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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

A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011

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

C Name of organization
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
2100 STANTONSBURG ROAD

City or town, state or country, and ZIP + 4
GREENVILLE, NC 27835

D Employer identification number
56-2141073

E Telephone number
(252) 847-5129

G Gross receipts $ 74,467,888

F Name and address of principal officer
DAVE MCRAE
2100 STANTONSBURG ROAD
GREENVILLE, NC 27835

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW UHSEAST COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1998 | **M** State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO ADVANCE AND SUPPORT THE HEALTHCARE NEEDS OF THE COMMUNITIES OF EASTERN NORTH CAROLINA

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	20
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	17
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	571
6	Total number of volunteers (estimate if necessary)	6	18
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	0	170,146
9	Program service revenue (Part VIII, line 2g)	80,206,432	77,977,412
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	15,216,801	-3,679,670
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	95,423,233	74,467,888
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	838,500	1,395,562
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	42,376,895	47,778,677
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	68,964,059	63,699,577
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	112,179,454	112,873,816
19	Revenue less expenses Subtract line 18 from line 12	-16,756,221	-38,405,928
Net Assets or Fund Balances		**Beginning of Current Year**	**End of Year**
20	Total assets (Part X, line 16)	608,925,733	845,138,049
21	Total liabilities (Part X, line 26)	583,621,113	629,789,619
22	Net assets or fund balances Subtract line 21 from line 20	25,304,620	215,348,430

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

****** | 2012-03-29
Signature of officer | Date

DAVID HUGHES CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
GREGORY W JOHNS	GREGORY W JOHNS			
Firm's name ▶ CLIFTONLARSONALLEN LLP				Firm's EIN ▶
Firm's address ▶ 101 N TRYON STREET SUITE 1000 CHARLOTTE, NC 28246				Phone no ▶ (704) 998-5200

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

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 100,415,554 including grants of $ 1,395,562) (Revenue $ 77,977,412)

UHS IS A NORTH CAROLINA NON-PROFIT CORPORATION WITH HEADQUARTERS IN GREENVILLE, NORTH CAROLINA UHS AND ITS AFFILIATES OPERATE AN INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF APPROXIMATELY 1 4 MILLION PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN NORTH CAROLINA THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN PRACTICES, OUTPATIENT SERVICES, LONG-TERM CARE, HOME HEALTH, HOSPICE, AND WELLNESS SERVICES THE HEALTH SYSTEM'S OWNED HOSPITALS ARE PITT COUNTY MEMORIAL HOSPITAL (PCMH), WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER, AND SEVEN OTHER ACUTE CARE HOSPITALS ROANOKE-CHOWAN HOSPITAL, HERITAGE HOSPITAL, CHOWAN HOSPITAL, BERTIE MEMORIAL HOSPITAL, DUPLIN GENERAL HOSPITAL, BEAUFORT HOSPITAL AND THE OUTER BANKS HOSPITAL UHS ALSO MANAGES ALBEMARLE HOSPITAL PCMH SERVES AS THE TEACHING HOSPITAL FOR THE BRODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED HEALTH AND PITT COMMUNITY COLLEGE THE SYSTEM ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLINA

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

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

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

4e **Total program service expenses** ▶ $ 100,415,554

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	Yes	
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, line10? *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		No
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		

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? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**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? *If "Yes," complete Schedule J*	**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? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part II*	**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? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**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? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
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)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**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? *If "Yes," complete Schedule R, Part VI*	**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 . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	706		
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		
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	571		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
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	1a 20		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 17		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	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	Yes	
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	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
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	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		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 ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☑ Own website ☐ Another's website ☑ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

CHRIS TOWNSEND
2100 STANTONSBURG ROAD
GREENVILLE, NC 27835
(252) 847-5129

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			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								7,230,594	3,431,746	2,811,436

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 ▶ 73

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such person*	**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
EPIC SYSTEMS CORPORATION PO BOX 88314 MILWAUKEE, WI 53288	CONTRACTED SERVICES	1,887,206
PHILIPS HEALTHCARE INFORMATICS 4100 EAST THIRD AVE FOSTER CITY, CA 94404	SERVICE CONTRACTS	1,557,290
JENNINGS & COMPANY 104A NORTH ELLIOTT RD CHAPEL HILL, NC 75254	MARKETING SERVICES	1,242,933
VHA INC 75 REMITTANCE DRIVE SUITE 1855 CHICAGO, IL 60675	CONSULTING SERVICES	1,144,195
NAVVIS AND COMPANY 15945 CLAYTON ROAD SUITE 360 BALLWIN, MO 63011	CONSULTING SERVICES	590,663
2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 36		

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	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	170,146			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		170,146			
Program Service Revenue		Business Code				
	2a INTERCOMPANY REVENUE	900099	77,977,412	77,977,412		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		77,977,412			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		-3,679,670			-3,679,670
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real	(ii) Personal			
	6a Gross Rents					
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) . . . . . ▶					
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory					
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss) . . . . . ▶					
Other Revenue	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 Less direct expenses . . . . . b					
	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					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶					
	12 **Total revenue.** See Instructions . . . ▶		74,467,888	77,977,412	0	-3,679,670

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	1,395,562	1,395,562		
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	40,091,103	40,091,103		
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				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	4,902,059	4,902,059		
9 Other employee benefits	2,785,515	2,785,515		
10 Payroll taxes				
a Fees for services (non-employees) Management				
b Legal	795,170		795,170	
c Accounting				
d Lobbying	157,089		157,089	
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees	1,164,626	582,313	582,313	
g Other	19,804,100	9,727,155	10,076,945	
12 Advertising and promotion	2,859,627	2,859,627		
13 Office expenses	4,064,173	3,877,522	186,651	
14 Information technology	1,621,647	1,621,647		
15 Royalties	16,302	16,302		
16 Occupancy	1,052,403	1,052,403		
17 Travel	944,381	944,381		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	26,351,920	26,351,920		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,750,572	1,750,572		
23 Insurance	1,803,026	1,803,026		
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 MEMBERSHIP DUES	519,501		519,501	
b ACADEMIC LOANS	190,108	190,108		
c				
d				
e				
f All other expenses	604,932	464,339	140,593	
25 **Total functional expenses.** Add lines 1 through 24f	112,873,816	100,415,554	12,458,262	0
26 **Joint costs.** Check here ▶ ☐ 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) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		1	
	2	Savings and temporary cash investments	16,488,763	2	18,130,400
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	3,493,695	9	5,530,058
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a: 12,020,286			
	b	Less accumulated depreciation — 10b: 1,016,376	1,471,775	10c	11,003,910
	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	587,471,500	15	810,473,681
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	608,925,733	16	845,138,049
Liabilities	17	Accounts payable and accrued expenses	31,829,391	17	43,797,078
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	516,824,029	20	555,508,661
	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	34,967,693	25	30,483,880
	26	**Total liabilities.** Add lines 17 through 25	583,621,113	26	629,789,619
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	25,304,620	27	215,348,430
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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	25,304,620	33	215,348,430
	34	Total liabilities and net assets/fund balances	608,925,733	34	845,138,049

Part XI Reconcilliation 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	74,467,888
2	Total expenses (must equal Part IX, column (A), line 25)	2	112,873,816
3	Revenue less expenses Subtract line 2 from line 1	3	-38,405,928
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	25,304,620
5	Other changes in net assets or fund balances (explain in Schedule O)	5	228,449,738
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	215,348,430

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 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	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	2c	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 ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		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 . .	3b		

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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
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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?

