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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
BLOOD SYSTEMS INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 1867

City or town, state or country, and ZIP + 4
SCOTTSDALE, AZ 85252

D Employer identification number
86-0098929

E Telephone number
(480) 946-4201

G Gross receipts $ 499,507,256

F Name and address of principal officer
J DANIEL CONNOR
PO BOX 1867
SCOTTSDALE, AZ 85252

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 bloodsystems org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1943 | **M** State of legal domicile AZ

Part I Summary

1 Briefly describe the organization's mission or most significant activities
BLOOD BANKING, PLASMA DERIVATIVE DISTRIBUTION, AND RESEARCH

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	17
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	17
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	3,603
6	Total number of volunteers (estimate if necessary)	**6**	1,000
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	41,192
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	18,287

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	6,472,851	7,850,022
	9 Program service revenue (Part VIII, line 2g)	469,882,775	477,357,426
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,027,184	6,488,600
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,393,803	7,811,208
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	488,776,613	499,507,256
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	197,705	246,176
	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)	176,149,086	170,969,621
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	303,677,979	318,448,669
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	480,024,770	489,664,466
	19 Revenue less expenses Subtract line 18 from line 12	8,751,843	9,842,790

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	342,692,417	343,197,402
	21 Total liabilities (Part X, line 26)	140,963,414	149,930,859
	22 Net assets or fund balances Subtract line 21 from line 20	201,729,003	193,266,543

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2012-04-23 Date

▶ SUSAN BARNES EVP/CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ▶☐ | Preparer's taxpayer identification number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ ERNST & YOUNG US LLP
TWO NORTH CENTRAL AVENUE STE 2300
PHOENIX, AZ 85004

EIN ▶

Phone no ▶ (602) 322-3000

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

SEE SCHEDULE O

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the 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 $	301,828,735	including grants of $	2,277,880)	(Revenue $	285,547,379)
	UNITED BLOOD SERVICES - SEE SCHEDULE O						
4b	(Code)	(Expenses $	149,048,783	including grants of $	0)	(Revenue $	152,813,389)
	BIOCARE - SEE SCHEDULE O						
4c	(Code)	(Expenses $	10,956,462	including grants of $	0)	(Revenue $	9,667,990)
	RESEARCH - SEE SCHEDULE O						
4d	Other program services (Describe in Schedule O)						
	(Expenses $	8,583,864	including grants of $	0)	(Revenue $	37,066,972)	
4e	**Total program service expenses** ▶ $	470,417,844					

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		No
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, 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	Yes	
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		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer 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**	Yes	
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**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
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**	Yes	
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**	670		
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**	3,603			
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**	Yes	
b	If "Yes," enter the name of the foreign country ▶ CJ 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**		No
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	17		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	17		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
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	Yes	
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	Yes	
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	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," 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 ▶ AZ , CA

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 ▶

SUSAN BARNES
6210 E OAK STREET
SCOTTSDALE, AZ 85257
(480) 675-5696

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			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (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			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								8,609,402	0	1,012,957

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 ▶ 156

			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
3RP 7047 E GREENWAY PARKWAY SUITE 300 SCOTTSDALE, AZ 85254	CONSULTANT	1,011,640
LEWIS AND ROCA 40 N CENTRAL AVENUE PHOENIX, AZ 850044429	ATTORNEYS	393,071
ERNST YOUNG PNC BANK 3712 SOLUTIONS CENTER CHICAGO, IL 606773007	AUDITORS	290,580
GRANT THORNTON PO BOX 51552 LOS ANGELES, CA 90051	AUDITORS	354,517
GIVBLD2 5 BERRY PATCH LANE COLUMBIA, IL 62236	CONSULTANT	236,927

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 ▶ 10

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	17,987				
	b	Membership dues					
	c	Fundraising events					
	d	Related organizations					
	e	Government grants (contributions)					
	f	All other contributions, gifts, grants, and similar amounts not included above	7,832,035				
	g	Noncash contributions included in lines 1a-1f $ 6,812,161					
	h	**Total.** Add lines 1a-1f		7,850,022			
Program Service Revenue			Business Code				
	2a	BLOOD AND COMPONENTS SERVICE FEES	541900	285,547,379	285,547,379		
	b	BIOCARE	446110	152,854,581	152,813,389	41,192	
	c	LABORATORY SERVICES	621500	13,611,343	13,611,343		
	d	PLASMA FOR FRACTIONATION	541990	13,436,990	13,436,990		
	e	RESEARCH CONTRACTS	541700	9,667,990	9,667,990		
	f	All other program service revenue		2,239,143	2,239,143		
	g	**Total.** Add lines 2a–2f		477,357,426			
	3	Investment income (including dividends, interest and other similar amounts)		4,132,098			4,132,098
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		31,712			31,712
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	2,347,776	8,726			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)	2,347,776	8,726			
	d	Net gain or (loss)		2,356,502			2,356,502
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 a					
	b	Less direct expenses b					
	c	Net income or (loss) from fundraising events		0			
	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		0			
	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		0			
		Miscellaneous Revenue	Business Code				
	11a	MGT SERVICES FOR RELATED EXEMPT ORGS	900099	7,779,496	7,779,496		
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		7,779,496			
	12	**Total revenue.** See Instructions		499,507,256	485,095,730	41,192	6,520,312

