for fiscal years beginning after December 15, 2010 and should be applied retrospectively to all periods. Management of the Hospital is evaluating the impact of this Update and does not expect it to have a significant impact on the consolidated financial statements.

Also, in August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which provides amendments that clarify that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. Prior to this Update, health care entities were permitted to net insurance recoveries against the accrual of

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

malpractice claims or similar liabilities. This Update is effective for fiscal years beginning after December 15, 2010, and a cumulative-effect adjustment should be recognized in opening net assets in the period of adoption if a difference exists between any liabilities and insurance receivables recorded as a result of applying the amendments in this Update. Management of the Hospital is evaluating the impact of this Update on the consolidated financial statements but does not anticipate any material impact on operations or net assets upon adoption.

In July 2011, the FASB issued ASU 2011-07, *Healthcare Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and Allowance for Doubtful Accounts for Certain Healthcare Entities*, which will require certain healthcare entities to reclassify the provision for bad debts associated with providing patient care from an operating expense to a deduction from net patient service revenue in the Statement of Operations and Changes in Net Assets. Additionally, ASU 2011-07 requires enhanced disclosures about an entity's policies for recognizing revenue and assessing bad debts and qualitative and quantitative information about changes in the allowance for doubtful accounts. The Hospital intends to adopt ASU 2011-07 in fiscal year 2013. Management does not expect the adoption of ASU 2011-07 to have a material impact on the consolidated financial statements.

Reclassifications: Certain reclassifications have been made to the 2010 consolidated financial statements to conform with the 2011 presentation.

NOTE B--NET PATIENT SERVICE REVENUE

A summary of the payment arrangements with major third-party payors follows:

Medicare: Prior to July 31, 2005, Medicare patient services were paid based upon cost reimbursement, subject to a target limitation per discharge in accordance with the Tax Equity and Financial Responsibility Act (TEFRA) of 1982. Effective August 1, 2005, Medicare transitioned to a prospective payment system (PPS). PPS was phased in over a three year period for RVI. Beginning in fiscal year 2009, RVI has been reimbursed 100% under the PPS federal rate. Prior to RVI being reimbursed 100% under the federal PPS rate, RVI was reimbursed for these items at a tentative rate with final settlement determined after submission of annual cost reports and audits by the Medicare fiscal intermediary. Final determination of the amounts earned is subject to review by appropriate authorities. As of August 31, 2011, the Hospital's annual cost reports had been finalized through 2008. There was no significant impact on net patient service revenue during the years ended August 31, 2011 and 2010 due to prior year retroactive settlements received being greater or less than amounts previously estimated.

Activity with respect to audits and reviews of governmental programs and reimbursement has increased, such as the Medicare Recovery Audit Contractor program. No additional reserves or

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE B--NET PATIENT SERVICE REVENUE - Continued

allowances have been established with regard to these increased audits and reviews as management is not able to estimate such amounts, if any. It is management's opinion that any adjustments from these increased audits and reviews will not have a material impact on the consolidated financial statements; however, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in 2012.

Laws and regulations governing the Medicare program are complex and subject to interpretation. Management believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material effect on the accompanying consolidated financial statements. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare program.

In March 2010, Congress adopted comprehensive healthcare and insurance legislation through the issuance of the *Patient Care Protection and Affordable Care Act and Health Care and Education Reconciliation Act*. The legislation, among other matters, is designated to expand access to coverage to substantially all citizens by 2019 through a combination of public program expansion and private industry health insurance. Changes to existing Medicaid coverage and payments are also expected to occur as a result of this legislation. Implementing regulations are generally required for these legislative acts, which are to be adopted over a period of years and, accordingly, the specific impact of any future regulations is not determinable.

Other: RVI has also entered into reimbursement agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined per diem rates.