	Yes	No
(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? **11g(i)**		No
(ii) a family member of a person described in (i) above? **11g(ii)**		No
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		No

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
(A) PITT COUNTY MEMORIAL HOSPITAL INC	560585243	03	Yes		Yes		Yes		13,867,553
(B) EAST CAROLINA HEALTH INC	562003393	03	Yes		Yes		Yes		0
Total									13,867,553

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 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).

Facts And Circumstances Test

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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	Employer identification number
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC	56-2141073

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt 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? ☐ Yes ☐ 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		
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-		

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

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 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) Yes	(a) No	(b) 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)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		157,089
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			157,089
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).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	PAID STAFF SPECIFICALLY INVOLVED WITH LOBBYING ACTIVITIES TO INFLUENCE LEGISLATORS, THEIR STAFF AND OTHER GOVERNMENT OFFICIALS

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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
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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? ☐ Yes ☐ No

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 ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ 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	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	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		1,320,706		1,320,706
b Buildings		79,255	563	78,692
c Leasehold improvements				0
d Equipment		10,620,325	1,015,813	9,604,512
e Other				0
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				11,003,910

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

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

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

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

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	474,253,401
(2) ASSETS LIMITED FOR IMPROVEMENTS	232,072,877
(3) ASSETS LIMITED FOR LIABILITY LOSSES	27,356,359
(4) ASSETS HELD BY TRUSTEE	54,565,286
(5) OTHER ASSETS	22,225,758
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	810,473,681

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
RESERVE FOR PROFESSIONAL LIABILITY LOSSES	29,717,786
OTHER LIABILITIES	766,094
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	30,483,880

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA, INC IS EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed. . . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) PITT MEMORIAL HOSPITAL FOUNDATION PO BOX 8489 GREENVILLE,NC 27835	58-1399266	501(C)(3)	25,000				CHARITABLE
(2) UNIVERISTY HEALTH SYSTEMS OF EASTERN CAROLINA INC2100 STANTONSBURG ROAD GREENVILLE,NC 27835	20-0777374	501(C)(3)	1,000,000				CHARITABLE
(3) VHA FOUNDATION INC 220 EAST LAS COLINAS BLVD IRVING,TX 75039	22-2710552	501(C)(3)	10,000				CHARITABLE
(4) EAST CAROLINA UNIVERSITY120 READE STREET GREENVILLE,NC 27858	56-6000403	501(C)(3)	360,562				CHARITABLE

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 4

3 Enter total number of other organizations . . . . . ▶ 4

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

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

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 GRANT MONITORING PRIMARY OVERSIGHT RESPONSIBILITY FOR ALL GRANTS RECEIVED BY UHS ORGANIZATIONS RESTS WITH THE ENTITY RECEIVING THE FUNDS EACH ENTITY IS RESPONSIBLE FOR DOCUMENTING THE RECEIPT OF FUNDS, ASSIGNING A COST CENTER TO TRACK EXPENSES AND/OR CREATING A RESTRICTED LIABILITY FOR DEPOSIT OF THE FUNDS, DOCUMENTING EXPENDITURES AND COMPLETING ALL GRANTOR REQUIRED REPORTING THEIR COMPLIANCE WITH THE TERMS OF THE AGREEMENT RELATED TO PROJECT IMPLEMENTATION AND MANAGEMENT, FUND EXPENDITURES AND REPORTING IS MONITORED BY THE GRANTING AGENCY'S DESIGNATED CONTACT PERSON WITH ASSISTANCE FROM THE UHS GRANTS OFFICE NOTE THE MAJORITY OF THE GRANT FUNDS RECEIVED FOR PROGRAMS AT PCMH ARE ACQUIRED THROUGH THE PMH FOUNDATION WHICH HAS A COMPLIANCE AUDIT COMPLETED EACH YEAR GRANT FUNDS FOR UHS ARE SENT TO THE UHS FOUNDATION AND HAVE THE SAME AUDIT PROCEDURES ALL GRANT FUNDS ARE RECORDED/MONITORED BY THE CORPORATE ACCOUNTANT AND THE ASSISTANT VICE PRESIDENT OF FINANCIAL SERVICES SELECTION CRITERIA/PROCESS GRANTS PROVIDED BY THE UHS AND PMH FOUNDATIONS REQUIRE THE APPLICANT TO BE A 501(C)3 OR GOVERNMENT ENTITY AND RECIPIENTS ARE REQUIRED TO PROVIDE PROOF OF THEIR STATUS BY SUBMITTING A COPY OF THEIR IRS LETTER OF DETERMINATION REQUESTS MUST BE RELATED TO DISEASE PREVENTION AND DISEASE MANAGEMENT OR WELLNESS THERE ARE DIFFERENT HEALTH RELATED FOCUS AREAS FOR EACH OF THE HOSPITALS COMMUNITY BENEFITS GRANT PROGRAMS EACH HOSPITAL'S PROGRAM HAS THEIR OWN LOCAL COMMUNITY BENEFITS GRANTS REVIEW COMMITTEE COMPRISED OF LOCAL REPRESENTATIVES FROM THEIR RESPECTIVE COMMUNITIES THESE COMMITTEES REVIEW LETTERS OF INTENT, DECIDE WHICH ORGANIZATIONS ARE TO BE INVITED TO SUBMIT A GRANT APPLICATION, THEN REVIEW THE GRANT APPLICATIONS AND MAKE FUNDING RECOMMENDATIONS THEIR FUNDING RECOMMENDATIONS ARE THEN REVIEWED BY THE UHS FOUNDATION COMMUNITY BENEFITS COMMITTEE AND FINAL DECISIONS ARE CONFIRMED BY THE UHS FOUNDATION BOARD

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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			
	☑ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☑ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☑ Compensation committee	☑ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☐ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							
(2)							
(3)							
(4)							
(5)							
(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
	PART I, LINE 1A	DAVE MCRAE, DAVID HERMAN, STEVE LAWLER, ROGER ROBERTSON, PHIL FLOWERS, DAVID WOMACK, JOEL BUTLER, ANISSA DAVENPORT AND JEFF CHAMBERS ARE PROVIDED WITH FIRST-CLASS OR CHARTER TRAVEL TOTALS DURING THE YEAR AMOUNTED TO $101,879 ALLAN HARVIN ($150 00), ART KENNEY ($150 00), WILLIAM JONES ($300 00), BRUCE GRAY ($150 00), JOANNE BURGDORFF ($300 00), MELVIN MCLAWHORN ($150 00), RALPH HALL ($300 00), THOMASINE KENNEDY ($250 00), WALTER POFAHL ($150 00) WERE ALLOWED TRAVEL FOR COMPANIONS DURING THE YEAR THE ORGANIZATION PAID FOR SOCIAL CLUB DUES FOR DAVE MCRAE IN THE AMOUNT OF $3,624 DURING THE YEAR
	PART I, LINE 4B	COMPENSATION OF DIANE POOLE OF THE COMPENSATION REPORTED IN COLUMN (D) OF SUBSECTION 1A, $1,924,759 IS RELATED TO A DISTRIBUTION FROM A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN OF THIS AMOUNT, $866,142 WAS PAID TO FEDERAL AND STATE GOVERNMENTS AS WITHHELD TAXES THE REMAINDER IS HELD BY A TRUSTEE WITH ACTUARIALLY DETERMINED MONTHLY PAYMENTS CONSISTING OF PRINCIPAL AND EARNINGS BEING PAID TO THE RECIPIENT OVER A SPECIFIED NUMBER OF YEARS THIS COMPENSATION WAS EARNED BY MS POOLE BASED ON 28 YEARS OF SERVICE DAVE C MCRAE WAS A PARTICIPANT IN A SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN DURING THE YEAR

