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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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 04-01-2011 and ending 03-31-2012

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

C Name of organization
THOMAS HOSPITAL FOUNDATION INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
P O BOX 929

City or town, state or country, and ZIP + 4
FAIRHOPE, AL 36532

D Employer identification number
63-1109256

E Telephone number
(251)435-3030

G Gross receipts $ 4,401,175

F Name and address of principal officer
KATHY BAUGH
P O BOX 929
FAIRHOPE,AL 36532

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: ▶ THOMASHOSPITAL COM/FOUNDATION

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1994

M State of legal domicile AL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE ORGANIZATION WAS FOUNDED TO FOSTER AND SUPPORT THE ACTIVITIES OF THOMAS HOSPITAL, TO ENCOURAGE PUBLIC SUPPORT OF THE HOSPITAL AND TO ADVANCE ITS CHARITABLE, EDUCATIONAL AND SCIENTIFIC PURPOSES

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	33
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	33
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	0
6	Total number of volunteers (estimate if necessary)	**6**	75
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	774,428	674,903
	9 Program service revenue (Part VIII, line 2g)		0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	519,677	252,971
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-113,993	-129,827
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,180,112	798,047
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	527,826	545,648
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		0
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶16,503		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	74,217	53,801
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	602,043	599,449
	19 Revenue less expenses Subtract line 18 from line 12	578,069	198,598

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	8,008,430	7,814,850
	21 Total liabilities (Part X, line 26)	61	2,489
	22 Net assets or fund balances Subtract line 21 from line 20	8,008,369	7,812,361

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 — 2012-10-05 Date

▶ KATHY BAUGH EXECUTIVE DIRECTOR
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date 2012-10-02	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶			EIN ▶
			Phone no ▶

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

THE ORGANIZATION WAS FOUNDED TO FOSTER AND SUPPORT THE ACTIVITIES OF THOMAS HOSPITAL, TO ENCOURAGE PUBLIC SUPPORT OF THE HOSPITAL AND TO ADVANCE ITS CHARITABLE, EDUCATIONAL AND SCIENTIFIC PURPOSES

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 $ 545,648 including grants of $ 545,648) (Revenue $)

THOMAS HOSPITAL FOUNDATION PROVIDED 478,000 TO THOMAS HOSPITAL TOWARDS THE COST OF TOSHIBA EP CATH LAB EQUIPMENT THIS YEAR THIS EQUIPMENT IS THE HIGHEST STANDARD AVAILABLE FOR ELECTROPHYSIOLOGY PROCEDURES, HEART CATHERIZATIONS, PACEMAKERS AND DEFIBRILLATOR IMPLANTS THE LAB OPENED IN APRIL 2011 AND A TOTAL OF 455 PROCEDURES WERE COMPLETED DURING THIS FISCAL YEAR STUDIES HAVE SHOWN THAT SIMULATION TRAINING CREATES IMPROVED RESPONSE TO CRITICAL EVENTS THIS YEAR THE FOUNDATION FUNDED A SIMULATION EDUCATION ROOM FOR THOMAS HOSPITAL'S PEDIATRIC DEPARTMENT IN THE BIRTH CENTER THE EQUIPMENT, AT A COST OF 11,214, WILL BE UTILIZED BY 75 TO 100 STAFF MEMBERS FROM THE BIRTH CENTER, PEDIATRICS AND SOME ER STAFF THE TRAINING WILL INCLUDE NEONATAL RESUSCITATION, OBSTETRICAL EMERGENCIES, PEDIATRIC ADVANCED LIFE SUPPORT, AND PEDIATRIC EMERGENCY ASSESSMENT, RECOGNITION & STABILIZATION THE FOUNDATION CONTRIBUTED 30,000 TOWARDS THE COST OF A NEW OPTICAL IMAGE GUIDANCE SYSTEM USED BY THE EAR, NOSE & THROAT DEPARTMENT AT THOMAS HOSPITAL THE NEW SYSTEM USES AN ELECTROMAGNETIC FIELD FOR TRACKING WHICH WILL ALLOW QUICKER CALIBRATION AND REGISTRATION IN SETTING THE SYSTEM UP IT WILL ALLOW MORE FREEDOM OF MOVEMENT OF THE INSTRUMENTS AND MAINTAIN THE ABILITY TO TRACK THE INSTRUMENTS THIS SHOULD RESULT IN SHORTER SURGICAL TIMES WHICH WILL BENEFIT BOTH THE PATIENTS AND THE STAFF IN ADDITION, VARIOUS SMALL GRANTS TOTALING 26,060 WERE MADE TO THE HOSPITAL FOR OTHER PROJECTS INCLUDING FURNITURE FOR THE BIRTH CENTER, DIABETES EDUCATION, A TV FOR THE CARDIAC REHAB UNIT, MENTAL HEALTH ASSISTANCE, THE EMERGENCY ASSISTANCE FUND AND THE EMPLOYEE CRISIS FUND