NOTE C--INVESTMENTS

Investments consist of the following at August 31:

	<i>2011</i>	<i>2010</i>
Money market account	\$ 57,994	\$ 20,189
Mutual funds	1,000,000	1,000,000
	1,057,994	1,020,189
Net unrealized gain (loss)	(13,639)	8,834
Total investments	<u>\$ 1,044,355</u>	<u>\$ 1,029,023</u>

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE C--INVESTMENTS - Continued

Income earned on investments, which consists entirely of changes in net unrealized gains (losses) on investments, interest and dividends, was \$17,708 and \$50,432 for the years ended August 31, 2011 and 2010, respectively, and is included in other revenue in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

NOTE D--CONCENTRATIONS OF CREDIT RISK

RVI's policy does not require collateral or other security for patient accounts receivable and RVI routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies. The mix of net receivables from patients and third-party payors at August 31, 2011 and 2010, was as follows:

	<i>2011</i>	<i>2010</i>
Medicare	12%	17%
Preferred provider and health maintenance organizations	71%	64%
Other third-party payors	3%	2%
Patients	14%	17%
	100%	100%

NOTE E--PROPERTY AND EQUIPMENT

Property and equipment at August 31, 2011 and 2010 consisted of the following:

	<i>2011</i>	<i>2010</i>
Land	\$ 1,726,885	\$ 1,726,885
Land improvements	299,852	285,185
Buildings	17,007,734	16,798,303
Equipment	5,038,218	7,942,772
	24,072,689	26,753,145
Less: Accumulated depreciation	(10,856,432)	(13,058,847)
	13,216,257	13,694,298
Projects in progress	8,776	52,099
	\$ 13,225,033	\$ 13,746,397

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE E--PROPERTY AND EQUIPMENT - Continued

Projects in progress at August 31, 2011 consist primarily of renovations that are not yet complete. The estimated cost to complete projects in progress at August 31, 2011 is not significant.

NOTE F--LONG-TERM DEBT AND CAPITAL LEASES

The following summarizes long-term debt at August 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
\$3,672,000 Series 2005 certificate with principal and interest at 4.06%, payable in monthly installments of \$27,275 with a final payment of remaining principal due June 15, 2015.	\$ 2,436,014	\$ 2,657,168
\$3,060,000 Series 2002 bonds bearing interest at a variable rate (0.29% at August 31, 2011) interest due quarterly with principal due each November through 2016.	1,260,000	1,460,000
\$2,145,000 1998 Term A bonds with interest at 6.25% due November 2017, subject to mandatory annual sinking fund requirements beginning in November 2009.	1,765,000	1,960,000
\$4,790,000 1998 Term B bonds with interest at 6.00% due November 2028, net of unamortized discount of \$192,794 and \$203,971 at August 31, 2011 and 2010, respectively, subject to mandatory annual sinking fund requirements beginning in 2018.	4,597,206	4,586,029
Capitalized leases payable secured by equipment with a book value of \$40,383 with interest at 0.9%, monthly payments of \$1,531 through November 2013.	40,470	-
	10,098,690	10,663,197
Less current portion	(661,314)	(618,868)
	<u>\$ 9,437,376</u>	<u>\$ 10,044,329</u>

In June 2005, The Hospital Authority of the City of Smyrna, Georgia issued a \$3,672,000 Revenue Anticipation Certificate, Series 2005 (the 2005 Certificate.) The proceeds of this debt issue were loaned to RVI under the terms of a Loan Agreement to finance the acquisition of real and personal property. The 2005 Certificate is secured by property and equipment of RVI.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE F--LONG-TERM DEBT AND CAPITAL LEASES - Continued

In January 2002, The Hospital Authority of the City of Smyrna, Georgia issued \$3,060,000 of Tax-Exempt Adjustable Mode Revenue Bonds, Series 2002 (the 2002 Bonds.) The proceeds of the 2002 Bonds were loaned to RVI under the terms of a Loan Agreement to finance improvements to the current facility, acquire a new information technology system, and pay certain issue costs. The 2002 Bonds are secured by a letter of credit. Under the terms of a Reimbursement and Security Agreement with the bank, the letter of credit renews automatically each month until RVI receives a thirteen month "Notice of Non-Extension" from the bank. RVI has not received such a notice as of August 31, 2011.

In November 1998, The Hospital Authority of the City of Smyrna, Georgia issued \$8,355,000 of First Mortgage Revenue Bonds, Series 1998 (the 1998 Bonds.) The proceeds of this bond issue were loaned to RVI under the terms of a Loan Agreement to repay existing indebtedness, fund facility repairs and computer upgrades, fund a debt service reserve fund, and pay certain issue costs. The Series 1998 Bonds are secured by RVI's revenue and property.