Additional Data

Return to Form

Software ID:

Software Version:

EIN: 56-2141073

Name: UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) 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 compensation				
DAVID MCRAE	(I)	911,085	114,693	303,007	262,929	13,529	1,605,243	294,157
	(II)	0	0	0	0	0	0	0
JACK HOLSTEN	(I)	430,709	12,454	2,626	272,465	12,394	730,648	0
	(II)	0	0	0	0	0	0	0
ROGER ROBERTSON	(I)	289,345	7,077	998	124,745	8,938	431,103	0
	(II)	0	0	0	0	0	0	0
JANET MULLANEY	(I)	316,836	4,667	779	139,268	6,364	467,914	0
	(II)	0	0	0	0	0	0	0
STUART JAMES	(I)	273,633	5,354	308	54,421	6,165	339,881	0
	(II)	0	0	0	0	0	0	0
KATHY BARGER	(I)	282,933	2,833	600	88,576	7,383	382,325	0
	(II)	0	0	0	0	0	0	0
STEPHEN LAWLER	(I)	0	0	0	0	0	0	0
	(II)	542,201	0	5,551	190,374	6,364	744,490	0
NANCY AYCOCK	(I)	282,739	4,173	1,198	123,691	10,572	422,373	0
	(II)	0	0	0	0	0	0	0
TYREE WALKER	(I)	224,788	0	635	82,479	4,464	312,366	0
	(II)	0	0	0	0	0	0	0
JOEL BUTLER	(I)	210,218	6,170	1,008	81,638	7,361	306,395	0
	(II)	0	0	0	0	0	0	0
JOAN WYNN	(I)	182,095	3,562	290	83,566	4,881	274,394	0
	(II)	0	0	0	0	0	0	0
TIMOTHY MCDONNELL	(I)	178,368	1,752	403	56,012	4,742	241,277	0
	(II)	0	0	0	0	0	0	0
JOHN FALCETANO	(I)	177,423	3,356	560	70,078	4,758	256,175	0
	(II)	0	0	0	0	0	0	0
TRAVIS DOUGLAS	(I)	236,837	2,319	0	44,856	2,461	286,473	0
	(II)	0	0	0	0	0	0	0
DIANE POOLE	(I)	0	0	0	0	0	0	0
	(II)	352,242	0	1,926,989	65,226	11,545	2,356,002	0
DAVID HUGHES	(I)	266,107	0	595	81,782	6,359	354,843	0
	(II)	0	0	0	0	0	0	0
PRESTON COMEAUX III	(I)	185,755	4,545	979	89,030	4,534	284,843	0
	(II)	0	0	0	0	0	0	0
MARY COLLIER	(I)	176,160	1,661	354	77,782	4,685	260,642	0
	(II)	0	0	0	0	0	0	0
LYNN LANIER	(I)	180,660	3,537	412	68,420	3,949	256,978	0
	(II)	0	0	0	0	0	0	0
CARMEN VINCENT	(I)	163,589	3,150	332	66,674	4,408	238,153	0
	(II)	0	0	0	0	0	0	0
ANISSA DAVENPORT	(I)	178,945	3,502	231	43,245	4,801	230,724	0
	(II)	0	0	0	0	0	0	0
WILLIAM FLOYD	(I)	0	0	0	0	0	0	0
	(II)	218,375	1,951	220	42,033	239	262,818	0
DONALD SMITH	(I)	198,062	30,673	246	42,874	220	272,075	0
	(II)	0	0	0	0	0	0	0
SANJAY SAHA	(I)	0	0	0	0	0	0	0
	(II)	193,823	0	0	34,382	5,065	233,270	0
RYAN HICKEY	(I)	0	0	0	0	0	0	0
	(II)	186,656	3,738	0	35,039	872	226,305	0
SHARON TANNER	(I)	425,683	51,552	8,237	87,833	6,364	579,669	0
	(II)	0	0	0	0	0	0	0
RAYMOND OWINGS	(I)	254,522	18,154	0	44,500	6,364	323,540	0
	(II)	0	0	0	0	0	0	0
WILLIAM CASE	(I)	190,023	16,698	2,824	60,672	7,867	278,084	0
	(II)	0	0	0	0	0	0	0
LINDA ROBERSON	(I)	163,454	750	553	23,284	4,781	192,822	0
	(II)	0	0	0	0	0	0	0
SETH VAN ESSENDELFT	(I)	162,855	3,540	0	31,640	4,051	202,086	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	65821DCB5	12-10-2008	112,690,000	PROCEEDS WERE USED TO REFUND ALL OF THE OUTSTANDING SERIES 2006A-D BONDS		X		X		X
B	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	65821DCC3	12-10-2008	123,850,000	PROCEEDS WERE USED TO REFUND ALL OF THE OUTSTANDING SERIES 2006A-D BONDS		X		X		X
C	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	65821DBF7	12-10-2008	74,455,000	PROCEEDS WERE USED TO REFUND ALL OF THE OUTSTANDING SERIES 2006A-D BONDS		X		X		X
D	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	65821DBW0	12-10-2008	119,715,000	PROCEEDS WERE USED TO REFUND ALL OF THE OUTSTANDING SERIES 2006A-D BONDS		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	112,380,208	123,510,128	72,621,918	111,025,083
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	497,140	747,060	201,418	322,582
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2009	2009	2009	2009
		Yes / No	Yes / No	Yes / No	Yes / No
14	Were the bonds issued as part of a current refunding issue?	/ X	/ X	/ X	/ X
15	Were the bonds issued as part of an advance refunding issue?	X /	X /	X /	X /
16	Has the final allocation of proceeds been made?	X /	X /	X /	X /
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X /	X /	X /	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		X		X		X	
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		X

Part III Private 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		X		X		X
b	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		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?	X		X		X		X	
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
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		X		X		X	

Part IV Arbitrage

		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		X		X		X
2	Is the bond issue a variable rate issue?	X		X			X		X
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?	X		X			X		X
b	Name of provider	CITIBANK NA		CITIBANK NA					
c	Term of hedge	27 000000000000		27 000000000000					
d	Was the hedge superintegrated?		X		X				
e	Was a hedge terminated?		X		X				
4a	Were gross proceeds invested in a GIC?		X		X		X		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		X		X		X
6	Did the bond issue qualify for an exception to rebate?		X		X		X		X

Part V Supplemental Information

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

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	65821DBU4	12-10-2008	77,900,000	PROCEEDS WERE USED TO REFUND ALL OF THE OUTSTANDING SERIES 2006A-D BONDS		X		X		X
B	NORTH CAROLINA MEDICAL CARE COMMISSION	52-1309402	NONEAVAIL	06-23-2011	50,000,000	TO PURCHASE CAPITAL EQUIPMENT, BUILDINGS AND LAND		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	77,332,631	50,000,000		
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	212,631			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	50,000,000	50,000,000		
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2009	2011		

