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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

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

C Name of organization
Brattleboro Retreat

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1 Anna Marsh Lane

City or town, state or country, and ZIP + 4
Brattleboro, VT 05302

D Employer identification number
03-0107360

E Telephone number
(802) 257-7785

G Gross receipts $ 54,403,581

F Name and address of principal officer
Robert E Simpson Jr
1 Anna Marsh Lane
Brattleboro, VT 05302

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 brattlebororetreat org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1834 | **M** State of legal domicile VT

Part I Summary

1 Briefly describe the organization's mission or most significant activities
Offering a continuum of care including Inpatient, Partial Hospitalization, Residential and Outpatient Treatment for Children, Adolescents, Adults, and Older Adults throughout the Northeast

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	682
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	320,703
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-7,940

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	405,660	436,886
9	Program service revenue (Part VIII, line 2g)	43,954,558	48,006,205
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	525,213	332,263
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	64,136	84,984
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	44,949,567	48,860,338
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
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)	29,551,634	32,427,198
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶220,451		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	12,644,765	14,422,131
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	42,196,399	46,849,329
19	Revenue less expenses Subtract line 18 from line 12	2,753,168	2,011,009

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	25,553,231	37,481,218
21	Total liabilities (Part X, line 26)	12,651,115	22,552,076
22	Net assets or fund balances Subtract line 21 from line 20	12,902,116	14,929,142

Net Assets or Fund Balances

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

****** | 2012-08-14
Signature of officer | Date

Robert E Simpson Jr President & CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Rachel Williamson CPA	Date 2012-08-14	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions) P00186614
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Berry Dunn McNeil & Parker LLC 1000 Elm Street 15th Floor Manchester, NH 03101			EIN ▶ 01-0523282 Phone no ▶ (603) 669-7337

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

Inspired by the courage of our patients, the Brattleboro Retreat is dedicated to children, adolescents and adults in their pursuit of recovery from mental illness, psychological trauma and addiction We are committed to excellence in treatment, advocacy, education, research and community service We provide hope, healing, safety and privacy through a full continuum of medical and holistic services delivered by expert caregivers in a uniquely restorative Vermont setting

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 organization's program service accomplishments for each of its three largest program services, as measured 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 $ 38,778,866 including grants of $ 48,350) (Revenue $ 45,446,975)

Offering a continuum of care including inpatient, partial hospitalization, residential and outpatient treatment for children, adolescents, adults and older adults throughout the Northeast Patient Days Inpatient 28,961, Partial 5,906, Residential 10,732, Outpatient 24,223

4b (Code) (Expenses $ 206,421 including grants of $) (Revenue $ 233,499)

Continuing education program providing up to 35 workshops and seminars throughout the year for psychiatrists, physicians, social workers, psychologists, therapists, alcohol counselors, nurses and other healthcare professionals

4c (Code) (Expenses $ 1,328,528 including grants of $) (Revenue $ 1,925,732)

Vermont accredited school serving children and adolescent inpatients, residential, and partial hospitalization The curriculum meets the educational, clinical and behavioral needs of our students and the requirements of Vermont's educational standards Patient School Days 10,319

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 40,313,815

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 instructions)?	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		No
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		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
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		No
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		No
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	Yes	
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		No
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, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	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, Part 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, Part 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*	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	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *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 questions 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 owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
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**		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		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**	108		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	682			
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**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
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 or securities 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**	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**	Yes	
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.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate 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 aggregate 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	10		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	9		
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	Did the organization have members or stockholders?		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete 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 the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14		No
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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 ▶ VT

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 made 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 made 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 ▶

Brattleboro Retreat
1 Anna Marsh Lane
Brattleboro, VT 05301
(802) 258-4312

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, or 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 organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Bette Abrams Trustee	1 00	X						0	0	0
(2) Jeffrey Morse Trustee	1 00	X						0	0	0
(3) Larry Cassidy Board Secretary	1 00	X		X				0	0	0
(4) Mary Faucher Trustee	1 00	X						0	0	0
(5) Michael Sarsynski Trustee	1 00	X						0	0	0
(6) Peter Sherlock Board Chair	1 00	X		X				0	0	0
(7) Robert Simpson Jr President & CEO	40 00	X		X				353,524	0	52,329
(8) Tammy Richards Trustee	1 00	X						0	0	0
(9) Tonia Wheeler Trustee	1 00	X						0	0	0
(10) Patricia O'Donnell Trustee	1 00	X						0	0	0
(11) John Blaha Treasurer & CFO	40 00			X				181,744	0	18,596
(12) Vareen O'Keefe-Domaleski VP Patient Care	40 00				X			167,364	0	15,842
(13) Frederick Engstrom Medical Staff Director	40 00					X		258,391	0	24,844
(14) Robyn Ostrander Asst Medical Staff Director	40 00					X		224,075	0	23,595
(15) Timothy Rowland Physician	40 00					X		205,847	0	14,252
(16) William Knorr Physician	40 00					X		207,297	0	9,734
(17) Nels Kloster Physician	40 00					X		199,937	0	22,088

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 (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								1,798,179	0	181,280

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 28

			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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
Sodexo 153 Second Avenue Waltham, MA 02254	Cafe/Dietary/Housekeeping/Facilities	2,262,664
Engleberth Construction 463 Mountain View Drive Colchester, VT 05446	Construction	1,141,685
Lavalle Brensigner Architects 155 Dow St Suite 400 Manchester, NH 03101	Architects	577,755
Locumtenenscom PO Box 405547 Atlanta, GA 30384	Contract Labor	357,473
GPI Construction 436 Canal St Brattleboro, VT 05301	Construction	324,244

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 21

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	58,989			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	179,584			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	198,313			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		436,886			
			Business Code				
Program Service Revenue	2a	Net Patient Service Re	900099	45,973,270	45,973,270		
	b	Miscellaneous	900099	819,398	819,398		
	c	Net MSO Revenue	621300	531,443	531,443		
	d	Daycare	624410	360,340		320,703	39,637
	e	Conference Revenue	611710	233,499	233,499		
	f	All other program service revenue		88,255	48,596		39,659
	g	**Total.** Add lines 2a–2f		48,006,205			
	3	Investment income (including dividends, interest and other similar amounts)		353,017			353,017
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real / (ii) Personal				
	6a	Gross rents	184,909 /				
	b	Less rental expenses	97,878 /				
	c	Rental income or (loss)	87,031 /				
	d	Net rental income or (loss)		87,031			87,031
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	5,401,313 /				
	b	Less cost or other basis and sales expenses	5,421,073 / 994				
	c	Gain or (loss)	-19,760 / -994				
	d	Net gain or (loss)		-20,754			-20,754
Other Revenue	8a	Gross income from fundraising events (not including $ 58,989 of contributions reported on line 1c) See Part IV, line 18 a 21,251					
	b	Less direct expenses b 23,298					
	c	Net income or (loss) from fundraising events		-2,047			-2,047
	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		48,860,338	47,606,206	320,703	496,543

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)