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	246,176	246,176		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	8,609,402	0	8,609,402	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	119,283,522	118,027,479	1,256,043	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,496,804	2,304,550	192,254	
9	Other employee benefits	30,860,101	27,646,466	3,213,635	0
10	Payroll taxes	9,719,792	8,970,052	749,740	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	523,971	0	523,971	0
c	Accounting	486,286	0	486,286	0
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	139,746		139,746	
g	Other	2,681,465	2,404,696	276,769	0
12	Advertising and promotion	603,803	603,803	0	0
13	Office expenses	16,940,380	16,815,637	124,743	0
14	Information technology	0			
15	Royalties . .	0			
16	Occupancy	13,474,009	13,473,993	16	0
17	Travel	10,119,504	9,653,392	466,112	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	1,630,371	0	1,630,371	0
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	13,458,631	13,338,631	120,000	0
23	Insurance	2,223,555	1,870,905	352,650	0
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	PHARM PRODUCTS PURCH	142,581,852	142,581,852	0	0
b	OPERATING & TESTING SUPPLIES	87,325,700	87,325,700	0	0
c	DONOR RECOGNITION & PROMO	11,988,038	11,980,714	7,324	0
d	BLOOD & COMPONENTS PRODUCTS	6,445,744	6,445,744	0	0
e					
f	All other expenses	7,825,614	6,728,054	1,097,560	
25	**Total functional expenses.** Add lines 1 through 24f	489,664,466	470,417,844	19,246,622	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		0	1	0
	2	Savings and temporary cash investments		108,651,061	2	101,341,766
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		52,479,445	4	55,350,614
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	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		0	6	0
	7	Notes and loans receivable, net		26,247,495	7	21,166,355
	8	Inventories for sale or use		32,176,241	8	35,130,521
	9	Prepaid expenses and deferred charges		3,322,812	9	3,299,797
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 207,981,754			
	b	Less accumulated depreciation	10b 131,110,431	78,916,962	10c	76,871,323
	11	Investments—publicly traded securities		25,069,956	11	36,108,883
	12	Investments—other securities See Part IV, line 11		12,025,000	12	12,025,000
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		960,000	14	840,000
	15	Other assets See Part IV, line 11		2,843,445	15	1,063,143
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		342,692,417	16	343,197,402
Liabilities	17	Accounts payable and accrued expenses		99,679,490	17	107,517,108
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		40,892,348	20	38,337,968
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		391,576	23	4,075,783
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		140,963,414	26	149,930,859
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		201,729,003	27	193,266,543
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		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		201,729,003	33	193,266,543
	34	Total liabilities and net assets/fund balances		342,692,417	34	343,197,402

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	499,507,256
2	Total expenses (must equal Part IX, column (A), line 25)	2	489,664,466
3	Revenue less expenses Subtract line 2 from line 1	3	9,842,790
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	201,729,003
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-18,305,250
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	193,266,543

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	Yes	
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	Yes	

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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
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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 ")	7,391,617	9,535,312	8,438,927	6,472,851	7,850,022	39,688,729
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	483,221,418	555,905,891	573,865,076	475,276,578	486,014,403	2,574,283,366
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	490,613,035	565,441,203	582,304,003	481,749,429	493,864,425	2,613,972,095
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)						2,613,972,095

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	490,613,035	565,441,203	582,304,003	481,749,429	493,864,425	2,613,972,095
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	7,501,537	3,388,810	3,173,514	2,848,970	4,163,810	21,076,641
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	7,501,537	3,388,810	3,173,514	2,848,970	4,163,810	21,076,641
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)	498,114,572	568,830,013	585,477,517	484,598,399	498,028,235	2,635,048,736

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	99 200 %
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	99 166 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	0 800 %
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	0 834 %

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

Additional Data

Software ID:
Software Version:
EIN: 86-0098929
Name: BLOOD SYSTEMS INC

Form 990, Special Condition Description:

Special Condition Description

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
HEATHER ALLEN MD TRUSTEE	3 0	X						27,750	0	0
JAMES R ALLEN MD TRUSTEE	3 0	X						27,750	0	0
LINDA BLESSING TRUSTEE	3 0	X						23,125	0	0
WILLIAM A DITTMAN MD TRUSTEE	2 0	X						19,000	0	0
LISA FANNIN MD TRUSTEE	2 0	X						16,000	0	0
ARMANDO B FLORES TRUSTEE/VICE CHAIR	2 0	X		X				20,625	0	0
WILLIAM G GREEN TRUSTEE	2 0	X						23,000	0	0
F LEONARD JOHNSON MD TRUSTEE	2 0	X						19,000	0	0
JOHN LEWIS TRUSTEE/SECRETARY/TREASURER	3 0	X		X				25,875	0	0
PIERRE NOEL MD TRUSTEE	2 0	X						16,000	0	0
KATHLEEN S PUSHOR TRUSTEE	2 0	X						16,500	0	0
MELVYN C ROTHMAN MD TRUSTEE	3 0	X						25,875	0	0
MARK T SCHIEBLE TRUSTEE	2 0	X						19,000	0	0
STEVEN L SEILER TRUSTEE/CHAIR	5 0	X		X				57,000	0	0
PAUL E STANDER MD TRUSTEE	2 0	X						16,000	0	0
RON WAECKERLIN MD TRUSTEE	2 0	X						19,000	0	0
GARY K WILDE TRUSTEE	3 0	X						28,750	0	0
J DANIEL CONNOR PRESIDENT/CEO	4 0 0			X				704,810	0	180,836
SUSAN BARNES EVP/CHIEF FINANCIAL OFFICER	4 0 0			X				363,755	0	70,243
SALLY CAGLIOTI PRES CREATIVE TESTING SOLUTION	4 0 0			X				375,958	0	86,356
PATRICK MCEVOY PRES/BLOOD CENTER DIVISIONS	4 0 0			X				449,454	0	74,316
PETER TOMASULO MD EVP/CHIEF MED & SCI OFFICER	4 0 0			X				547,439	0	38,954
SCOTT NELSON EVP/GENERAL COUNSEL	4 0 0				X			332,152	0	47,988
PATRICK HOLT EVP/BUSINESS SERVICES	4 0 0				X			368,609	0	32,376
MICHAEL BUSCH MD VP/RESEARCH & SCI PROGRAMS	4 0 0				X			476,009	0	55,978