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X		X				
15	Were the bonds issued as part of an advance refunding issue?	X			X				
16	Has the final allocation of proceeds been made?	X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		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			X				
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X				

Part III Private 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		X				
b	Are there any research agreements that may result in private business use of bond-financed property?		X		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?	X		X					
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
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		X					

Part IV Arbitrage

		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		X				
2	Is the bond issue a variable rate issue?		X	X					
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		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		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		X				
6	Did the bond issue qualify for an exception to rebate?		X		X				

Part V Supplemental Information

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

Identifier	Return Reference	Explanation

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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
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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	(c) Corrected? 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? To	(b) Loan to or from the organization? From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) In default? No	(f) Approved by board or committee? Yes	(f) Approved by board or committee? No	(g) Written agreement? Yes	(g) Written agreement? 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) PHILLIP K FLOWERS	BUSINESS RELATIONSHIP	100,004	PAYMENT FOR SERVICES DURING THE YEAR		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
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE 990 IS MADE AVAILABLE TO BOARD MEMBERS BY POSTING TO A BOARD MEMBER'S WEBSITE ANY BOARD MEMBER WHO DOES NOT HAVE THE ABILITY TO ACCESS THE RETURN IN THIS MANNER WILL RECEIVE A COPY VIA ELECTRONIC OR REGULAR MAIL THE RETURN IS ALSO REVIEWED BY THE CHIEF FINANCIAL OFFICER, CHIEF GENERAL COUNSEL AND THE CHIEF AUDIT AND COMPLIANCE OFFICER OF UNIVERSITY HEALTH SYSTEMS PRIOR TO FILING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	ALL BOARD MEMBERS ARE REQUIRED TO COMPLETE A COMPREHENSIVE CONFLICT OF INTEREST QUESTIONNAIRE THESE ARE REVIEWED BY LEGAL COUNSEL AND ANY POTENTIAL OR ACTUAL CONFLICTS ARE BROUGHT TO THE BOARD FOR DISPOSITION BOARD MEMBERS ARE REQUIRED TO RECUSE THEMSELVES FROM VOTING ON ISSUES IN WHICH THEY ARE DEEMED TO HAVE A CONFLICT

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE TOP MANAGEMENT OFFICIAL IS THE CEO WHO IS AN EMPLOYEE OF UHSEC THE COMPENSATION IS DETERMINED BY THE UHSEC BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS THIS PROCESS IS PERFORMED EVERY THREE YEARS, THE LAST YEAR BEING 2010 IT WILL BE PERFORMED AGAIN IN 2013 COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS DETERMINED BY THE UHSEC BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS THIS PROCESS IS PERFORMED EVERY THREE YEARS, THE LAST YEAR BEING 2010 IT WILL BE PERFORMED AGAIN IN 2013

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -13,671,059 CAPITAL CONTRIBUTIONS AND TRANSFERS WITH AFFILIATES, NET 221,820,461 UNRESTRICTED CONTRIBUTION ELIMINATION 20,300,336 TOTAL TO FORM 990, PART XI, LINE 5 228,449,738

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	NO CHANGES FOR APPROVING AUDITED FINANCIAL STATEMENTS OR SELECTION OF INDEPENDENT ACCOUNTANTS HAVE OCCURRED FROM THE PRIOR YEAR

Identifier	Return Reference	Explanation
	FORM 990, PART 1, LINE 1	OVERVIEW OF UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA AT UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA (UHS), WE ARE COMMITTED TO IMPROVING THE HEALTH OF OUR COMMUNITIES EASTE RN NORTH CAROLINA RESIDENTS LOOK TO OUR HOSPITALS FOR QUALITY HEALTH CARE WE WORK HARD TO UPHOLD THE TRUST THAT OUR COMMUNITIES PLACE IN US THROUGH A CLEAR VISION, DISCIPLINED LE ADERSHIP AND COMMITTED EMPLOYEES, UHS SERVES THE NEEDS OF THE REGION, INCLUDING THOSE WHO ARE UNDERSERVED AND NEED US THE MOST OUR MISSION AT UHS - TO ENHANCE THE QUALITY OF LIFE FOR THE PEOPLE AND COMMUNITIES WE SERVE, TOUCH AND SUPPORT - DRIVES US FAR BEYOND CARING F OR PATIENTS WITHIN THE CONFINES OF OUR HOSPITAL WALLS IT CALLS US TO HELP MAKE EASTERN NO RTH CAROLINA A BETTER, HEALTHIER PLACE TO LIVE UHS IS A NORTH CAROLINA NON-PROFIT CORPORA TION WITH HEADQUARTERS IN GREENVILLE, NORTH CAROLINA UHS AND ITS AFFILIATES OPERATE AN IN TEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF APPROXIMATELY 1 4 MILLI ON PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN NORTH CAROLINA THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN PRACTICES, OUTPATIENT SERVICES, LONG-TERM CARE, HOME HEALTH, HOSPICE, AND WELLNESS SERVICES THE HEALTH SYSTEM'S OWNED HOSPITALS ARE PITT COUNTY MEMORIAL HOSPI TAL (PCMH), WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER, AND SEVEN OT HER ACUTE CARE HOSPITALS ROANOKE-CHOWAN HOSPITAL, HERITAGE HOSPITAL, CHOWAN HOSPITAL, BER TIE MEMORIAL HOSPITAL, DUPLIN GENERAL HOSPITAL, BEAUFORT HOSPITAL AND THE OUTER BANKS HOSP ITAL UHS ALSO MANAGES ALBEMARLE HOSPITAL PCMH SERVES AS THE TEACHING HOSPITAL FOR THE BR ODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED HEALTH AND PITT COMMUN ITY COLLEGE THE SYSTEM ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLI NA THE SYSTEM'S EIGHT OWNED ACUTE CARE HOSPITALS ARE LICENSED TO OPERATE 1,451 BEDS EACH HOSPITAL IS LICENSED BY THE DIVISION OF FACILITY SERVICES OF THE NORTH CAROLINA DEPARTMEN T OF HEALTH AND HUMAN SERVICES AND APPROVED AS A PROVIDER BY THE MEDICARE AND MEDICAID PRO GRAMS UHS AND ITS HOSPITALS AND AFFILIATE ORGANIZATIONS PROVIDE SERVICES TO PATIENTS WITH OUT REGARD TO THEIR ABILITY TO PAY IN FISCAL YEAR 2011 UHS' COMBINED PATIENT CARE STATIST ICS WERE INPATIENT ADMISSIONS, 62,839, INPATIENT DAYS OF CARE, 339,060, SURGERIES, 43,155 , BIRTHS, 5,781, AND OUTPATIENT VISITS, 434,794 OUR SYSTEMS WORKFORCE INCLUDED 11,485 EMP LOYEES EACH OF UHS' HOSPITALS OPERATES AN EMERGENCY ROOM, WHICH IS OPEN 24 HOURS A DAY P CMH ALSO OFFERS A FULL SPECTRUM OF TRAUMA SERVICES EMERGENT AND TRAUMA SERVICES ARE PROVI DED TO PATIENTS WITHOUT REGARD TO THEIR ABILITY TO PAY IN FISCAL YEAR 2011 UHS PROVIDED C ARE TO 225,289 EMERGENCY ROOM PATIENTS IN 2011 UHS AND PCMH HAD THE SAME GOVERNING BOARD, WHICH IS COMPRISED OF 20 VOTING MEMBERS THAT MEET MONTHLY THE BOARD OF COMMISSIONERS OF PITT COUNTY APPOINTS 11 MEMBERS, AND 9 MEMBERS ARE APPOINTED BY THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA THE BOARD MEMBERS HAVE DIVERSE BACKGROUNDS AND ARE SELEC TED TO REPRESENT THE CITIZENS OF EASTERN CAROLINA PCMH, IN AFFILIATION WITH THE BRODY SCH OOL OF MEDICINE, WHICH IS OWNED BY THE STATE OF NORTH CAROLINA, OPERATES 30 RESIDENT-TRAIN ING PROGRAMS WITH OVER 340 MEDICAL RESIDENTS THIS RELATIONSHIP ENABLES PCMH AND THE BRODY SCHOOL OF MEDICINE TO COMBINE THEIR RESOURCES FOR THE PROVISION OF QUALITY PATIENT CARE, MEDICAL EDUCATION AND RESEARCH FOR THE RESIDENTS OF EASTERN NORTH CAROLINA THE BRODY SCHO OL OF MEDICINE HAS THREE IMPORTANT GOALS EDUCATING PRIMARY CARE PHYSICIANS, MAKING MEDICA L CARE MORE READILY AVAILABLE TO THE PEOPLE OF EASTERN NORTH CAROLINA, AND PROVIDING OPPOR TUNITIES TO MINORITY AND DISADVANTAGED STUDENTS AS A NON-PROFIT ORGANIZATION, UHS REINVES TS ALL EXCESS OF REVENUES OVER EXPENSES IN PROGRAMS, SERVICES, AND FACILITIES THAT PROVIDE ACCESS TO PATIENT CARE AND HEALTH SERVICES TO THE CITIZENS OF EASTERN CAROLINA OVERVIEW OF UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA COMMUNITY BENEFIT PROGRAMS 1 EASTERN NOR TH CAROLINA IS COMPRISED OF 1 4 MILLION PEOPLE LIVING IN 14,000 SQUARE MILES BOUNDARIES A RE FROM I-95 EAST TO THE COAST, AND FROM THE VIRGINIA LINE UP TO AND INCLUDING ONSLOW COUN TY THE AREA IS LARGELY RURAL AND LARGELY POOR, WITH HIGHER THAN STATE OR NATIONAL AVERAGE RATES FOR POVERTY AND UNINSURED HEALTH STATUS INDICATORS SHOW INCREASED INCIDENCE OF DIS EASE IN THE REGION, ESPECIALLY CANCER, HEART DISEASE AND STROKE UHS DETERMINES PRIORITIES FOR TARGET POPULATIONS BY WORKING IN CONCERT WITH MEDICAL AND COMMUNITY AGENCY PARTNERS I N ONGOING ASSESSMENT OF THE MOST PRESSING HEALTH CARE NEEDS MANY EFFORTS OVER THE PAST DE CADE HAVE FOCUSED ON DIABETES, PEDIATRIC ASTHMA, SCHOOL HEALTH, INJURY PREVENTION, ACCESS TO CARE, NUTRITION ENHANCEMENT, PHYSICAL ACTIVITIES AND CHRONIC DISEASE SCREENINGS ALSO, SPECIAL PROGRAMS TO MANAGE THE CARE OF MEDICAID ENROLLEES, ADDRESS ACCESS TO BOTH MEDICAL CARE AND MEDICATIONS FOR THE UNINSURED, AND COORDI