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

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 United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	789,399		789,399	
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	25,759,003	23,145,025	2,484,692	129,286
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	693,891	573,848	120,043	
9	Other employee benefits	3,339,627	2,942,592	397,035	
10	Payroll taxes	1,845,278	1,608,722	236,556	
11	Fees for services (non-employees)				
a	Management				
b	Legal	186,319		186,319	
c	Accounting	54,400		54,400	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	37,238		37,238	
g	Other	5,862,385	5,083,435	736,498	42,452
12	Advertising and promotion	268,710	268,668		42
13	Office expenses	1,205,325	968,362	233,127	3,836
14	Information technology	165,776	165,776		
15	Royalties . .				
16	Occupancy	1,166,368	1,166,368		
17	Travel	133,129	39,246	91,886	1,997
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	174,351	92,500	45,010	36,841
20	Interest	151,803	151,803		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,354,510	1,354,510		
23	Insurance	380,066		380,066	
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	Provision for bad debts	1,427,195	1,427,195		
b	Provider Tax	864,471	864,471		
c	Equipment Rental and Ma	518,594	238,669	274,979	4,946
d	Dues & Subscriptions	150,843	25,037	124,805	1,001
e					
f	All other expenses	320,648	197,588	123,010	50
25	**Total functional expenses.** Add lines 1 through 24f	46,849,329	40,313,815	6,315,063	220,451
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		67,639	1	86,387
	2	Savings and temporary cash investments		827,640	2	7,816,354
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		5,993,366	4	6,782,891
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		124,789	8	158,436
	9	Prepaid expenses and deferred charges		260,622	9	378,026
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 36,789,555			
	b	Less accumulated depreciation	10b 26,219,746	7,767,638	10c	10,569,809
	11	Investments—publicly traded securities		9,696,753	11	10,819,663
	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		814,784	15	869,652
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		25,553,231	16	37,481,218
Liabilities	17	Accounts payable and accrued expenses		3,314,954	17	5,137,775
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		7,320,000	20	16,180,000
	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		83,678	23	43,603
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		1,932,483	25	1,190,698
	26	**Total liabilities.** Add lines 17 through 25		12,651,115	26	22,552,076
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		12,849,453	27	14,816,147
	28	Temporarily restricted net assets		52,663	28	112,995
	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		12,902,116	33	14,929,142
	34	Total liabilities and net assets/fund balances		25,553,231	34	37,481,218

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	48,860,338
2	Total expenses (must equal Part IX, column (A), line 25)	2	46,849,329
3	Revenue less expenses Subtract line 2 from line 1	3	2,011,009
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	12,902,116
5	Other changes in net assets or fund balances (explain in Schedule O)	5	16,017
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	14,929,142

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

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

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 **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)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

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?
Total									

Part II **Support Schedule for Organizations Described in IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** 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—2010.** 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—2011.** 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—2010.** 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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2011.** 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—2010.** 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 explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Name of organization
Brattleboro Retreat

Employer identification number
03-0107360

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete columns **(a)** through **(e) and** the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ▶ $
Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

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	10,524,393	9,351,252	11,583,990	12,208,986	
b Contributions		750,000			
c Investment earnings or losses	1,279,741	423,141	192,262	475,004	
d Grants or scholarships					
e Other expenditures for facilities and programs			2,425,000	1,100,000	
f Administrative expenses					
g End of year balance	11,804,134	10,524,393	9,351,252	11,583,990	

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

- a Board designated or quasi-endowment ▶ 100 000 %
- 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)		No
(ii) related organizations	3a(ii)		No
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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		120,033		120,033
b Buildings		28,494,148	19,885,007	8,609,141
c Leasehold improvements				
d Equipment		6,633,263	5,163,990	1,469,273
e Other		1,542,111	1,170,749	371,362
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				10,569,809

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
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Bank Overdraft	399,904
Line of Credit	210,863
Deferred Compensation Obligation	194,958
Estimated Third Party Settlements	384,973
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	1,190,698

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	48,860,338
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	46,849,329
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	2,011,009
4	Net unrealized gains (losses) on investments	4	148,462
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-132,445
9	Total adjustments (net) Add lines 4 - 8	9	16,017
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	2,027,026

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	48,997,531
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	148,462		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	121,176		
e	Add lines **2a** through **2d**			2e	269,638
3	Subtract line **2e** from line **1**			3	48,727,893
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	132,445		
c	Add lines **4a** and **4b**			4c	132,445
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	48,860,338

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

1	Total expenses and losses per audited financial statements			1	46,970,505
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	121,176		
e	Add lines **2a** through **2d**			2e	121,176
3	Subtract line **2e** from line **1**			3	46,849,329
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	0
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	46,849,329

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 Intended Use of Endowment Funds	Part V, Line 4	These funds consist of assets held by a trustee under an indenture agreement and funds set aside by the Board for capital improvements, over which the Board retains control and may, at its discretion, use for other purposes such as short-term operating needs
Part XI, Line 8 - Other Adjustments		Loss on early extinguishment of long-term debt -132,445
Part XII, Line 2d - Other Adjustments		Rental Expenses 97,878 Fundraising Expenses 23,298
Part XII, Line 4b - Other Adjustments		Loss on early extinguishment on long-term debt 132,445
Part XIII, Line 2d - Other Adjustments		Rental Expenses 97,878 Fundraising Expenses 23,298

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

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

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

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

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
Total . . . . . ▶						

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

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

		(a) Event #1 Golf Tournament (event type)	(b) Event #2 Ride for Heroes (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	71,795	8,445		80,240
	2 Less Charitable contributions	54,234	4,755		58,989
	3 Gross income (line 1 minus line 2)	17,561	3,690		21,251
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes	4,949	2,268		7,217
	6 Rent/facility costs	7,280			7,280
	7 Food and beverages	4,880	1,479		6,359
	8 Entertainment				
	9 Other direct expenses	60	2,382		2,442
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(23,298)
	11 Net income summary Combine lines 3 and 10 in column (d) ▶				-2,047

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

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

9 Enter the state(s) in which the organization operates gaming activities _____

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

b If "No," Explain _____

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

b If "Yes," Explain _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	**13a**	
b	An outside facility	**13b**	

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

Name ▶ ----------

Address ▶ ----------

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

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

c If "Yes," enter name and address

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ ----------

Gaming manager compensation ▶ $ ----------

Description of services provided ▶ ----------

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Identifier	ReturnReference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit reportduring the tax year?	6a		No
6b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			103,924		103,924	0 220 %
b Medicaid (from Worksheet 3, column a)			20,326,318	20,542,405	-216,087	0 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			20,430,242	20,542,405	-112,163	0 220 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			112,352		112,352	0 240 %
f Health professions education (from Worksheet 5)			22,789		22,789	0 050 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			44,786		44,786	0 100 %
j **Total** Other Benefits			179,927		179,927	0 390 %
k **Total.** Add lines 7d and 7j			20,610,169	20,542,405	67,764	0 610 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			716		716	0 %
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy			10,285		10,285	0 020 %
8	Workforce development						
9	Other						
10	**Total**			11,001		11,001	0 020 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense	2	1,427,195		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	5,858,007
6	Enter Medicare allowable costs of care relating to payments on line 5	6	7,538,436
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-1,680,429
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	Brattleboro Retreat 1 Anna Marsh Lane Brattleboro, VT 05301	X								