The 1998 Bonds consisted of \$1,420,000 of serial bonds, \$2,145,000 of term bonds (1998 Term A Bonds), and \$4,790,000 of term bonds (1998 Term B Bonds). The serial bonds matured November 1, 2008. The 1998 Term A Bonds bear interest at a rate of 6.25% and are subject to mandatory sinking fund redemption beginning on November 1, 2009, and on each November 1 thereafter until November 1, 2017, when the 1998 Term A Bonds mature. At August 31, 2011, the remaining annual mandatory sinking fund redemption payments range from \$210,000 to \$300,000 for the 1998 Term A Bonds. The 1998 Term B Bonds bear interest at a rate of 6.00% and are subject to mandatory sinking fund redemption beginning on November 1, 2018, and on each November 1 thereafter until November 1, 2028, when the 1998 Term B Bonds mature. The annual mandatory sinking fund redemption payments range from \$320,000 to \$570,000 for the 1998 Term B Bonds.

The 1998 Bonds maturing on and after November 1, 2006 are subject to redemption in whole or in part, at any time, at the option of RVI, on or after November 1, 2005, at prices ranging from 100% to 101% of the outstanding principal amount.

The provisions of the loan agreements contain various restrictive covenants pertaining to certain financial and operating ratios. Management believes RVI is in compliance with all covenants as of August 31, 2011.

Scheduled principal repayments on long-term debt are follows for the years ended August 31:

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE F--LONG-TERM DEBT AND CAPITAL LEASES - Continued

2012	\$	661,314
2013		681,061
2014		691,809
2015		2,157,300
2016		465,000
Thereafter		5,635,000
	\$	<u>10,291,484</u>

NOTE G--EMPLOYEE RETIREMENT PLAN

RVI sponsors a defined contribution plan covering substantially all employees. The Plan allows for employer contributions if an employee meets certain eligibility requirements. Participants may contribute a portion of their compensation up to a regulatory maximum. RVI may match 100% of eligible employee contributions up to 3% of eligible compensation plus another 50% of eligible employee contributions up to an additional 3% of eligible compensation. RVI may also contribute, subject to the Board of Directors' approval, a bonus contribution if an employee is employed by RVI on August 31 of such plan year. RVI's contributions to the plan totaled approximately \$390,000 and \$180,000 for the years ended August 31, 2011 and 2010, respectively.

NOTE H--FUNCTIONAL EXPENSES

RVI provides general healthcare services to residents within its geographic location and the LLC conducts rental activity. Expenses related to providing these services for the years ending August 31, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Healthcare services	\$ 18,727,994	\$ 17,686,296
General and administrative	11,488,446	11,623,292
	<u>\$ 30,216,440</u>	<u>\$ 29,309,588</u>

NOTE I--COMMITMENTS AND CONTINGENCIES

Leases: RVI leases various equipment and facilities under operating leases at various rates expiring through 2015, including leases that are on a month to month basis. Total rental expense during 2011 and 2010 for all operating leases was approximately \$450,000 and \$550,000, respectively.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE I--COMMITMENTS AND CONTINGENCIES - Continued

At August 31, 2011, future minimum lease payments under noncancelable operating lease agreements that have a remaining term in excess of one year are as follows:

<u>Year Ending August 31,</u>	
2012	\$ 57,852
2013	57,852
2014	57,852
2015	57,852
	<u>\$ 231,408</u>

As discussed in Note A, the LLC was formed for the purpose of purchasing a medical office building and subsequent rental activity. The LLC has lease agreements with unrelated tenants for the rental of medical office space. Annual rental revenue from signed leases for the next five years and in the aggregate as of August 31, 2011 is as follows:

<u>Year Ending August 31,</u>	
2012	\$ 377,837
2013	159,524
2014	63,728
2015	9,479
Thereafter	-
	<u>\$ 610,568</u>

Professional Liability Claims: RVI is involved in litigation in the ordinary course of business related to professional liability claims. RVI's professional liability coverage is on a claims-made basis with a limit of \$1,000,000 per claim and an annual aggregate limit of \$3,000,000. RVI's deductible under this coverage is \$100,000 per claim with a \$500,000 annual aggregate. RVI also maintains an excess liability policy for \$10,000,000 per incident and \$20,000,000 for an annual aggregate. Management believes all identified claims will be settled within the limits of insurance coverage as of August 31, 2011. It is at least reasonably possible that other claims may be asserted arising from past services provided through August 31, 2011.