Identifier	Return Reference	Explanation
	FORM 990, PART 1, LINE 1	NATION OF SERVICES FOR CHILDREN WITH OBESITY HAVE BEEN UNDERTAKEN THE POPULATIONS THAT AR E SERVED BY ADDRESSING THESE ISSUES ARE LARGELY THE POOR, THE UNDERSERVED, AND MINORITIES DETERMINATION OF SPECIFIC POPULATIONS TO ADDRESS OCCURS WHEN PARTNERS SUCH AS THE NORTH C AROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES, LOCAL HEALTH DEPARTMENTS, COUNTY HEALTHY CAROLINIAN TASK FORCES, AND PHYSICIANS IDENTIFY A QUANTIFIABLE NEED, AND COMMUNITY PARTNER S ARE ENGAGED TO WORK TOGETHER WITH THE HEALTH SYSTEM 2 FUNDING FOR COMMUNITY HEALTH PRO GRAMS IS OBTAINED FROM BOTH THE OPERATING FUNDS OF UHS ENTITIES AND EXTERNAL GRANT-AWARDIN G ORGANIZATIONS THE UHS BOARD ANNUALLY PROVIDES FINANCIAL SUPPORT FOR THE COMMUNITY BENEF IT INITIATIVES PROGRAM OF ITS FOUNDATION THESE FUNDS ARE THEN AWARDED TO COMMUNITY AGENCI ES THAT SUCCESSFULLY DEMONSTRATE BOTH NEED AND A WELL-DESIGNED PLAN TO ADDRESS ONE OF THE FOUNDATION'S PRIORITY CATEGORIES IN ADDITION, EACH UHS HOSPITAL FINANCIALLY SUPPORTS COMM UNITY HEALTH RESOURCES WITHIN ITS OPERATING BUDGET PROGRAMS VARY ACCORDING TO THE HOSPITA L'S FINANCIAL ABILITY AND COMMUNITY NEED, BUT ALL INCLUDE COLLABORATIVE EFFORTS WITH LOCAL HEALTH DEPARTMENTS, INCLUDING HEALTH SCREENINGS AND EDUCATION TO TARGETED POPULATIONS UH S ALSO HAS A SUCCESSFUL TRACK RECORD OF OBTAINING COMMUNITY HEALTH PROGRAM SUPPORT FROM EX TERNAL AGENCIES THAT AWARD GRANT FUNDING TO APPROVED PROJECTS THE UHS GRANTS OFFICE WAS E STABLISHED IN 2008 AND SERVES AS THE CENTRAL POINT FOR GRANT MINING, ACQUISITION AND MANAG EMENT OF GRANTS AWARDED TO UHS HOSPITALS FOR COMMUNITY-BASED PROGRAMS GRANT FUNDS ARE UTI LIZED TO DEMONSTRATE THE EFFECTIVENESS OF A PROPOSED COMMUNITY PROGRAM, MEASURE THE OUTCOM ES ACHIEVED, AND GARNER LONG-TERM SUSTAINABILITY FROM EITHER THE HEALTH SYSTEM, OTHER COMM UNITY AGENCIES OR AS A COLLABORATIVE PROGRAM MANY COMMUNITY HEALTH PROGRAMS ARE COLLABORA TIVE IN NATURE WITH LOCAL SERVICE AGENCIES, AND OFTEN A PORTION OF THE GRANT FUNDS ARE USE D TO SUPPORT RESOURCES OR SERVICES IN THESE AGENCIES 3 COMMUNITY HEALTH PRIORITIES ARE D ETERMINED IN SEVERAL WAYS IN PARTNERSHIP WITH THE LOCAL HEALTH DEPARTMENTS, THE RESULTS O F STATE-MANDATED COMMUNITY HEALTH ASSESSMENTS ARE STUDIED BY EACH LOCAL HEALTHY CAROLINIAN S TASK FORCE THOSE TASK FORCE GROUPS THEN COMPILE A LIST OF THE MOST PRESSING ISSUES IN T HEIR COMMUNITIES BASED ON DATA COMMUNITY INPUT BOTH ESTABLISHED RESOURCES WITHIN VARIOUS AGENCIES AND POTENTIAL OPPORTUNITIES TO GARNER NEW SUPPORT ARE REVIEWED