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JONATHAN HARBER VP/INFORMATION TECHNOLOGY	40.0				X			255,074	0	17,759
DENNIS HARPOOL VP/MANUFACTURING SYSTEMS	40.0				X			249,252	0	19,456
MICHAEL HAYWARD DISTRICT VP OF OPERATIONS	40.0				X			244,163	0	21,189
HANY KAMEL MD VP CORP MEDICAL DIR	40.0				X			370,337	0	77,088
LINDA MATTHEWS VP/BIOCARE	40.0				X			299,893	0	24,866
FRANK NIZZI VP CLINICAL SERVICES	40.0				X			390,658	0	31,654
LARRY REESE VP/HUMAN RESOURCES	40.0				X			282,123	0	27,155
EUGENE ROBERTSON VP/CREATIVE TESTING SOLUTIONS	40.0				X			295,841	0	36,024
DARYL STENSGAARD DISTRICT DIRECTOR OF ADMIN	40.0				X			238,287	0	14,804
MARY BETH BASSETT EVP/QUALITY MGMT/RA	40.0				X			357,772	0	48,706
PAULA VILLALOBOS DISTRICT VP OF OPERATIONS	40.0				X			222,321	0	12,399
LEON SU SR MEDICAL DIRECTOR	40.0					X		283,236	0	22,238
MARY TOWNSEND CHIEF MEDICAL OFFICER	40.0					X		254,866	0	19,434
BRIAN CUSTER ACCOCIATE INVESTIGATOR	40.0					X		291,789	0	16,576
MEHRABOON IRANI SR MEDICAL DIRECTOR	40.0					X		284,199	0	16,325
BEATA KWIATKOWSKA SR MEDICAL DIRECTOR	40.0					X		271,155	0	20,237

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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
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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	18,441,846	17,069,458	14,678,984	19,946,249	
b Contributions	4,060,473				
c Investment earnings or losses	68,277	2,237,130	3,303,258	-4,305,808	
d Grants or scholarships					
e Other expenditures for facilities and programs	0	861,440	906,012	948,761	
f Administrative expenses	4,998	3,302	6,772	12,696	
g End of year balance	22,565,598	18,441,846	17,069,458	14,678,984	

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

- a Board designated or quasi-endowment ▶ 100 000 %
- b Permanent endowment ▶ 0 %
- c Term endowment ▶ 0 %

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		6,813,258		6,813,258
b Buildings		60,867,987	29,523,490	31,344,497
c Leasehold improvements		15,504,510	11,738,235	3,766,275
d Equipment		72,495,217	56,517,919	15,977,298
e Other		52,300,782	33,330,787	18,969,995
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				76,871,323

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	0
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	0

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
BLOOD SYSTEMS BOARD RESTRICTED ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	THE BLOOD SYSTEMS BOARD RESTRICTED ENDOWMENT FUNDS ARE RESERVED FOR THE PURPOSES OF PROVIDING RESEARCH FUNDS TO BLOOD SYSTEMS RESEARCH INSTITUTE TO SUPPORT THE BLOOD TRANSFUSION RESEARCH EFFORTS OF THAT DIVISION
ASC 740 FOOTNOTE	SCHEDULE D, PART X, LINE 2	AT DECEMBER 31, 2011 AND 2010, THE COMPANY EVALUATED WHETHER IT HAD UNCERTAIN TAX POSITIONS THAT SHOULD BE RECOGNIZED OR DERECOGNIZED BASED ON A 'MORE LIKELY THAN NOT' THRESHOLD FOR TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN, INCLUDING THOSE TAX POSITIONS THAT WOULD NOT BE SUSTAINED UPON EXAMINATION IN ACCORDANCE WITH GUIDANCE RELATED TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES THE IMPLEMENTATION HAD NO IMPACT ON THE COMPANY'S FINANCIAL POSITION OR OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010 AS OF DECEMBER 31, 2011 AND 2010, THE COMPANY HAS NOT IDENTIFIED ANY UNCERTAIN TAX POSITIONS THAT WOULD BE EVALUATED UNDER THIS GUIDANCE

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

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

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States

3 Activites per Region (Use Part V if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
Central America and the Caribbean	0	0	Program Services	CAPTIVE INSURANCE	3,621,646
3a Sub-total	0	0			3,621,646
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	0	0			3,621,646

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . . ▶ ☐
Use Part V if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Part V if additional space is needed.

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

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*	☑ Yes	☐ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*	☐ Yes	☑ No

Part V Supplemental Information

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Identifier	ReturnReference	Explanation