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: Brattleboro Retreat

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☐ Asset level			
	c ☐ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16	Yes	
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☑ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☑ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

		Yes	No
18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**18**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☑ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size from largest to smallest)

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

	Name and address	Type of Facility (Describe)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		Part II Retreat Trails-Nine mile recreational trail network open to the public for non-motorized recreational activities

Identifier	ReturnReference	Explanation
		Part III, Line 9b Included in our debt collection policy there is a section that if a patient is known to qualify for Charity Care upon admission then the eligibility guideline is followed at the time of admission to capture that information

Identifier	ReturnReference	Explanation
		Part VI, Line 2 In 2011, the Brattleboro Retreat helped over 5,000 children, adolescents and adults (numbers that have been rising every year) through a multitude of programs, services, and facilities, offering a comprehensive continuum of care across the lifespan The impact of the Retreats services upon its patients and their families is often dramatic an d life-saving, and there are fewer and fewer organizations offering such a complete array of resources in behavioral healthcare At the same time, the number of patients coping wit h mental health and substance abuse issues continues to rise throughout the region and the nation, and new methods of treating these patients are constantly being developed and ref ined The Retreat has striven successfully to augment and modernize its programs and facil ities to ensure that its patients benefit from the latest developments in treatment In 20 11, the Retreat saw a 1 8% increase in inpatient admissions, continuing a multi-year trend that has seen admissions increase over 50% since 2007 2010 was a year of unprecedented ti mes Census grew in all Retreat programs as the initiatives implemented in prior years cam e to fruition Inpatient admissions grew an unprecedented 23 4% This growth was largely t he result of increasing demand for adult services and the ability of the Retreats re-desig ned admission process to admit people in need of care safely and efficiently Consequently , the Retreat focused on stabilizing the gains made over the past few years and ensuring t hat the resources were in place to meet rising demand This meant ensuring that all core p rocesses to admit and treat patients were strong, that adequate resources and supports for employees were in place, facility needs are met and quality is at its highest Approximat ely 45 new positions were added in 2010 and another 95 in 2011, virtually all direct care positions The Retreat also began a new strategic planning process in the fall of 2010, set ting our goals for the next three years This process included gathering data and feedback from as many sources as possible Key items addressed in the 2011 strategic plan were en suring quality servicesensuring financial stability for the futureinvesting in information technology including an electronic medical recordfacilities improvements and planning for continued growth The Retreat anticipated opening a new 15 bed program for young adults i n 2011 to meet an increasing demand for adult services Other highlights of the Retreats p lans for 2011 included Partnering with Healthcare and Rehabilitation Services (HCRS) to op en a Community Crisis Center on the Retreat campusContinuing to work with the State of Ver mont on plans to replace the Vermont State Hospital Partnering with Brattleboro Memorial H ospital and Grace Cottage Hospital to be a Blue Print for Health Pilot Site as part of upc oming healthcare reformPublishing the patient Gold Book, an interactive workbook to engage patients further in their treatment Focusing on recruitment, retention and staff training In August, Hurricane Irene devastated much of Vermont and forced the closure of the Vermo nt State Hospital In the wake of this flooding the Brattleboro Retreat joined with other hospitals and agencies across the state to accommodate displaced patients One of the Retr eats existing programs was temporarily suspended to accommodate VSH patients As the immedi ate crisis subsided, the Retreat was asked by the State and by Governor Shumlin to partici pate in a new model of care The Governors vision of a new system that relies less on inpa tient care and provides for additional diversion beds and increased step down programs in the communities where patients live coincides with our vision and the vision of many other s in the state This is a very good vision and one the Retreat supports Part of the propos al is a 14 bed inpatient program to be located at the Retreat The Retreat is pleased to p artner with the State to create this unit We anticipate continued negotiations with the S tate to establish an Adult Intensive Program designed just for this new patient population By the end of 2012 the program will be housed in a completely remodeled, state-of-the-ar t clinical space that will provide the finest in safety features and clinical supports The Retreats response to this unexpected turn of events came at a time when we were in the mi dst of numerous planned changes both to our buildings and campus as well as our treatment offerings Renovations to the childrens program and a new physical space for the Lesbian, Gay, Bisexual and Transgender (LGBT) Program continued as scheduled The Childrens Program reopened in December and the LGBT Program is scheduled to re-open in the first quarter of 2012 Plans to open an additional inpatient program have been deferred until 2013 Renova tions and the focus on enhanced treatment offerings will continue through 2012 as we build on our recent success and strive to be as bold an

Identifier	ReturnReference	Explanation
		d innovate as we can on behalf of the people who come to us for mental health and addictio n treatment The Brattleboro Retreat keeps the community informed with regular appearances and/or membership with the Brattleboro Selectboard, Building a Better Brattleboro, Brattle boro Development and Credit Corporation, Brattleboro Chamber of Commerce, the Windham Coun ty Legislative Delegation, and ongoing collaboration with other community organizations in cluding Brattleboro Memorial Hospital, Healthcare and Rehabilitation Services, Rescue Inc , the Police Department, and area schools In addition to its regular treatment and profes sional education services, the Brattleboro Retreat offers numerous programs to the communi ty free of charge, including various lectures, films, forums, and special educational even ts open to the community The feedback of patients, their families, and community members is of great importance to the Brattleboro Retreat The Retreat also partnered with United W ay of Windham County, Brattleboro Memorial Hospital, the Alliance for Building Community a nd the local Agency of Human Services to jointly conduct a community needs assessment Thi s assessment was completed in 2009 The needs assessment included mental health and addict ion treatment needs in the area, which are the services the Retreat provides The assessme nt included a random phone survey, focus groups designed to be inclusive of different popu lations and key stakeholder interviews A comprehensive review of existing data was also u ndertaken This assessment provides useful community information for the Retreat, our part ners and other agencies The Retreat utilizes this information in an ongoing way and incor porated it into our 2010 to 2013 strategic planning process Complete copies of the Commun ity Needs assessment can be found at http //unitedwaywindham org The Retreat also began a market survey in late 2010 This survey of mental health professionals from throughout Ve rmont and the other New England states provided the Retreat with additional information ab out unmet needs in the region Two of the largest unmet needs were for substance abuse tre atment / co-occurring disorder (substance abuse and mental illness) treatment and treatmen t for children and adolescents Please see the graph below for more detailed information The Retreat plans to meet these needs through continued expansion of adult services in 201 3 and continuously enhancing child and adolescent programming In addition, the Retreat wil l again partner with community groups in 2012 to complete a community needs assessment Th e Retreats assessment will focus on Windham County, the State of Vermont and Western Massa chusetts as the communities predominantly served by the Retreat The Brattleboro Retreat sp ends approximately $1 million per year on capital improvements The depreciation schedule generally amounts to $1 3 million As a private not-for-profit organization, copies of the strategic plan are not publicly available Questions regarding any strategic planning iss ue or opportunities for public input may be addressed to Julia Sorensen, MBA, MSW, Senior Director of Marketing, Communications and Strategic Planning For more information, please contact Julia Sorensen, MBA, MSWSenior Director of Marketing, Communication and Strategic PlanningBrattleboro RetreatAnna Marsh LaneP O Box 803Brattleboro, VT 05302(802) 258-3719