Approximately \$75,000 and \$160,000 has been estimated and accrued for reported claims at August 31, 2011 and 2010, respectively, and such amounts are included in accounts payable and accrued expenses in the accompanying consolidated financial statements. No amounts have been accrued for potential losses related to unreported incidents or incidents which have not yet resulted in asserted

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements - Continued

Years Ended August 31, 2011 and 2010

NOTE I--COMMITMENTS AND CONTINGENCIES - Continued

claims as management is not able to estimate such amounts. Management is unaware of any other incidents which would ultimately result in a loss in excess of insurance coverage limits.

Workers Compensation Claims: RVI is covered for workers compensation claims up to \$1,000,000 per incident through an insurance policy.

Healthcare Benefits: RVI maintains a self-funded healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury of eligible employees and covered dependents. Stop-loss insurance is purchased for claims exceeding \$85,000 with maximum coverage of \$2,000,000 per incident. Accounts payable and accrued expenses include estimated amounts of approximately \$180,000 and \$200,000 at August 31, 2011 and 2010, respectively, for claims incurred but not reported.

Healthcare Industry: The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse statutes, patient records privacy and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

NOTE J-- FAIR VALUE MEASUREMENT

Generally accepted accounting principles establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY***Notes to Consolidated Financial Statements - Continued******Years Ended August 31, 2011 and 2010*****NOTE J-- FAIR VALUE MEASUREMENT - Continued**

- Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents assets and liabilities reported at fair value as of August 31, 2011 and 2010 and their respective classification under the valuation hierarchy:

	<i>Carrying Value</i>	<i>Quoted Prices in Active Markets (Level 1)</i>	<i>Significant Other Observable Inputs (Level 2)</i>	<i>Significant Unobservable Inputs (Level 3)</i>
August 31, 2011				
Assets measured at fair value on a recurring basis				
Investments - money market accounts	\$ 57,994	\$ 57,994	\$ -	\$ -
Investments - mutual funds	986,361	986,361	-	-
Assets limited as to use -money market accounts	1,224,114	1,224,114	-	-
	<u>\$ 2,268,469</u>	<u>\$ 2,268,469</u>	<u>\$ -</u>	<u>\$ -</u>
August 31, 2010				
Assets measured at fair value on a recurring basis				
Investments - money market accounts	\$ 20,189	\$ 20,189	\$ -	\$ -
Investments - mutual funds	1,008,834	1,008,834		
Assets limited as to use -money market accounts	1,203,544	1,203,544		
	<u>\$ 2,232,567</u>	<u>\$ 2,232,567</u>	<u>\$ -</u>	<u>\$ -</u>

Supplemental Information

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Consolidating Balance Sheets

August 31, 2011

	<i>Ridgeview Institute, Inc.</i>	<i>Ridgeview Real Estate, LLC</i>	<i>Eliminations</i>	<i>Total</i>
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 6,728,597	\$ -	\$ -	\$ 6,728,597
Assets limited as to use	519,060	-	-	519,060
Patient accounts receivable, less estimated allowance for uncollectible accounts of approximately \$1,420,000	4,170,837	-	-	4,170,837
Other receivables	9,513	25,115	-	34,628
Intercompany receivable	1,594,696	-	(1,594,696)	-
Estimated third-party payor settlements	146,160	-	-	146,160
Inventory	86,824	-	-	86,824
Prepaid expenses and other assets	539,206	28,033	-	567,239
TOTAL CURRENT ASSETS	13,794,893	53,148	(1,594,696)	12,253,345
INVESTMENTS	1,044,355	-	-	1,044,355
ASSETS LIMITED AS TO USE	1,224,114	-	-	1,224,114
Less amount required to meet current obligations	(519,060)	-	-	(519,060)
	705,054	-	-	705,054
INVESTMENT IN RIDGEVIEW REAL ESTATE, LLC	2,450,040	-	(2,450,040)	-
PROPERTY AND EQUIPMENT, NET	10,963,486	2,261,547	-	13,225,033
BOND ISSUANCE COSTS, NET OF ACCUMULATED AMORTIZATION	310,660	-	-	310,660
TOTAL ASSETS	\$ 29,268,488	\$ 2,314,695	\$ (4,044,736)	\$ 27,538,447