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AABB8101 GLENBROOK ROAD BETHESDA, MD 208142748	36-2384118	501(C)(3)	15,000				BIOVIGILANCE CONTRIBUTION
(2) AMERICAN RED CROSS 430 17TH STNW RMGL63A WASHINGTON, DC 20006	53-0196605	501(C)(3)	20,000				JAPAN EARTHQUAKE/TSUMANI
(3) CALIFORNIA BLOOD BANK SOCIETY915 L STREET PMB-C416 SACRAMENTO, CA 95814	94-1294901	501(C)(3)	5,195				CTS CONTRIBUTION CBBS WEBSITE
(4) CENTRAL NEW MEXICO COMMUNITY COLLEGE FDN525 BUENA VISTA SE ALBUQUERQUE, NM 87106	85-0338623	501(C)(3)	5,633				HERO SQ SEPT
(5) FLIGHTS FOR LIFEPO BOX 26485 PHOENIX, AZ 85068	74-2453899	501(C)(3)	16,000				3RD QTR DONATIONS
(6) FOUNDATION FOR BLIND CHILDREN1235 E HARMONT DRIVE PHOENIX, AZ 85020	86-0129981	501(C)(3)	8,500				TABLE SPONSOR/NIGHT FOR SIGHT/SPONSOR
(7) JUNIOR ACHIEVEMENT 636 WEST SOUTHERN AVE TEMPE, AZ 852824538	86-0184349	501(C)(3)	5,200				PROGRAM SUPPORT
(8) JUVENILE DIABETES RESEARCH FOUNDATION 4343 E CAMELBACK RD SUITE C2 PHOENIX, AZ 85018	23-1907729	501(C)(3)	10,000				9TH ANNUAL JDRF GOLF BENEFIT/TABLE SPONSOR
(9) NATIONAL BLOOD FOUNDATION8101 GLENBROOK ROAD BETHESDA, MD 20814	52-2059102	501(C)(3)	105,000				2011 CONTRIBUTION
(10) NEW MEXICO SCHOOL FOR THE BLIND VISUALLY 801 STEHPEN MOODY DR ALBUQUERQUE, NM 87123	85-0298659	501(C)(3)	5,238				HERO SQUARE PROGRAM
(11) SPECIAL OLYMPICS NEW MEXICO6600 PALOMAS AVE NE ALBUQUERQUE, NM 87109	85-0268084	501(C)(3)	5,410				AUG 2011 HERO SQUARED AGENCY
(12) UNITED WAY OF CENTRAL NM2340 ALAMO AVE SE ALBUQUERQUE, NM 87106	85-0277138	501(C)(3)	45,000				CORPORATE CORNER STONE

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 12

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

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

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

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

Identifier	Return Reference	Explanation
SPONSORSHIPS AND DONATIONS	SCHEDULE I, PART I, LINE 2	SPONSORSHIPS AND DONATIONS TO OTHER TAX-EXEMPT ENTITIES ARE MADE IN SUPPORT OF THEIR MISSIONS AND ARE MONITORED VIA THE GOVERNANCE PRACTICES OF THOSE ENTITIES

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 86-0098929
Name: BLOOD SYSTEMS INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AABB8101 GLENBROOK ROAD BETHESDA,MD 208142748	36-2384118	501(C)(3)	15,000				BIOVIGILANCE CONTRIBUTION
AMERICAN RED CROSS430 17TH STNW RMGL63A WASHINGTON,DC 20006	53-0196605	501(C)(3)	20,000				JAPAN EARTHQUAKE/TSUMANI
CALIFORNIA BLOOD BANK SOCIETY915 L STREET PMB-C416 SACRAMENTO,CA 95814	94-1294901	501(C)(3)	5,195				CTS CONTRIBUTION CBBS WEBSITE
CENTRAL NEW MEXICO COMMUNITY COLLEGE FDN525 BUENA VISTA SE ALBUQUERQUE,NM 87106	85-0338623	501(C)(3)	5,633				HERO SQ SEPT
FLIGHTS FOR LIFE PO BOX 26485 PHOENIX,AZ 85068	74-2453899	501(C)(3)	16,000				3RD QTR DONATIONS
FOUNDATION FOR BLIND CHILDREN 1235 E HARMONT DRIVE PHOENIX,AZ 85020	86-0129981	501(C)(3)	8,500				TABLE SPONSOR/NIGHT FOR SIGHT/SPONSOR
JUNIOR ACHIEVEMENT636 WEST SOUTHERN AVE TEMPE,AZ 852824538	86-0184349	501(C)(3)	5,200				PROGRAM SUPPORT
JUVENILE DIABETES RESEARCH FOUNDATION4343 E CAMELBACK RD SUITE C2 PHOENIX,AZ 85018	23-1907729	501(C)(3)	10,000				9TH ANNUAL JDRF GOLF BENEFIT/TABLE SPONSOR
NATIONAL BLOOD FOUNDATION8101 GLENBROOK ROAD BETHESDA,MD 20814	52-2059102	501(C)(3)	105,000				2011 CONTRIBUTION
NEW MEXICO SCHOOL FOR THE BLIND VISUALLY 801 STEHPEN MOODY DR ALBUQUERQUE,NM 87123	85-0298659	501(C)(3)	5,238				HERO SQUARE PROGRAM
SPECIAL OLYMPICS NEW MEXICO6600 PALOMAS AVE NE ALBUQUERQUE,NM 87109	85-0268084	501(C)(3)	5,410				AUG 2011 HERO SQUARED AGENCY
UNITED WAY OF CENTRAL NM2340 ALAMO AVE SE ALBUQUERQUE,NM 87106	85-0277138	501(C)(3)	45,000				CORPORATE CORNER STONE

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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
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
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				
See Additional Data Table								