Identifier	ReturnReference	Explanation
		Part VI, Line 3 At the time of admission, patients are counseled as to their eligibility for assistance under various governmental programs as well as the organization's charity care policy

Identifier	ReturnReference	Explanation
		Part VI, Line 4 The Brattleboro Retreat is located in Brattleboro, Vermont The town of B rattleboro is located in the southwestern corner of Vermont, on the border with both New H ampshire and Massachusetts It is a small, rural town with a population of 12,393 Brattle boro is the population center of Windham County, which has a total population of 44,266 T he State of Vermont has an estimated population of 626,431, while New England has a total population of 14,492,360 The majority of that population is located in Massachusetts, Con necticut and New Hampshire As a regional specialty hospital, the Retreat draws patients f rom a large and diverse catchment area across Vermont and throughout the greater New Engl and area and beyond In 2011, the Retreat served patients from a total of 21 states The r elatively low population of Vermont and the greater population to the south necessitate dr awing from a broad and diverse area The Retreat's geographic location also facilitates th is regional draw In 2011, 58 6% of inpatient admissions to the Retreat came from the Stat e of Vermont while the remaining 41 4% came from the New England region and beyond Massac husetts, with a population of 6,587,536 is the second largest sending state The Retreat i s located just a few miles from the Massachusetts border, with interstate access to the we stern part of the state, including the cities of Northampton, Holyoke and Springfield Thi s geography makes the Retreat an accessible option for people in western Massachusetts and in 2009, the Retreat became a provider for several state funded Medicaid products in Mass achusetts, expanding access to the people insured in these programs The four western Mass achusetts counties Hamden, Hampshire, Franklin and Berkshire have a combined population o f 823,662 exceeding the population of the entire State of Vermont The demographics of inco me, race, poverty etc vary greatly across the catchment area and are therefore difficult to characterize This report focuses on Vermont and Massachusetts, which combined account for over 80% of the Retreat's business The median household income of Vermont residents is $51,841 and the average household income of Massachusetts residents is $64,509 According to the 2008 Healthcare Spending Analysis published by the Vermont Department of Banking, Insurance Securities and Healthcare Administration in 2008, 60 percent of Vermont resident s were enrolled in private insurance There were an estimated 47,286 uninsured Vermont res idents in 2008 (7 6 percent of the population, compared to 9 8 percent in 2005) with the r emainder being enrolled in Medicaid or Medicare Medicaid is the primary payer of Governme nt Health Activities, funding 91 percent ($455million) of the total for that category Abo ut $253 million (51 percent of the total $497million) are for programs related to mental h ealth, mental retardation, and substance abuse (http //www bishca state vt us/sites/defau lt/files/2008-EA-Report-FINAL pdf) 32 4% of the Vermont population is therefore covered by Medicare or Medicaid Massachusetts mandates health insurance coverage and provides subsid ized healthcare for people earning up to 300% of the federal poverty guidelines and low co st options for people who don't have employer sponsored healthcare According to the Massa chusetts Department of Healthcare Finance and Policy (DHCFP) this has caused the rate of u ninsured people to drop from 6% in 2006 to 4% in December 2009 At the same time, the rate of privately insured people has remained steady at 4 4 million or approximately 67% of th e population, with the remaining 29% enrolled in public plans In contrast, in 2011, 63 4% of the Retreat's funding came from public sources-17% from Medicare, 21 3% from adult Medi caid / state programs and 25 1% from child and adolescent residential funding or Medicaid The Retreat is therefore treating a higher proportion of people receiving Medicare or Med icaid then the rates of public and private insurance might suggest There are no other ment al health and addiction specialty hospitals in Vermont and few in New England In Vermont, there are four medical hospitals with psychiatric units The Retreat operates roughly the same number of beds as the other four hospitals combined, making it the largest provider of inpatient psychiatric services in the state The Retreat is also the only mental health hospital in Vermont for children and adolescents The surrounding states have similar arr ays of services a few free standing psychiatric hospitals, like Sister of Providence in H olyoke, MA and some medical hospitals operating psychiatric units Many of those medical h ospitals have downsized or eliminated their psychiatric beds in recent years This is part icularly true in New Hampshire Most psychiatric units also serve exclusively or primarily adults, with few inpatient programs available for children and adolescents The Retreat s eeks to serve this population and has expanded its

Identifier	ReturnReference	Explanation
		child and adolescent services in recent years The Retreat plays a vital role as a large provider of mental health and substance abuse services in New England It treats people fr om throughout the area, accepts high numbers of Medicare and Medicaid funded patients and provides services offered by few other hospitals In addition, the Retreat provides an arra y of ambulatory services to people in the local area These services include outpatient th erapy, substance abuse treatment and day treatment options Population data is from the U S census QuickFacts and the Brattleboro Chamber of Commerce- accessed 7/16/2012

Identifier	ReturnReference	Explanation
		Part VI, Line 5 Morningside Shelter - Monthly use of conference room for board meeting for local homeless shelter ALANON - Weekly use of East Conference Room AA - Weekly use of cafeteria United Way - Use of conference room VT Community Foundation - Use of conference room BACC Community Breakfast - Use of Education Conference room Legislative Breakfast - Use of Education Conference room Wellness in Windham County Series - In addition to its regular treatment and professional education services, the Brattleboro Retreat offers numerous programs to the community free of charge, including the Wellness in Windham County Series, co-sponsored with Brattleboro Memorial Hospital, Brattleboro Area Hospice and Brooks Memorial Library, and various lectures, films, forums, and special educational events open to the community Wellness topics include, stress reduction, exercise, smoking cessation and prevention and education talks on a variety of health related topics Collaborative Office Rounds - Training to assist identifying and effectively treating and referring children and families to appropriate services This was developed to help support in prescribing medication and treatments due to the lack of child psychiatry in the community Mid Winter Lunch Series - The Mid-Winter Lunch Series is a series of 4-6 hour long educational programs Held annually, the series is free and open to staff, community providers and the public It covers topics related to mental health and substance abuse in children, adolescents and adults VAHHS Mental health Committee Chair - Addresses current Mental Health issues in Vermont's healthcare system Blueprint for Health - the Vermont Blueprint for Health is a vision, a plan and a statewide partnership to improve health and the health care system for Vermonters The Blueprint provides the information, tools, and support that Vermonters with chronic conditions need to manage their own health and that doctors need to keep their patients healthy The Blueprint is working to change health care to a system focused on preventing illness and complications, rather than reacting to health emergencies Part of this initiative and is working collaboratively with local acute care hospitals to create a behavioral health medical home for southeastern Vermont Community Radio Programs - discusses Mental Health issues