Identifier	Return Reference	Explanation
JOINT VENTURES	FORM 990, PART VI, SECTION B, LINE 16A AND 16B	THE OUTER BANKS HOSPITAL, A RELATED PARTY, IS A JOINT VENTURE BETWEEN UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA, INC AND CHESAPEAKE GENERAL HOSPITAL

Identifier	Return Reference	Explanation
		4 COMMUNITY PRIORITIES ARE ALSO ESTABLISHED IN RESPONSE TO A COMPELLING NEED IDENTIFIED BY HEALTH PRACTITIONERS OR COMMUNITY GROUPS EXAMPLES INCLUDE THE PEDIATRIC ASTHMA PROGRAM THAT HAS BEEN IN PLACE FOR OVER 10 YEARS IN PITT COUNTY, AND EXPANDED TO OTHER COMMUNITIES IN THE REGION THIS MAJOR COMMUNITY-BASED PROGRAM WAS ESTABLISHED FOLLOWING A PLEA FOR ASSISTANCE BY PEDIATRICIANS AND PEDIATRIC CLINICAL NURSE SPECIALISTS CARING FOR CHILDREN WITH ASTHMA IN THE ACUTE CARE SETTING THE PITT COUNTY SCHOOL SYSTEM AND LOCAL PARENTS IDENTIFIED A LACK OF HEALTH CARE SUPPORT IN THE SCHOOLS, RESULTING IN AN AWARD-WINNING SCHOOL NURSE PROGRAM THAT HAS BEEN REPLICATED IN SEVERAL COUNTIES MOST RECENTLY, THE FOCUSED ATTENTION ON PEDIATRIC OBESITY AND ASSOCIATED DISEASES HAS RESULTED IN MULTIPLE COMMUNITY-BASED PROGRAMS DIRECTED AT IMPROVING NUTRITION, PHYSICAL ACTIVITY, AND CASE MANAGEMENT FOR THAT POPULATION UHS IS FORTUNATE TO HAVE A STRONG COLLABORATIVE PARTNERSHIP WITH EAST CAROLINA UNIVERSITY, AND WORKS CLOSELY WITH THE SCHOOLS WITHIN THE HEALTH SCIENCES DIVISION, ESPECIALLY THE BRODY SCHOOL OF MEDICINE BSOM IS AN ACTIVE PARTICIPANT IN ALMOST EVERY COMMUNITY HEALTH INITIATIVE, SUPPORTING THE RESEARCH AND EVALUATION OF THESE PROGRAMS, AND CONTRIBUTES TO PROGRAMS FOR THE UNDER AND UNINSURED IN MULTIPLE WAYS ECU AND OTHER EDUCATIONAL INSTITUTIONS WHOSE STUDENTS MATRICULATE THROUGH UHS FACILITIES ALSO PROVIDE OPPORTUNITIES FOR COLLABORATION AND PARTICIPATION IN VARIOUS COMMUNITY HEALTH INITIATIVES 5 PROVIDED BELOW ARE A FEW HIGHLIGHTS OF THE COMMUNITY BENEFIT AND EDUCATION ACTIVITIES A COMMUNITY HEALTH IMPROVEMENT SERVICES - COMMUNITY HEALTH IMPROVEMENT SERVICES ARE PROGRAMS AND SERVICES THAT MEET AN IDENTIFIED NEED AND ARE OFFERED TO THE COMMUNITY AT LITTLE OR NO CHARGE UHS HOSPITALS SPONSOR PROGRAMS THAT IMPROVE ACCESS TO HEALTH CARE FOR THE UNDERSERVED AND ENHANCE THE IDENTIFICATION AND MANAGEMENT OF CHRONIC DISEASES, SUCH AS CANCER, DIABETES AND HEART DISEASE HERE ARE A FEW EXAMPLES OF THESE PROGRAMS - MEDICATION ASSISTANCE PROGRAMS FOR UNINSURED PATIENTS - THE PEDIATRIC HEALTHY WEIGHT PROGRAM - SUPPORT FOR HEALTH CAROLINIANS COLLABORATIVES, INCLUDING PITT PARTNERS FOR HEALTH, THE HERTFORD PARTNERSHIP FOR HEALTH AND THREE RIVERS HEALTHY CAROLINIANS - SCHOOL NURSE PROGRAMS - SUPPORT FOR THE COMMUNITY CARE PLAN OF EASTERN CAROLINA FOR MEDICAID RECIPIENTS AND HEALTHASSIST FOR THE UNINSURED -SUPPORT OF LOCAL FEDERALLY QUALIFIED HEALTH CENTER B HEALTH PROFESSIONAL EDUCATION - PREPARING FUTURE HEALTH CARE PROFESSIONALS IS IMPORTANT TO US OUR HOSPITALS PROVIDE CLINICAL SETTINGS FOR STUDENTS OF HEALTH PROFESSIONS, SUCH AS FUTURE PHYSICIANS, NURSES AND OTHER ALLIED HEALTH PROFESSIONALS WE ALSO SUPPORT STUDENTS THROUGH DEFERRED FORGIVABLE LOANS AND INTERNSHIPS INCLUDING RESIDENT TRAINING, NURSING CLINIC SITES, ALLIED HEALTH PROFESSIONALS, AND FINANCIAL SUPPORT OF NURSING PROGRAMS C RESEARCH - EAST CAROLINA UNIVERSITY (ECU) CONDUCTS RESEARCH TO EVALUATE NEW TREATMENTS AND PROTOCOLS THESE STUDIES HELP HEALTH PROFESSIONALS EVERYWHERE PROVIDE QUALITY CARE TO PATIENTS UHS SUPPORTS THIS THROUGH VARIOUS MEANS INCLUDING SUPPORTING THE INSTITUTIONAL REVIEW BOARD AT ECU AND PROVIDING STUDY SITES D FINANCIAL AND IN-KIND CONTRIBUTIONS - UHS DONATES MONEY AND IN-KIND SERVICES TO COMMUNITY GROUPS AND ACTIVITIES THAT SHARE OUR MISSION OF IMPROVING HEALTH THEY INCLUDE MEALS ON WHEELS, AMERICAN RED CROSS BLOOD DRIVES, MEDICAL SUPPLIES TO EMERGENCY MEDICAL SERVICES, AND FREE MEDICATIONS TO QUALIFYING PATIENTS UHS HOSPITALS ARE KEY PARTNERS IN FUNDRAISING FOR ORGANIZATIONS SUCH AS THE UNITED WAY, AMERICAN HEART ASSOCIATION, JUVENILE DIABETES ASSOCIATION AND THE AMERICAN CANCER SOCIETY UHS CONTRIBUTED $1 7 MILLION TO THE COMMUNITY BENEFITS GRANTS PROGRAM WHICH AWARDS GRANTS TO LOCAL NON-PROFITS FOR HEALTH RELATED PROGRAMS E COMMUNITY BUILDING - COMMUNITY-BUILDING ACTIVITIES INCLUDE PROGRAMS THAT ARE NOT DIRECTLY RELATED TO HEALTH CARE BUT ADDRESS UNDERLYING ISSUES THAT IMPACT THE HEALTH OF COMMUNITIES POVERTY, CRIME, HOMELESSNESS, WORKFORCE DEVELOPMENT AND ECONOMIC DEVELOPMENT ALL AFFECT THE OVERALL HEALTH OF COMMUNITIES UHS HAS PROVIDED SUPPORT FOR OUR LOCAL CHAMBERS OF COMMERCE, FINANCIAL SUPPORT FOR ROAD IMPROVEMENTS, INVESTMENTS IN COMMUNICATION INFRASTRUCTURE VIA INFORMATION TECHNOLOGY CONNECTIONS, SUPPORT FOR THE TEEN LEADERSHIP ACADEMY, RECRUITMENT OF PHYSICIANS TO OUR RURAL COMMUNITIES, AND PROGRAMS THAT ENCOURAGE STUDENTS TO PURSUE HEALTH CAREERS