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
SUPPLEMENTAL COMPENSATION INFORMATION	SCHEDULE J, PART I, LINE 4B	BLOOD SYSTEMS, INC SPONSORS A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP), COVERING SELECTED EXECUTIVES, AS APPROVED BY THE COMPENSATION COMMITTEE OF THE BOARD THE SERP PROVIDES FOR A LUMP SUM PAYMENT TO EACH EXECUTIVE AT VESTING DATE, AS DEFINED IN THE SERP AGREEMENT THE FOLLOWING INDIVIDUALS, REPORTED IN 990, PART VII, PARTICIPATED IN THE PLAN AND HAD THE FOLLOWING AMOUNTS DEFERRED DURING THE CURRENT YEAR J DANIEL CONNOR - $159,057 PATRICK MCEVOY - $55,099 SALLY CAGLIOTI - $76,313 SUSAN BARNES - $52,874 PAT HOLT - $12,457 SCOTT NELSON - $25,727 MICHAEL BUSCH - $37,276 LINDA MATTHEWS - $7,585 HANY KAML - $56,891 MARY BETH BASSETT - $ 31,366 LARRY REESE - $ 9,851 EUGENE ROBERTSON - $ 13,775 FRANK NIZZI - $ 12,037 PETER TOMASULO - $ 18,748
NON-FIXED PAYMENTS	SCHEDULE J, PART I, LINE 7	BLOOD SYSTEMS HAS AN INCENTIVE BONUS PLAN FOR MANAGEMENT AND EXECUTIVES AWARDS UNDER THE PROGRAM ARE AT THE DISCRETION OF THE BOARD OF TRUSTEES THE PLAN MEASURES PERFORMANCE AGAINST MULTIPLE METRICS WHICH CARRY VARIOUS WEIGHTINGS, THE MOST HEAVILY WEIGHTED BEING QUALITY, SAFETY AND CUSTOMER SERVICE TO ASSURE FINANCIAL STABILITY OF THE COMPANY, ONE OF THE METRICS IS ALSO A MEASUREMENT OF NET MARGIN FINANCIAL PERFORMANCE AS A PERCENT OF REVENUES

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 86-0098929
Name: BLOOD SYSTEMS INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
J DANIEL CONNOR	(I)	547,122	132,480	25,208	174,982	5,854	885,646	0
	(II)	0	0	0	0	0	0	0
SUSAN BARNES	(I)	272,055	64,500	27,200	68,799	1,444	433,998	0
	(II)	0	0	0	0	0	0	0
SALLY CAGLIOTI	(I)	282,488	82,770	10,700	84,888	1,468	462,314	0
	(II)	0	0	0	0	0	0	0
PATRICK MCEVOY	(I)	350,884	71,370	27,200	71,024	3,292	523,770	0
	(II)	0	0	0	0	0	0	0
PETER TOMASULO MD	(I)	425,739	94,500	27,200	34,673	4,281	586,393	0
	(II)	0	0	0	0	0	0	0
SCOTT NELSON	(I)	245,442	59,510	27,200	41,652	6,336	380,140	0
	(II)	0	0	0	0	0	0	0
PATRICK HOLT	(I)	282,259	75,650	10,700	28,382	3,994	400,985	0
	(II)	0	0	0	0	0	0	0
MICHAEL BUSCH MD	(I)	360,509	89,400	26,100	52,884	3,094	531,987	0
	(II)	0	0	0	0	0	0	0
JONATHAN HARBER	(I)	196,549	51,140	7,385	14,568	3,191	272,833	0
	(II)	0	0	0	0	0	0	0
DENNIS HARPOOL	(I)	194,752	44,900	9,600	15,530	3,926	268,708	0
	(II)	0	0	0	0	0	0	0
MICHAEL HAYWARD	(I)	197,563	37,000	9,600	14,929	6,260	265,352	0
	(II)	0	0	0	0	0	0	0
HANY KAMEL MD	(I)	289,697	71,040	9,600	72,319	4,769	447,425	0
	(II)	0	0	0	0	0	0	0
LINDA MATTHEWS	(I)	216,003	57,790	26,100	23,506	1,360	324,759	0
	(II)	0	0	0	0	0	0	0
FRANK NIZZI	(I)	301,188	79,870	9,600	26,857	4,797	422,312	0
	(II)	0	0	0	0	0	0	0
LARRY REESE	(I)	222,443	50,080	9,600	24,023	3,132	309,278	0
	(II)	0	0	0	0	0	0	0
EUGENE ROBERTSON	(I)	214,836	61,030	19,975	29,700	6,324	331,865	0
	(II)	0	0	0	0	0	0	0
DARYL STENSGAARD	(I)	172,147	40,040	26,100	13,581	1,223	253,091	0
	(II)	0	0	0	0	0	0	0
MARY BETH BASSETT	(I)	266,472	65,200	26,100	47,291	1,415	406,478	0
	(II)	0	0	0	0	0	0	0

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
PAULA VILLALOBOS	(I)	173,301	39,420	9,600	10,554	1,845	234,720	0
	(II)	0	0	0	0	0	0	0
LEON SU	(I)	261,866	21,370	0	15,925	6,313	305,474	0
	(II)	0	0	0	0	0	0	0
MARY TOWNSEND	(I)	254,866	0	0	13,044	6,390	274,300	0
	(II)	0	0	0	0	0	0	0
BRIAN CUSTER	(I)	282,289	9,500	0	13,661	2,915	308,365	0
	(II)	0	0	0	0	0	0	0
MEHRABOON IRANI	(I)	271,699	12,500	0	12,250	4,075	300,524	0
	(II)	0	0	0	0	0	0	0
BEATA KWIATKOWSKA	(I)	255,355	15,800	0	15,925	4,312	291,392	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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	ARIZONA HEALTH FACILITIES AUTHORITY	86-0453292	040507FGS	12-23-2004	54,833,136	SEE SCHEDULE O		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0			
2	Amount of bonds defeased	0			
3	Total proceeds of issue	54,833,136			
4	Gross proceeds in reserve funds	4,513,297			
5	Capitalized interest from proceeds	0			
6	Proceeds in refunding escrow	0			
7	Issuance costs from proceeds	1,100,963			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	33,634,272			
11	Other spent proceeds	17,510,999			
12	Other unspent proceeds	0			
13	Year of substantial completion	2005			

		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							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part 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						
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							
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?		X						
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 %						
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 ▶		1 000 %						
6	Total of lines 4 and 5		1 000 %						
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	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						
2	Is the bond issue a variable rate issue?		X						
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X						
b	Name of provider	0							
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X						
6	Did the bond issue qualify for an exception to rebate?		X						