Identifier	ReturnReference	Explanation
		Part VI, Line 6 Vermont Assoc for Mental Health -Provides advocacy for the mental health community in Vermont Vermont Program for Quality in Healthcare - Provides advocacy for access to health-care services in Vermont

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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

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

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**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ 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?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		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 Schedule J-1 if additional space 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Robert Simpson Jr	(i)	306,335	47,189	0	40,162	12,167	405,853	0
	(ii)	0	0	0	0	0	0	0
(2) John Blaha	(i)	172,744	9,000	0	7,412	11,184	200,340	0
	(ii)	0	0	0	0	0	0	0
(3) Vareen O'Keefe-Domaleski	(i)	158,364	9,000	0	6,812	9,030	183,206	0
	(ii)	0	0	0	0	0	0	0
(4) Frederick Engstrom	(i)	254,166	4,225	0	10,549	14,295	283,235	0
	(ii)	0	0	0	0	0	0	0
(5) Robyn Ostrander	(i)	219,850	4,225	0	9,310	14,285	247,670	0
	(ii)	0	0	0	0	0	0	0
(6) Timothy Rowland	(i)	205,847	0	0	0	14,252	220,099	0
	(ii)	0	0	0	0	0	0	0
(7) William Knorr	(i)	207,297	0	0	8,240	1,494	217,031	0
	(ii)	0	0	0	0	0	0	0
(8) Nels Kloster	(i)	199,937	0	0	8,004	14,084	222,025	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

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

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

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	Vermont Educational Health & Buildings	23-7154467	924166AS0	06-01-2007	2,800,000	Refund Series 1997-2 Bonds & refinancing		X		X		X
B	Vermont Educational Health & Buildings	23-7154467	105540AA6	06-01-2007	4,835,000	Refund Series 1997-2 Bonds & refinancing		X		X		X
C	Vermont Educational Health & Buildings	23-7154467	924166DY4	12-01-2011	11,300,000	Refund Series 2007 Bonds & new money for capital improvements		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	2,800,000	4,835,000		
2	Amount of bonds defeased				
3	Total proceeds of issue	2,800,000	4,835,000	11,300,000	
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	43,880	120,481	113,060	
8	Credit enhancement from proceeds	9,800	16,923	58,992	
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	2,746,320	4,697,596	2,154,663	
11	Other spent proceeds			1,467,844	
12	Other unspent proceeds			7,505,441	
13	Year of substantial completion	2007	2007	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		X			
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		
16	Has the final allocation of proceeds been made?	X		X			X		
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	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		
2	Are there any lease arrangements that may result in private business use of bond-financed property?		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		
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		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			
2	Is the bond issue a variable rate issue?	X		X		X			
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		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		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		
6	Did the bond issue qualify for an exception to rebate?		X		X		X		

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations . . . . . ☐ Yes ☑ No

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493228006422

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

2011

Open to Public Inspection

Name of the organization
Brattleboro Retreat

Employer identification number
03-0107360

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	The Governing Body receives the prepared 990 electronically for their review followed by a presentation at their next full board meeting prior to filing the return
	Form 990, Part VI, Section B, line 12c	At the Annual Meeting, Board Members complete the document entitled "Brattleboro Retreat Questionnaire on Conflict of Interest" They are required to revise it during the course of the year if anything changes
	Form 990, Part VI, Section B, line 15	The Board Compensation Committee reviews comparative data for the CEO The CEO does review benchmarking/comparative data for VPs and other key employees
	Form 990, Part VI, Section C, line 19	All governing documents, conflict of interest policy, and audited financial statements are available upon request
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized gains on investments 148,462 Loss on early extinguishment of long-term debt -132,445 Total to Form 990, Part XI, Line 5 16,017
Oversight of Audit	Form 990, Part XII, Line 2c	The process by which the committee oversees the review and selects the independent accountant has not changed from the prior year

BerryDunn

[redacted]

Brattleboro Retreat

FINANCIAL STATEMENTS

December 31, 2011 and 2010

With Independent Auditors' Report

[redacted]

BerryDunn

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Brattleboro Retreat

We have audited the accompanying balance sheets of the Brattleboro Retreat as of December 31, 2011 and 2010, and the related statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Brattleboro Retreat's management Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Brattleboro Retreat as of December 31, 2011 and 2010, and the results of its operations, changes in its net assets, and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
May 1, 2012
Registration No. 92-0000278

BRATTLEBORO RETREAT

Balance Sheets

December 31, 2011 and 2010

ASSETS

	2011	2010
Current assets		
Cash	**$ 86,387**	$ 67,639
Assets limited as to use	**3,750**	170,000
Accounts receivable, net of allowance for uncollectible accounts of $1,505,205 in 2011 and $1,013,366 in 2010	**6,782,891**	5,993,366
Supplies	**158,436**	124,789
Prepaid expenses	**378,026**	260,622
Total current assets	**7,409,490**	6,616,416
Assets limited as to use		
Board designated funds	**11,800,384**	10,354,393
By bond agreement held by trustee for future capital projects	**6,831,883**	-
Assets limited as to use, net of current portion	**18,632,267**	10,354,393
Property and equipment, net	**10,569,809**	7,767,638
Cash surrender value of life insurance policies and annuity contracts	**620,619**	669,067
Other assets	**249,033**	145,717
Total assets	**$ 37,481,218**	$ 25,553,231

The accompanying notes are an integral part of these financial statements

LIABILITIES AND NET ASSETS

	2011	2010
Current liabilities		
Bank overdraft	**$ 399,904**	$ 406,511
Line of credit	**210,863**	557,598
Current portion of long-term debt	**618,493**	210,093
Accounts payable and accrued expenses	**2,140,641**	1,305,294
Accrued salaries and related amounts	**2,997,134**	2,009,660
Due to third-party payors	**384,973**	749,601
Current portion of deferred compensation obligation	**48,813**	66,631
Total current liabilities	**6,800,821**	5,305,388
Deferred compensation obligation, excluding current portion	**146,145**	152,142
Long-term debt, excluding current portion	**15,605,110**	7,193,585
Total liabilities	**22,552,076**	12,651,115
Commitments and contingencies (Notes 5, 8, and 9)		
Unrestricted net assets	**14,816,147**	12,849,453
Temporarily restricted net assets	**112,995**	52,663
Total net assets	**14,929,142**	12,902,116
Total liabilities and net assets	**$ 37,481,218**	$ 25,553,231

BRATTLEBORO RETREAT

Statements of Operations

Years Ended December 31, 2011 and 2010

	2011	2010
Unrestricted revenues, gains, and other support		
Net patient service revenue	$ 46,021,620	$ 42,560,301
Grant revenue	220,784	169,332
Other revenues	2,328,522	1,800,463
Net assets released from restrictions for operations	14,038	28,349
Total unrestricted revenues, gains, and other support	48,584,964	44,558,445
Expenses		
Operating expenses	44,036,997	39,711,000
Depreciation and amortization	1,354,510	1,338,892
Provision for bad debts	1,427,195	1,141,434
Interest expense	151,803	159,964
Total expenses	46,970,505	42,351,290
Income from operations	1,614,459	2,207,155
Other income (losses)		
Investment income	353,017	367,676
Net realized (losses) gains on the sales of investments	(19,760)	157,537
Loss on early extinguishment of long-term debt	(132,445)	-
Total other income	200,812	525,213
Excess of revenues, gains, and other support over expenses and losses	1,815,271	2,732,368
Change in net unrealized gains on investments	148,462	(79,479)
Net assets released from restrictions for property and equipment	2,961	12,107
Increase in unrestricted net assets	$ 1,966,694	$ 2,664,996

The accompanying notes are an integral part of these financial statements.