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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
UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Employer identification number
56-2141073

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

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

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

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

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) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

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

		Yes	No
1 During the tax year, did the orgranization 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	1a	Yes	
b Gift, grant, or capital contribution to other organization(s)	1b	Yes	
c Gift, grant, or capital contribution from other organization(s)	1c	Yes	
d Loans or loan guarantees to or for other organization(s)	1d		No
e Loans or loan guarantees by other organization(s)	1e		No
f Sale of assets to other organization(s)	1f		No
g Purchase of assets from other organization(s)	1g		No
h Exchange of assets	1h		No
i Lease of facilities, equipment, or other assets to other organization(s)	1i	Yes	
j Lease of facilities, equipment, or other assets from other organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets	1m		No
n Sharing of paid employees	1n	Yes	
o Reimbursement paid to other organization for expenses	1o	Yes	
p Reimbursement paid by other organization for expenses	1p	Yes	
q Other transfer of cash or property to other organization(s)	1q		No
r Other transfer of cash or property from other organization(s)	1r		No

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

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

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data Return to Form

Software ID:
Software Version:
EIN: 56-2141073
Name: UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
PITT COUNTY MEMORIAL HOSPITAL INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-0585243	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
UHS PHYSICIANS LLC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 38-3740839	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
PCMH MANAGEMENT INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-1690740	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
HEALTHACCESS INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-1396133	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
THE OUTER BANKS HOSPITAL INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-2112733	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
EAST CAROLINA HEALTH 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-2003393	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
EAST CAROLINA HEALTH-HERITAGE INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-2093700	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
EAST CAROLINA HEALTH-CHOWAN INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-2101090	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
EAST CAROLINA HEALTH-BERTIE 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-2072002	HEALTHCARE	NC	501(C)(3)	509(A)(3)	N/A		No
EAST CAROLINA HEALTH-BEAUFORT INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 45-2436270	HEALTHCARE	NC	501(C)(3)	LINE 3	N/A		No
DUPLIN GENERAL HOSPITAL INC 2100 STANTONSBURG ROAD GREENVILLE, NC27835 56-6011594	HEALTHCARE	NC	501(C)(3)	LINE 3	N/A		No

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	EAST CAROLINA HEALTH INC	A	1,358,253	ACTUAL CASH PAYMENT
(2)	EAST CAROLINA HEALTH INC	K	119,376	ACTUAL CASH PAYMENT
(3)	EAST CAROLINA HEALTH INC	N	96,779	ACTUAL CASH PAYMENT
(4)	EAST CAROLINA HEALTH INC	P	315,610	ACTUAL CASH PAYMENT
(5)	EAST CAROLINA HEALTH-BERTIE	A	1,120	ACTUAL CASH PAYMENT
(6)	EAST CAROLINA HEALTH-BERTIE	P	75,610	ACTUAL CASH PAYMENT
(7)	EAST CAROLINA HEALTH-BERTIE	K	872,314	ACTUAL CASH PAYMENT
(8)	EAST CAROLINA HEALTH-CHOWAN	A	167,569	ACTUAL CASH PAYMENT
(9)	EAST CAROLINA HEALTH-CHOWAN	P	132,260	ACTUAL CASH PAYMENT
(10)	EAST CAROLINA HEALTH-CHOWAN	K	2,426,765	ACTUAL CASH PAYMENT
(11)	EAST CAROLINA HEALTH-HERITAGE	A	3,203,198	ACTUAL CASH PAYMENT
(12)	EAST CAROLINA HEALTH-HERITAGE	P	1,167,626	ACTUAL CASH PAYMENT
(13)	EAST CAROLINA HEALTH-HERITAGE	K	3,848,091	ACTUAL CASH PAYMENT
(14)	EAST CAROLINA HEALTH-RCH	A	498,852	ACTUAL CASH PAYMENT
(15)	EAST CAROLINA HEALTH-RCH	P	411,038	ACTUAL CASH PAYMENT
(16)	EAST CAROLINA HEALTH-RCH	K	3,325,969	ACTUAL CASH PAYMENT
(17)	HEALTHACCESS INC	A	85,480	ACTUAL CASH PAYMENT
(18)	HEALTHACCESS INC	K	1,039,401	ACTUAL CASH PAYMENT
(19)	HEALTHACCESS INC	O	56,000	ACTUAL CASH PAYMENT
(20)	HEALTHACCESS INC	P	89,567	ACTUAL CASH PAYMENT
(21)	PCMH MANAGEMENT INC	A	227,781	ACTUAL CASH PAYMENT
(22)	PCMH MANAGEMENT INC	K	267,642	ACTUAL CASH PAYMENT
(23)	PCMH MANAGEMENT INC	J	733,050	ACTUAL CASH PAYMENT
(24)	PCMH MANAGEMENT INC	B	5,776,002	ACTUAL CASH PAYMENT
(25)	PCMH MANAGEMENT INC	P	3,437,652	ACTUAL CASH PAYMENT
(26)	PITT COUNTY MEMORIAL HOSPITAL INC	A	16,763,522	ACTUAL CASH PAYMENT
(27)	PITT COUNTY MEMORIAL HOSPITAL INC	B	13,867,553	ACTUAL CASH PAYMENT
(28)	PITT COUNTY MEMORIAL HOSPITAL INC	P	458,502	ACTUAL CASH PAYMENT
(29)	PITT COUNTY MEMORIAL HOSPITAL INC	K	53,417,580	ACTUAL CASH PAYMENT
(30)	PITT COUNTY MEMORIAL HOSPITAL INC	O	91,330	ACTUAL CASH PAYMENT