Part 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

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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

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

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) ORRIN H CAMP	SPOUSE OF OFFICER	161,023	COMPENSATION - BSI EMPLOYEE		No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

▸Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
▸ Attach to Form 990.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles	X	1	9,000	COST/SELLING PRICE
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded				
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▸ (VOUCHERS)	X	36	6,798,161	COST/SELLING PRICE
26	Other ▸ (PICTURE BOOTH)	X	1	5,000	COST/SELLING PRICE
27	Other ▸ ( )				
28	Other ▸ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 | 0

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b	If "Yes," describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a		No
b	If "Yes," describe in Part II			
33	If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990, PART I, LINE 1 AND PART III, LINE 1	THE MISSION OF BLOOD SYSTEMS, INC ("BSI") IS TO MAKE A DIFFERENCE IN PEOPLE'S LIVES BY BRINGING TOGETHER THE BEST PEOPLE, INSPIRING INDIVIDUALS TO DONATE BLOOD, PRODUCING A SAFE AND AMPLE BLOOD SUPPLY, ADVANCING CUTTING-EDGE RESEARCH AND EMBRACING CONTINUOUS QUALITY IMPROVEMENT TO FURTHER ITS MISSION, BSI OPERATES 18 COMMUNITY BLOOD CENTERS THESE CENTERS RECRUIT BLOOD DONORS AND COLLECT, PROCESS AND DISTRIBUTE APPROXIMATELY 1,300,000 BLOOD DONATIONS TO MEET THE BLOOD NEEDS OF PATIENTS IN MORE THAN 500 HOSPITALS THROUGHOUT THE COUNTRY THE STAFF OF NEARLY 3,400 SERVES A GEOGRAPHIC AREA COVERING ONE-THIRD OF THE UNITED STATES, FROM THE GULF COAST TO CALIFORNIA AND FROM THE CANADIAN BORDER TO MEXICO BSI IS KNOWN MORE COMMONLY THROUGHOUT THE UNITED STATES BY THE NAME OF ITS BLOOD BANKING DIVISION, UNITED BLOOD SERVICES BSI IS LICENSED BY THE U S FOOD AND DRUG ADMINISTRATION ("FDA") AS A PROVIDER OF BLOOD AND BLOOD SERVICES THE COMPANY'S THREE OPERATING DIVISIONS ARE (1) THE BLOOD BANKING DIVISION, WHICH INCLUDES UNITED BLOOD SERVICES, (2) THE BIOCARE DIVISION, AND (3) THE BLOOD SYSTEMS RESEARCH INSTITUTE THESE OPERATING DIVISIONS ARE UNINCORPORATED DIVISIONS DOING BUSINESS UNDER REGISTERED TRADENAMES AND SERVICE MARKS BSI CONDUCTS ITS BLOOD BANKING ACTIVITIES THROUGH ITS REGIONAL BLOOD CENTERS LOCATED IN THE FOLLOWING STATES ALABAMA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, LOUISIANA, MISSISSIPPI, MONTANA, NEVADA, NEW MEXICO, NORTH DAKOTA, SOUTH DAKOTA, TEXAS AND WYOMING THE BIOCARE DIVISION DISTRIBUTES PLASMA-DERIVED PRODUCTS THROUGH HOSPITALS, COMMUNITY BLOOD CENTER LOCATIONS AND ALSO DIRECTLY FROM ITS HEADQUARTERS IN TEMPE, ARIZONA BLOOD-RELATED RESEARCH IS CONDUCTED AT THE BLOOD SYSTEMS RESEARCH INSTITUTE LOCATED IN SAN FRANCISCO, CALIFORNIA