BRATTLEBORO RETREAT

Statements of Changes in Net Assets

Years Ended December 31, 2011 and 2010

	Unrestricted	Temporarily Restricted	Total
Balances, January 1, 2010	$ 10,184,457	$ 43,971	$ 10,228,428
Excess of revenues, gains, and other support over expenses and losses	2,732,368	-	2,732,368
Change in net unrealized gains on investments	(79,479)	-	(79,479)
Restricted contributions	-	49,148	49,148
Net assets released from restrictions for operations	-	(28,349)	(28,349)
Net assets released from restrictions for property and equipment	12,107	(12,107)	-
Change in net assets	2,664,996	8,692	2,673,688
Balances, December 31, 2010	12,849,453	52,663	12,902,116
Excess of revenues, gains, and other support over expenses and losses	**1,815,271**	-	**1,815,271**
Change in net unrealized gains on investments	**148,462**	-	**148,462**
Restricted contributions	-	**77,331**	**77,331**
Net assets released from restrictions for operations	-	**(14,038)**	**(14,038)**
Net assets released from restrictions for property and equipment	**2,961**	**(2,961)**	-
Change in net assets	**1,966,694**	**60,332**	**2,027,026**
Balances, December 31, 2011	**$ 14,816,147**	**$ 112,995**	**$ 14,929,142**

The accompanying notes are an integral part of these financial statements

BRATTLEBORO RETREAT

Statements of Cash Flows

Years Ended December 31, 2011 and 2010

	2011	2010
Cash flows from operating activities		
Change in net assets	**$ 2,027,026**	$ 2,673,688
Adjustments to reconcile the change in net assets to net cash provided by operating activities		
Depreciation and amortization	**1,354,510**	1,338,892
Provision for bad debts	**1,427,195**	1,141,434
Net realized and unrealized gains on investments	**(128,702)**	(78,058)
Restricted contributions	**(77,331)**	(49,148)
Loss on early extinguishment of long-term debt	**132,445**	-
(Increase) decrease in		
Accounts receivable	**(2,216,720)**	(2,370,863)
Supplies	**(33,647)**	(9,203)
Prepaid expenses	**(117,404)**	(83,355)
Cash surrender value of life insurance policies and annuity contracts	**48,448**	(16,316)
Increase (decrease) in		
Accounts payable and accrued expenses	**835,347**	486,368
Accrued salaries and related amounts	**987,474**	(25,125)
Due to third-party payors	**(364,628)**	7,012
Deferred compensation obligation	**(23,815)**	(54,727)
Net cash provided by operating activities	**3,850,198**	2,960,599
Cash flows from investing activities		
Purchases of property and equipment	**(4,142,187)**	(1,030,004)
Proceeds from sales of investments	**6,499,660**	12,108,819
Purchases of investments	**(14,482,582)**	(13,203,902)
Net cash used by investing activities	**(12,125,109)**	(2,125,087)
Cash flows from financing activities		
(Decrease) increase in bank overdraft	**(6,607)**	68,814
Payments on long-term debt	**(7,360,075)**	(225,713)
Proceeds from long-term debt	**16,180,000**	-
Net payments on line of credit	**(346,735)**	(719,884)
Additions to bond issuance costs	**(250,255)**	-
Restricted contributions	**77,331**	49,148
Net cash provided (used) by financing activities	**8,293,659**	(827,635)
Net increase in cash	**18,748**	7,877
Cash, beginning of year	**67,639**	59,762
Cash, end of year	**$ 86,387**	$ 67,639
Supplemental disclosure of cash flow information		
Cash paid for interest	**$ 153,909**	$ 162,480

The accompanying notes are an integral part of these financial statements

Organization and Description of Business

The Brattleboro Retreat (Retreat), a not-for-profit corporation, is principally a facility for the treatment of psychiatric illness and drug and alcohol dependency. The Retreat also offers educational programs to school-age children receiving rehabilitative care.

1. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess of revenues, gains, and other support over expenses and losses unless the income or loss is restricted by donor or law. Unrealized gains and temporary unrealized losses on investments are excluded from the excess of revenues, gains, and other support over expenses and losses.

Supplies

Supplies are stated at the lower of cost (determined by the first-in, first-out method) or market.

Assets Limited as to Use

Assets limited as to use consist of assets held by a trustee under an indenture agreement and funds set aside by the Board of Trustees (the Board) for capital improvements, over which the Board retains control and may, at its discretion, use for other purposes such as short-term operating needs.

Property and Equipment

Property and equipment acquisitions are recorded at cost or, if contributed, at fair market value determined at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized using the straight-line method over the lesser of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the financial statements.

Bond Issuance Costs

The costs incurred to obtain long-term financing are being amortized over the life of the bonds using the straight-line method. The costs are included in other assets. Accumulated amortization at December 31, 2011 and 2010, was $1,563 and $51,331, respectively

Net Assets

Funds used for operating purposes have been classified as and are a component of unrestricted net assets in the accompanying balance sheets. Temporarily and permanently restricted net assets are those whose use by the Retreat has been limited by donors to a specific time period or purpose. There were no permanently restricted net assets as of December 31, 2011 and 2010.

Excess of Revenues, Gains, and Other Support Over Expenses and Losses

The statements of operations include excess of revenues, gains, and other support over expenses and losses. Changes in unrestricted net assets which are excluded from this measure, consistent with industry practice, include net unrealized gains and temporary unrealized losses on investments and contributions of property and equipment.

Net Patient Service Revenue

The Retreat has agreements with third-party payors that provide for payments to the Retreat at amounts different from its established rates. Payment arrangements include prospectively determined rates, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity Care

The Retreat provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Retreat does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Accounting for Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed

The Retreat reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Long-lived assets to be disposed are reported at the lower of carrying amounts or fair value, less cost to sell. The Retreat evaluates the recoverability of the carrying amounts of long-lived assets based on estimated cash flows to be generated by each of such assets as compared to the original estimates used in measuring such assets. To the extent impairment is identified, the Retreat would reduce the carrying value of such assets. To date, the Retreat has not experienced any such impairments.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Retreat are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

Functional Expenses

The Retreat provides specialized health care services to residents within its geographic location. Expenses related to providing these services were as follows for the years ended December 31:

	2011	2010
Health care services	**$ 38,822,630**	$ 34,783,269
General and administrative	**8,147,875**	7,568,021
	$ 46,970,505	$ 42,351,290

Income Taxes

The Retreat is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (Code), and is exempt from federal income taxes on related income.