See Independent Auditors' Report and Note to Consolidating Financial Statements.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY***Consolidating Balance Sheets - Continued******August 31, 2011***

	<i>Ridgeview Institute, Inc.</i>	<i>Ridgeview Real Estate, LLC</i>	<i>Eliminations</i>	<i>Total</i>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 1,765,214	\$ -	\$ -	\$ 1,765,214
Accrued payroll and compensated absences	1,250,533	-	-	1,250,533
Intercompany payable	-	1,594,696	(1,594,696)	-
Current portion of long-term debt and capital leases	661,314	-	-	661,314
TOTAL CURRENT LIABILITIES	3,677,061	1,594,696	(1,594,696)	3,677,061
LONG-TERM DEBT, less current portion	9,437,376	-	-	9,437,376
TOTAL LIABILITIES	13,114,437	1,594,696	(1,594,696)	13,114,437
NET ASSETS	16,154,051	719,999	(2,450,040)	14,424,010
TOTAL LIABILITIES AND NET ASSETS	\$ 29,268,488	\$ 2,314,695	\$ (4,044,736)	\$ 27,538,447

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Consolidating Statements of Operations and Changes in Net Assets

Year Ended August 31, 2011

	<i>Ridgeview Institute, Inc.</i>	<i>Ridgeview Real Estate, LLC</i>	<i>Eliminations</i>	<i>Total</i>
CHANGES IN NET ASSETS				
Revenue, gains and other support:				
Net patient service revenue	\$ 29,864,154	\$ -	\$ -	\$ 29,864,154
Other revenue, including investment income	189,113	418,888	-	608,001
TOTAL REVENUE, GAINS AND OTHER SUPPORT	30,053,267	418,888	-	30,472,155
Expenses:				
Salaries and wages	15,911,588	229,765	-	16,141,353
Employee benefits	3,259,198	78,611	-	3,337,809
Purchased services	3,425,662	135,485	-	3,561,147
Supplies	1,242,308	45,826	-	1,288,134
Estimated provision for bad debts	1,743,313	-	-	1,743,313
Insurance	750,318	-	-	750,318
Other expenses	1,622,323	171,091	-	1,793,414
Interest expense	520,382	-	-	520,382
Depreciation and amortization	984,172	96,398	-	1,080,570
TOTAL EXPENSES	29,459,264	757,176	-	30,216,440
EXCESS (DEFICIT) OF REVENUE, GAINS AND OTHER SUPPORT OVER EXPENSES AND INCREASE (DECREASE) IN NET ASSETS	594,003	(338,288)	-	255,715
NET ASSETS, BEGINNING OF YEAR	15,560,048	1,058,287	(2,450,040)	14,168,295
NET ASSETS, END OF YEAR	\$ 16,154,051	\$ 719,999	\$ (2,450,040)	\$ 14,424,010

See Independent Auditors' Report and Note to Consolidating Financial Statements.

RIDGEVIEW INSTITUTE, INC. AND SUBSIDIARY

Note to Consolidating Financial Statements

Year Ended August 31, 2011

NOTE A--CONSOLIDATING FINANCIAL STATEMENTS PRESENTATION

Ridgeview Institute, Inc. (RVI) recognized its original investment in Ridgeview Real Estate, LLC (LLC) in the amount \$2,450,040 during 2006, which is the year in which the LLC was formed. Such amount has remained unchanged since this time as management has elected to not apply any of the LLC's Excess (Deficit) of Revenue, Gains and Other Support over Expenses to the original investment in the consolidating financial statements.