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PART III, LINES 4A-D	4A) UNITED BLOOD SERVICES THE BLOOD BANKING DIVISION OPERATES UNDER THE NAME UNITED BLOOD SERVICES (UBS) THE PRIMARY PURPOSE OF UBS IS TO PROVIDE A SAFE AND STABLE SUPPLY OF BLOOD AND BLOOD COMPONENTS TO HOSPITALS AND MEDICAL FACILITIES THE STRENGTH OF UBS IS THAT IT OPERATES AS LOCAL BLOOD CENTERS THAT ARE PART OF THE COMMUNITY AND YET HAS ACCESS TO A LARGE NETWORKED ORGANIZATION WITH ALL THE ADVANTAGES AND EFFICIENCIES THAT ARE REALIZED THROUGH STANDARDIZATION AND ECONOMIES OF SCALE UBS COLLECTS BLOOD FROM VOLUNTEER DONORS, PERFORMS SCREENING AND TESTING ON THE DONATED BLOOD, AND PROCESSES THE WHOLE BLOOD INTO BLOOD COMPONENTS SUCH AS RED CELLS, PLATELETS AND PLASMA BLOOD AND BLOOD COMPONENTS ARE THEN STORED AND DISTRIBUTED TO HOSPITALS AND OTHER HEALTH CARE PROVIDERS 4B) BIOCARE THE BIOCARE DIVISION PROVIDES PHARMACEUTICAL PRODUCTS, PRIMARILY HUMAN-PLASMA DERIVED PRODUCTS, THAT SERVE AS ADJUNCT THERAPIES IN TRANSFUSION MEDICINE AND HEALTHCARE PLASMA DERIVATIVES ARE BASICALLY PROTEIN THERAPIES PROVIDED FROM PLASMA LEFT OVER FROM WHOLE BLOOD DONATIONS EXAMPLES OF SUCH PLASMA DERIVATIVES INCLUDE INTRAVENOUS IMMUNE GLOBULINS, COAGULATION FACTORS, ALBUMIN AND FIBRIN SEALANTS THESE PRODUCTS ARE USED AS THERAPIES FOR IMMUNE SYSTEM DISORDERS, BLEEDING DISORDERS AND WOUND MANAGEMENT 4C) BLOOD SYSTEMS RESEARCH INSTITUTE BLOOD SYSTEMS RESEARCH INSTITUTE ("BSRI") FACILITATES RESEARCH PRIMARILY FUNDED BY EXTRAMURAL GRANTS (NIH AND OTHERS) THE RESEARCH IS IN TRANSFUSION MEDICINE EPIDEMIOLOGY, HEALTH POLICY, VIROLOGY, VIRAL DISCOVERY, THE IMMUNE REACTION TO TRANSFUSION AND TO TRANSFUSION-TRANSMITTED INFECTIOUS AGENTS, CELL THERAPY AND GENETIC EPIDEMIOLOGY AREAS STUDIED INCLUDE IMPLICATIONS OF RECEIVING COMPONENTS AT DIFFERENT STORAGE AGES, MECHANISM OF VIRUS ENTRY INTO CELLS, HOW TRANSFUSION TRANSMITTED VIRUSES CAUSE SYMPTOMS, THE USE OF COMMERCIALLY AVAILABLE OR LOCALLY-DEVELOPED DONOR TESTS, THE FACTORS LEADING TO CHIMERISM, ETC BSRI SUPPORTS TRAINING PROGRAMS FOR SPECIALISTS IN TRANSFUSION MEDICINE AND THE DEVELOPMENT OF EPIDEMIOLOGY RESEARCH SCIENTISTS BSRI INVESTIGATORS PUBLISH MORE THAN 45 PAPERS EACH YEAR IN THE PEER-REVIEWED SCIENTIFIC LITERATURE THERE ARE 7 PRINCIPAL INVESTIGATORS AND 2 CLINICAL INVESTIGATORS ALONG WITH A NUMBER OF RESEARCH ASSOCIATES AND OTHER SUPPORT STAFF 4D) OTHER PROGRAM SERVICES CONSISTS OF LABORATORY SERVICES AND OTHER PROGRAM ACTIVITIES

Identifier	Return Reference	Explanation
BUSINESS AND FAMILY RELATIONSHIPS	FORM 990, PART VI, LINE 2	JOHN LEWIS, HEATHER ALLEN AND ARMANDO FLORES HAVE A BUSINESS RELATIONSHIP UNRELATED TO BLOOD SYSTEMS

Identifier	Return Reference	Explanation
FORM 990 REVIEW PROCESS	FORM 990, PART VI, LINE 11B	THE FORM 990 IS REVIEWED BY MANAGEMENT, INCLUDING CONFIRMATION OF COMPENSATION DISCLOSURES AGAINST W-2 AND 1099 REPORTING A COPY OF THE DRAFT FORM 990 AND ALL SCHEDULES IS SUPPLIED TO ALL BOARD MEMBERS PRIOR TO THE MEETING HELD TO ACCEPT THE RETURNS THE W-2S AND 1099S ARE AVAILABLE FOR BOARD REVIEW UPON REQUEST THE PAID PREPARER, ERNST & YOUNG, AND MEMBERS OF MANAGEMENT REVIEW THE FORM 990 WITH THE COMMITTEES AND ARE AVAILABLE FOR ANSWERING QUESTIONS ANY COMMENTS FROM THE BOARD ARE CONSIDERED PRIOR TO FILING WITH THE IRS

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICT OF INTEREST POLICY	FORM 990, PART VI, LINE 12C	EACH YEAR, THE BOARD OF TRUSTEES AND SENIOR MANAGEMENT ARE REQUIRED TO SIGN AND RETURN A CONFLICT OF INTEREST FORM TO COMPANY COUNSEL. ANY CONFLICTS DISCLOSED ARE DISCUSSED IN EXECUTIVE SESSION WITH THE BOARD AND RESOLVED. IN ADDITION, IN PREPARATION FOR THE FORM 990 FILING, THE TRUSTEES, OFFICERS AND KEY EMPLOYEES IDENTIFIED ARE REQUIRED TO RESPOND TO A COMPREHENSIVE CONFLICT OF INTEREST AND FAMILY RELATIONSHIP QUESTIONNAIRE. ANY CONFLICTS DISCLOSED ARE DISCUSSED WITH THE BOARD AND DISCLOSED APPROPRIATELY ON THE FORM 990

Identifier	Return Reference	Explanation
PROCESS USED TO DETERMINE COMPENSATION	FORM 990, PART VI, LINES 15A AND 15B	THE BOARD OF TRUSTEES HAS A COMPENSATION AND HUMAN RESOURCE COMMITTEE WHOSE PURPOSE, AMONG OTHER THINGS, IS TO HIRE AN INDEPENDENT CONSULTING FIRM ONCE EVERY 2-3 YEARS TO PROVIDE DATA ON COMPETITIVENESS OF SALARIES AND BENEFITS FOR THE CEO AND OTHER OFFICERS OF THE CORPORATION THE HUMAN RESOURCE DEPARTMENT COLLECTS INFORMATION THROUGH SURVEYS AND OTHER SOURCES IN ADDITION TO THE INDEPENDENT CONSULTING FIRM THE MEMBERS OF THE HUMAN RESOURCE AND COMPENSATION COMMITTEE OF THE BOARD ARE ALL INDEPENDENT TRUSTEES AND INCLUDE NO MEMBERS OF MANAGEMENT THE RECOMMENDATIONS OF THE COMMITTEE ARE REVIEWED BY THE ENTIRE BOARD PRIOR TO APPROVAL COMPENSATION FOR THESE INDIVIDUALS IS SET AND APPROVED BY THE BOARD EACH YEAR THE RESULTS OF THESE DISCUSSIONS, REVIEWS AND APPROVALS ARE DOCUMENTED IN THE EXECUTIVE MINUTES OF THE BOARD MEETINGS THIS PROCESS WAS LAST COMPLETED IN 2011