Reclassifications

Certain amounts in the 2010 financial statements have been reclassified to conform to the current year's presentation.

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. generally accepted accounting principles, the Retreat has considered transactions or events occurring through May 1, 2012, which was the date the financial statements were issued.

2. Charity Care

The Retreat maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, the estimated cost of those services and supplies, and equivalent service statistics. The following information measures the level of charity care provided during the years ended December 31:

	2011	2010
Charges foregone, based on established rates	$ 248,000	$ 200,000
Estimated costs incurred to provide charity care	$ 114,000	$ 89,000
Equivalent percentage of charity care services to all services	0.24 %	0.21 %

The cost is estimated by applying the ratio of total cost to total charges to the charges associated with providing such care.

3. Net Patient Service Revenue

The Retreat has agreements with third-party payors that provide for payments to the Retreat at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare

Inpatient and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates based upon a patient classification system. These rates vary based on clinical, diagnostic, and other factors. Amounts not paid by Medicare beneficiaries are reimbursed through the annual cost reports. As of December 31, 2011, final settlement has been made by Medicare for all years through 2008.

Medicaid

Services rendered to Medicaid program beneficiaries are paid under prospectively determined rates and fee schedules.

Revenue from the Medicare and Medicaid programs accounted for approximately 17% and 45%, respectively, of the Retreat's patient revenue for the year ended December 31, 2011, and 17% and 46%, respectively, of the Retreat's patient revenue for the year ended December 31, 2010. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The 2011 and 2010 net patient service revenue increased approximately $422,500 and decreased approximately $131,000, respectively, due to changes in estimates and retroactive adjustments in excess of amounts previously estimated.

Other Payors

The Retreat has also entered into payment agreements with certain commercial insurance carriers. The basis for payment to the Retreat under these agreements includes prospectively determined daily rates and discounts from established rates

Patient service revenue, contractual, and other allowances consisted of the following for the years ended December 31:

	2011	2010
Gross patient service revenue	$ 102,076,774	$ 94,700,145
Less Medicare and Medicaid allowances	37,494,794	36,491,894
Less other contractual allowances	18,312,921	15,448,468
Less charity care and other discounts	247,439	199,482
	56,055,154	52,139,844
Net patient service revenue	$ 46,021,620	$ 42,560,301

4. Assets Limited as to Use

The composition of assets limited at to use, including the current portion, at December 31, 2011 and 2010, is set forth in the following table. Investments are stated at fair value.

	2011	2010
Internally designated for capital acquisitions		
Cash and short-term investments	$ 980,721	$ 657,640
Corporate bonds	6,206,853	5,598,430
U.S. Treasury securities and government-sponsored enterprises	4,612,810	4,098,323
	11,800,384	10,354,393
Held by trustee under indenture agreement		
Cash and cash equivalents	6,835,633	170,000
	$18,636,017	$10,524,393

5. Property and Equipment

A summary of property and equipment follows:

	2011	2010
Land and land improvements	**$ 1,662,144**	$ 1,604,787
Buildings and improvements	**25,576,210**	24,622,361
Fixed equipment	**1,053,268**	1,125,993
Major moveable equipment	**5,579,995**	5,148,667
	33,871,617	32,501,808
Less accumulated depreciation and amortization	**26,219,746**	24,901,347
	7,651,871	7,600,461
Construction in progress	**2,917,938**	167,177
	$10,569,809	$ 7,767,638

Depreciation expense for the years ended December 31, 2011 and 2010, was $1,340,016 and $1,324,229, respectively

The Retreat leases certain equipment under capital leases that expire through 2012 Included in property and equipment is $184,791 and $280,661 of cost and $147,687 and $204,976 of accumulated depreciation as of December 31, 2011 and 2010, respectively, related to assets held under capital lease arrangements.

During 2011, the Retreat began numerous projects expected to total approximately $7 million for building renovations and roof repairs, of which approximately $2.9 million has been incurred as of December 31, 2011 and is included in construction in progress. These projects will be completed during 2012 and are being funded by bond proceeds and operations.

6. Long-Term Debt

Long-term debt consisted of the following as of December 31:

	2011	2010
Vermont Educational and Health Buildings Financing Agency (VEHBFA), 2007 Series A, Variable Rate Demand Revenue Bonds (0.43% at December 31, 2010), payable in varying amounts of principal and interest through January 2022, principal payments were $170,000 in 2011.	**$ -**	$ 2,485,000

	2011	2010
The Brattleboro Retreat Variable Rate Demand Taxable Bonds Series 2007 (0.34% at December 31, 2010), payable in varying amounts of principal and interest through January 2036, principal payments ranged from $240,000 in 2023 to $470,000 in 2036.	-	4,835,000
Vermont Educational and Health Buildings Financing Agency (VEHBFA), 2011 Series A, Variable Rate Demand Revenue Bonds (0.09% at December 31, 2011), payable in varying amounts of principal and interest through December 2031, principal payments range from $45,000 in 2012 to $1,065,000 in 2031.	**11,300,000**	-
3.97% loan payable to a bank, due in monthly installments of $59,547, including interest, through December 2019, collateralized by investments.	**4,880,000**	-
Various capital leases, bearing interest at fixed rates ranging from 6.68% to 9.91%, maturing through October 2012, collateralized by equipment.	**43,603**	83,678
	16,223,603	7,403,678
Less current portion	**618,493**	210,093
Long-term debt, excluding current portion	**$ 15,605,110**	$ 7,193,585

VEHBFA Variable Rate Demand Revenue Bonds (The Brattleboro Retreat Project) 2011 Series A in the amount of $11,300,000 were issued in December 2011. Interest on the Bonds is based on available weekly rates as determined by the remarketing agent based on prevailing market conditions, not to exceed 10% per annum. The Retreat may at any time exercise an option to convert to a fixed rate No conversion will be effective unless all Bonds have been remarketed and sold. The Retreat may prepay certain of the Bonds according to the terms of the loan and trust agreement. The Bonds are collateralized by the gross receipts and equipment of the Retreat and letter of credit agreement. The Bonds were issued to refund the Series 2007 bonds.

While interest on the Bonds accrues on a weekly variable rate, the Retreat is required to maintain a credit facility in an amount not less than the principal amount of the outstanding Bonds plus accrued interest for 35 days at the maximum interest rate noted above. To comply with this requirement, the Retreat has obtained a irrevocable direct pay letter of credit from TD Bank (the Bank) in the amount of $11,408,356. The letter of credit expires on November 30, 2016 and is collateralized by a pledge agreement of the investments of the Retreat The Retreat is required to pay the Bank annual fee at the rate of 1% of the letter of credit commitment amount as defined in the agreement. Interest on draws is paid at a variable base rate The base rate will be equal to the Wall Street Journal's prime rate plus 0% to 2% depending on the amount of days outstanding and the type of draw.