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(31)	PITT COUNTY MEMORIAL HOSPITAL INC	C	254,966,087	ACTUAL CASH PAYMENT
(32)	DUPLIN GENERAL INC	P	1,154,692	ACTUAL CASH PAYMENT
(33)	DUPLIN GENERAL HOSPITAL INC	K	194,909	ACTUAL CASH PAYMENT
(34)	DUPLIN GENERAL HOSPITAL INC	N	821,517	ACTUAL CASH PAYMENT
(35)	DUPLIN GENERAL HOSPITAL INC	L	250,000	ACTUAL CASH PAYMENT
(36)	DUPLIN GENERAL HOSPITAL INC	B	1,460,672	ACTUAL CASH PAYMENT
(37)	EAST CAROLINA HEALTH-BEAUFORT INC	A	21,139	ACTUAL CASH PAYMENT
(38)	EAST CAROLINA HEALTH-BEAUFORT INC	K	40	ACTUAL CASH PAYMENT
(39)	EAST CAROLINA HEALTH-BEAUFORT INC	N	22,047	ACTUAL CASH PAYMENT
(40)	EAST CAROLINA HEALTH-BEAUFORT INC	B	1,534,762	ACTUAL CASH PAYMENT
(41)	SURGICENTER OF EASTERN CAROLINA LLC	P	64,097	ACTUAL CASH PAYMENT
(42)	SURGICENTER OF EASTERN CAROLINA LLC	K	933,576	ACTUAL CASH PAYMENT
(43)	SURGICENTER OF EASTERN CAROLINA LLC	K	9,120	ACTUAL CASH PAYMENT
(44)	SURGICENTER SERVICES OF PITT INC	P	5,884	ACTUAL CASH PAYMENT
(45)	THE OUTER BANKS HOSPITAL INC	K	2,247,273	ACTUAL CASH PAYMENT
(46)	THE OUTER BANKS HOSPITAL INC	P	26,295	ACTUAL CASH PAYMENT
(47)	UHS PHYSICIANS LLC	K	1,332,022	ACTUAL CASH PAYMENT
(48)	UHS PHYSICIANS LLC	N	250,595	ACTUAL CASH PAYMENT
(49)	UHS PHYSICIANS LLC	B	24,406,527	ACTUAL CASH PAYMENT

Additional Data

Software ID:

Software Version:

EIN: 56-2141073

Name: UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA INC

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARCUS S ALBERNAZ MD BOARD DIRECTOR	2 00	X						0	0	0
BRUCE N AUSTIN BOARD DIRECTOR	2 00	X						0	0	0
NOEL L BAUCOM BOARD DIRECTOR	2 00	X						0	0	0
JANET M BULLOCK BOARD DIRECTOR	2 00	X						0	0	0
JOANNE K BURGDORFF BOARD DIRECTOR	2 00	X						0	0	0
JANICE H FAULKNER BOARD DIRECTOR	2 00	X						0	0	0
PHILLIP K FLOWERS BOARD DIRECTOR	2 00	X						0	0	0
BRUCE E GRAY BOARD DIRECTOR	2 00	X						0	0	0
RALPH R HALL JR BOARD DIRECTOR	2 00	X						0	0	60,000
W DAVID HARRIS BOARD DIRECTOR	2 00	X						0	0	0
ALLAN B HARVIN MD BOARD DIRECTOR	2 00	X						0	0	0
WILLIAM J JONES JR PHD BOARD DIRECTOR	2 00	X						0	0	0
ARTHUR H KEENEY III BOARD DIRECTOR	2 00	X						0	0	0
THOMASINE S KENNEDY BOARD DIRECTOR	2 00	X						0	0	0
J BRYANT KITTRELL III BOARD DIRECTOR	2 00	X						0	0	0
MELVIN C MCLAWHORN BOARD DIRECTOR	2 00	X						0	0	0
WALTER E POFAHL II MD BOARD DIRECTOR	2 00	X						0	0	0
A RAY ROGERS BOARD DIRECTOR	2 00	X						0	0	0
JEFFREY B TURNER BOARD DIRECTOR	2 00	X						0	0	0
DAVID WOMACK BOARD DIRECTOR	2 00	X						0	0	0
DAVID MCRAE CHIEF EXECUTIVE OFFICER-UHS	40 00			X				1,328,785	0	276,458
JACK HOLSTEN CHIEF FINANCIAL OFFICER-UHS	40 00			X				445,789	0	284,859
ROGER ROBERTSON PRESIDENT, ECH & HA - UHS	40 00			X				297,420	0	133,683
JANET MULLANEY CHIEF ADMINISTRATIVE OFFIC-UHS	40 00			X				322,282	0	145,632
STUART JAMES CHIEF INFORMATION OFFICER-UHS	40 00			X				279,295	0	60,586

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		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
KATHY BARGER CHIEF SYS DEV & GROWTH OFF-UHS	40 00			X				286,366	0	95,959
STEPHEN LAWLER PRESIDENT PCMH	40 00			X				0	547,752	196,738
NANCY AYCOCK IN-HOUSE GENERAL COUNSEL-UHS	40 00			X				288,110	0	134,263
TYREE WALKER CHIEF HUMAN RESOUCES OFFICE-UHS	40 00			X				225,423	0	86,943
LARRY CALLAHAN CHIEF HUMAN RESOUCES OFFICE-UHS	40 00			X				54,423	0	5,442
JOEL BUTLER CHIEF EXT AFF OFF-PRES FOUNDAT	40 00			X				217,396	0	88,999
JOAN WYNN CHIEF QUALTY &PATIENT SAF OFF-UHS	40 00			X				185,947	0	88,447
TIMOTHY MCDONNELL CHIEF DESIGN-CONST OFFICER-UHS	40 00			X				180,523	0	60,754
JOHN FALCETANO CHIEF, ADT-COMPL OFFICER-UHS	40 00			X				181,339	0	74,836
TRAVIS DOUGLAS EXECUTIVE VICE PRES/DIRECTOR UHS PHYSICIANS	40 00			X				239,156	0	47,317
DIANE POOLE CHIEF CLINICAL OFFICER	40 00			X				0	2,279,231	76,771
DAVE HERMAN PRESIDENT-COO UHS	40 00			X				0	0	0
JEFFREY CHAMBERS CHIEF HUMAN RESOUCES OFFICE-UHS	40 00			X				0	0	0
DAVID HUGHES SR VP, PCMH FINANCIAL SERVICES	40 00				X			266,702	0	88,141
PRESTON COMEAUX III VP, FINSUPTSVS-SUPCHAINMGT-UHS	40 00				X			191,279	0	93,564
MARY COLLIER VP, SERVICE&PATIENT FAMILY EXP	40 00				X			178,175	0	82,467
LYNN LANIER VP, ECH FINANCIAL SVCS - UHS	40 00				X			184,609	0	72,369
CARMEN VINCENT VP, CORP ACCRED & REG COMP-UHS	40 00				X			167,071	0	71,082
ANISSA DAVENPORT VP, MARKETING - UHS	40 00				X			182,678	0	48,046
WILLIAM FLOYD EXECUTIVE VICE PRESIDENT PCMH	40 00				X			0	220,546	42,272
DONALD SMITH SR VP CARDIAC, EMER & MED SVS PCMH	40 00				X			228,981	0	43,094
SANJAY SAHA SR VP SURGICAL SVS PCMH	40 00				X			0	193,823	39,447
RYAN HICKEY SR VP, CANCER AND CLINICAL SVCS PCMH	40 00				X			0	190,394	35,911
SHARON TANNER PRESIDENT, ALBEMARLE HEALTH	40 00					X		485,472	0	94,197
RAYMOND OWINGS VP, FINANCIAL SVS-ALBEMARLE	40 00					X		272,676	0	50,864

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		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
WILLIAM CASE PRESIDENT, DUPLIN - UHS	40 00					X		209,545	0	68,539
LINDA ROBERSON ADMIN, UHS LEGAL AFFAIRS	40 00					X		164,757	0	28,065
SETH VAN ESSENDELFT VP, FINANCIAL OPERATIONS - UHS	40 00					X		166,395	0	35,691