Identifier	Return Reference	Explanation
PROCESS FOR MAKING DOCUMENTS AVAILABLE TO THE PUBLIC	FORM 990, PART VI, LINE 19	THE FORM 990 IS MADE AVAILABLE ON THE COMPANY'S INTRA-NET FOR ALL OPERATING LOCATIONS TO ACCESS UPON REQUEST, THE FORM CAN BE PRINTED OR VIEWED ON-LINE UPON WRITTEN REQUEST TO THE CHIEF FINANCIAL OFFICER, A COPY OF THE FORM 990 WILL BE MAILED TO THE REQUESTOR THE FORM 990 FOR CURRENT AND PAST YEARS IS ALSO POSTED ON GUIDESTAR FOR ORGANIZATIONS TO ACCESS THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE PUBLIC THE ORGANIZATION'S COMBINED FINANCIAL STATEMENTS ARE MADE PUBLIC VIA THE ANNUAL REPORT POSTED ON THE ORGANIZATION'S WEBSITE

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	FORM 990, PART XI, LINE 5	UNREALIZED LOSS ON INVESTMENTS $ (5,718,705) PENSION EXPENSES OTHER THAN PERIODIC COST (13,029,008) DONATED SERVICES 442,463 ---------- TOTAL $(18,305,250) ==========

Identifier	Return Reference	Explanation
DESCRIPTION OF BOND PURPOSE	SCHEDULE K, PART I, COLUMN (F)	PURCHASE LAND, CONSTRUCT AND EQUIP 11 BLOOD CENTERS IN VARIOUS STATES FOR THE PURPOSE OF RECRUITING, COLLECTING, PROCESSING AND DISTRIBUTING BLOOD PRODUCTS REFUNDING OF ABAG 2002 BOND ISSUE USED TO CONSTRUCT A BLOOD CENTER IN SAN FRANCISCO, CA, REFUNDING OF AHFA 1995 VARIABLE RATE BOND ISSUE USED TO CONSTRUCT AND EQUIP A NATIONAL BLOOD TESTING LABORATORY IN TEMPE, ARIZONA SCHEDULE K, PART II, LINE 11 OTHER SPENT PROCEEDS INCLUDE $5,714,864 PAYOFF OF DEBENTURES AND $11,796,135 REFUND OF PRIOR BONDS

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) BLOOD CENTERS OF THE PACIFIC 270 MASONIC AVENUE SAN FRANCISCO, CA 94118 94-1156555	BLOOD BANKING	CA	501(C)(3)	9	NA		
(2) INLAND NORTHWEST BLOOD CENTER 210 W CATALDO AVENUE SPOKANE, WA 99201 91-0499130	BLOOD BANKING	WA	501(C)(3)	9	NA		
(3) CREATIVE TESTING SOLUTIONS 6210 EAST OAK STREET SCOTTSDALE, AZ 85257 27-1120123	SAFETY TEST	AZ	501(C)(3)	10	NA		

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i	Yes	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n		No
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q	Yes	
r Other transfer of cash or property from related organization(s)	1r		No

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

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

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 86-0098929
Name: BLOOD SYSTEMS INC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	BLOOD CENTERS OF THE PACIFIC	J	1,119,799	
(2)	CREATIVE TESTING SOLUTIONS	L	35,057,709	
(3)	CREATIVE TESTING SOLUTIONS	A	1,092,117	
(4)	CREATIVE TESTING SOLUTIONS	I	2,407,369	
(5)	CANYON STATE INSURANCE COMPANY	Q	3,621,646	
(6)	BLOOD CENTERS OF THE PACIFIC	K	13,283,430	
(7)	INLAND NORTHWEST BLOOD CENTER	K	602,921	

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TY 2011 Investment in Subsidiaries Statement

Name: BLOOD SYSTEMS INC

EIN: 86-0098929

Description	Beginning Amount	Ending Amount
INVESTMENTS	22,160,777	24,147,442

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TY 2011 Itemized Other Current Assets Schedule

Name: BLOOD SYSTEMS INC

EIN: 86-0098929

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
		INSURANCE BALANCES RECEIVABLE	3,068,035	2,721,384
		LOSS ESCROW ACCOUNT	46,000	46,000
		PREPAID MANAGEMENT FEES	21,963	10,500

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TY 2011 Other Deductions Schedule

Name: BLOOD SYSTEMS INC

EIN: 86-0098929

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
MANAGEMENT FEES		42,000
LOSS CONTROL GRANTS		50,000
MEETING EXPENSES		32,335
LEGAL FEES		26,423
AUDIT FEES		20,082
GOVERNMENT FEES		11,707
CHAIRMAN'S AWARD		8,000
ACTUARY FEES		16,900
OTHER EXPENSES		3,105

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TY 2011 Itemized Other Liabilities Schedule

Name: BLOOD SYSTEMS INC

EIN: 86-0098929

TY 2011 Itemized Other Liabilities Schedule

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
		LOSSES AND LOSS-ADJUSTMENT EXP	6,705,000	7,362,000
		UNEARNED PREMIUM RESERVE	3,316,459	3,008,301
		UNREALIZED GAIN/LOSS	3,048,245	3,593,158
		DUE TO PARENT	16,324	4,488

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TY 2011 Other Income Statement

Name: BLOOD SYSTEMS INC

EIN: 86-0098929

Description	Foreign Amount	Amount
REALIZED GAIN/LOSS		308,480