There are various restrictive covenants, which include compliance with certain financial ratios and a detail of events constituting defaults. The Retreat is in compliance with these requirements at December 31, 2011.

Scheduled principal repayments on long-term debt and capital lease obligations are as follows:

	Long-Term Debt	Capital Lease Obligations
2012 (included in current liabilities)	$ 574,890	$ 45,900
2013	596,851	-
2014	619,162	-
2015	647,376	-
2016	671,245	-
Thereafter	13,070,476	-
	$ 16,180,000	45,900
Less amount representing interest under capital lease obligations		2,297
		$ 43,603

7. Line of Credit

The Retreat has a $1,500,000 variable rate line of credit available with a bank, collateralized by the investments of the Retreat. Interest on borrowings is charged at one-month LIBOR plus 2.75% with a floor of 3.25% (3 25% at December 31, 2011). The line of credit expires May 31, 2012. The outstanding balance was $210,863 and $557,598 at December 31, 2011 and 2010, respectively

8. Concentrations

Credit Risk

The Retreat grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows:

	2011	2010
Medicare	20 %	12 %
Medicaid	34	38
Blue Cross	15	16
Other third-party payors	28	29
Patients	3	5
	100 %	100 %

The Retreat maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Retreat has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

Labor Force

The Retreat's unionized labor workforce are members of the United Nurses and Allied Professionals Local Unit #5086 and Local Unit #5087. The union contracts are in effect through October 12, 2012

9. Commitments and Contingencies

Medical Malpractice Claims

The Retreat insures against malpractice losses by obtaining a claims-made policy which provides specified coverage for claims reported during the policy term. The policy contains a provision which allows the Retreat to purchase "tail" coverage for an indefinite period to avoid any future lapse in insurance coverage. The possibility exists, as a normal risk of doing business, that malpractice claims in excess of insurance coverage may be asserted against the Retreat. In the event a loss contingency should occur, the Retreat would give appropriate recognition to it in its financial statements in conformity with FASB ASC 450, *Contingencies*. As of December 31, 2011, there are no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor are there any unasserted claims or incidents which require loss accrual The Retreat intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Operating Leases

The Retreat has leased equipment under operating leases expiring at various dates through 2014. Total rental expense for the years ended December 31, 2011 and 2010, for the operating leases was approximately $89,500 and $86,500, respectively.

The following is a schedule by year of future minimum lease payments under operating leases as of December 31, 2011, that have initial or remaining lease terms in excess of one year

2012	$ 65,756
2013	65,756
2014	65,756
	$ 197,268

Litigation

The Retreat is involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Retreat's future financial position or results from operations

Asset Retirement Obligation

FASB ASC 410, *Asset Retirement Obligations*, requires entities to record asset retirement obligations at fair value if they can be reasonably estimated. The State of Vermont requires special disposal procedures relating to building materials containing asbestos. The Retreat buildings contain asbestos, but a liability has not been recognized This is because there are no current plans to renovate or dispose of the buildings that would require the removal of the asbestos; accordingly, the liability has an indeterminate settlement date and its fair value cannot be reasonably estimated.

10. Pension Plan

The Retreat has a contributory defined contribution plan (Pension Plan) available to substantially all employees. The Retreat contributes 3% of gross compensation up to maximum amounts allowed under Internal Revenue Service regulations. In addition, employees may elect to contribute up to 20% of gross compensation up to the maximum amount allowed per year to the Pension Plan with the Retreat contributing an additional $ 50 for each $1.00 of participant contribution. This matching contribution is limited to one percent of the participant's compensation. The Retreat had temporarily suspended discretionary contributions on behalf of its employees in 2010.

Total expense related to the Pension Plan for the years ended December 31, 2011 and 2010, was approximately $694,000 and $147,000, respectively.

11. Deferred Compensation

In 1983, the Retreat implemented a deferred compensation plan (Plan) intended to provide postretirement income for employees approved by the Board The Plan was adopted by the Board to ensure the continuation of the performance of valuable services to the Retreat by certain employees up to their retirement, as well as to aid in providing retirement and death benefits to the employee and his or her beneficiaries.

Each employee, approved by the Board of Trustees to participate in the Plan, executed a Stated Benefit Deferred Compensation Agreement with the Retreat. Under the terms of these agreements, if the employee retires or dies while employed by the Retreat, the Retreat will make a standard payment as stated in the agreement to the employee or the stated beneficiary within six months and for the 14 years thereafter If the employee ends employment with the Retreat, the Retreat will commence payments to the employee or the beneficiary in 15 equal annual installments as set forth in each executed agreement There are no employee contributions allowed under the terms of the Plan. All distributions of the Plan are taxable to the employee or beneficiary as income.

As allowable under the Plan, the Retreat has obtained insurance policies on the lives of the employees participating in the Plan. The policies are owned by the Retreat and the cash surrender values of these policies are assets of the Retreat and may be used to meet future obligations of the Plan.

As of December 31, 2011 and 2010, the Retreat has borrowed approximately $152,000 and $220,000 against the policies, respectively

12. Fair Value of Financial Instruments

FASB ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and liabilities measured at fair value on a recurring basis are summarized below. Fair values were primarily determined using a market approach.

	Fair Value Measurements at December 31, 2011, Using			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and cash equivalents	**$ 7,816,354**	**$ 7,816,354**	**$ -**	**$ -**
Corporate bonds				
AAA	**1,406,804**	**-**	**1,406,804**	**-**
AA	**2,688,776**	**-**	**2,688,776**	**-**
A	**1,238,088**	**-**	**1,238,088**	**-**
BBB	**873,185**	**-**	**873,185**	**-**
Total corporate bonds	**6,206,853**	**-**	**6,206,853**	**-**
U S Treasury securities and government-sponsored enterprises	**4,612,810**	**4,612,810**	**-**	**-**
Total assets	**$ 18,636,017**	**$ 12,429,164**	**$ 6,206,853**	**$ -**

	Fair Value Measurements at December 31, 2010, Using			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and cash equivalents	$ 827,640	$ 827,640	$ -	$ -
Corporate bonds.				
AAA	1,386,094	-	1,386,094	-
AA	1,690,021	-	1,690,021	-
A	2,090,395	-	2,090,395	-
BBB	431,920	-	431,920	-
Total corporate bonds	5,598,430	-	5,598,430	-
U S Treasury securities and government-sponsored enterprises	4,098,323	4,098,323	-	-
Total assets	$ 10,524,393	$ 4,925,963	$ 5,598,430	$ -

The fair value for Level 2 assets is primarily based on market prices of underlying assets and comparable securities.

The Retreat's financial instruments consist of cash and cash equivalents, investments, trade accounts receivable and payable, estimated third-party payor settlements, and long-term debt. The fair values of all financial instruments approximate their carrying values at December 31, 2011