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

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 545,648

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	Yes	
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		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a		No
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e		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		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	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		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		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**		No
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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
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**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	0		
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**	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		**2b**		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		**3a**		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		**3b**		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?		**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .		**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		**7a**	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		**7b**	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .		**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		**8**		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		**9b**		
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	**11a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state		**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**			
c	Enter the aggregate amount of reserves on hand	**13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .		**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	33		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	33		
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	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		No
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		No
b	Other officers or key employees of the organization	15b		No
	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 ▶

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 ▶

BECKY MICHELS
750 MORPHY AVE
FAIRHOPE,AL 36532
(251)279-1533

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)** . . . . . ▶										

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 ▶

			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**		No
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

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 ▶

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c 387,616				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 287,287				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f . . . . . ▶	674,903			
Program Service Revenue		Business Code				
	2a					
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶				
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	174,814			174,814
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) . . . . . ▶				
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory: 3,475,838				
	b	Less cost or other basis and sales expenses: 3,397,681				
	c	Gain or (loss): 78,157				
	d	Net gain or (loss) . . . . . ▶	78,157	78,157		
	8a	Gross income from fundraising events (not including $ 387,616 of contributions reported on line 1c) See Part IV, line 18 . . . a 75,620				
	b	Less direct expenses . . . b 205,447				
	c	Net income or (loss) from fundraising events . . ▶	-129,827			
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
Other Revenue		Miscellaneous Revenue / Business Code				
	11a					
	b					
	c					
	d	All other revenue				
	e	**Total.** Add lines 11a–11d . . . . . ▶				
	12	**Total revenue.** See Instructions . . . ▶	798,047	78,157		174,814

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	545,648	545,648		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages				
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits				
10	Payroll taxes				
11	Fees for services (non-employees)				
a	Management				
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other				
12	Advertising and promotion				
13	Office expenses				
14	Information technology				
15	Royalties . .				
16	Occupancy				
17	Travel	1,199		1,199	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization				
23	Insurance				
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	PURCHASED SERVICES	16,976		16,976	
b	FUNDRAISING EXPENSES	16,503			16,503
c	FOUNDATION SUPPLIES	10,812		10,812	
d	PRINTING	4,726		4,726	
e					
f	All other expenses	3,585		3,585	
25	**Total functional expenses.** Add lines 1 through 24f	599,449	545,648	37,298	16,503
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	42,079	1	44,390
	2	Savings and temporary cash investments	828,139	2	786,799
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	102
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a			
	b	Less accumulated depreciation — 10b		10c	
	11	Investments—publicly traded securities	5,553,785	11	5,366,653
	12	Investments—other securities See Part IV, line 11		12	
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	1,584,427	15	1,616,906
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	8,008,430	16	7,814,850
Liabilities	17	Accounts payable and accrued expenses	61	17	2,489
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	61	26	2,489
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	2,922,941	27	4,034,929
	28	Temporarily restricted net assets	2,532,074	28	2,385,970
	29	Permanently restricted net assets	2,553,354	29	1,391,462
		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	8,008,369	33	7,812,361
	34	Total liabilities and net assets/fund balances	8,008,430	34	7,814,850

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	798,047
2	Total expenses (must equal Part IX, column (A), line 25)	2	599,449
3	Revenue less expenses Subtract line 2 from line 1	3	198,598
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	8,008,369
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-394,606
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	7,812,361

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		No
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☑ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b		

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
(A) GULF HEALTH HOSPITALS INC DBA THOMAS HOSPITAL	630891904	3	Yes		Yes		Yes		545,648
Total									545,648

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

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

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b **33 1/3% support test—2010.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 63-1109256
Name: THOMAS HOSPITAL FOUNDATION 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			
JOHN BAKER DIRECTOR/CHA	38	X		X				0	0	0
GARY COWLES DIRECTOR/VIC	38	X		X				0	0	0
CHRIS HALEY DIRECTOR/TRE	38	X		X				0	0	0
MARY CAROLYN MCDANIEL DIRECTOR/SEC	19	X		X				0	0	0
ERIC BUSBY DIRECTOR	19	X						0	0	0
AURELIA BRYARS DIRECTOR	10	X						0	0	0
MARY BUNCH DIRECTOR	10	X						0	0	0
REBECCA BYRNE DIRECTOR	10	X						0	0	0
KIM CAMPBELL DIRECTOR	10	X						0	0	0
RUSTY COKER DIRECTOR	10	X						0	0	0
ANN CLAUNCH DIRECTOR	10	X						0	0	0
JIMMIE GAVRAS MD DIRECTOR	10	X						0	0	0
ASHLEY DAVES DIRECTOR	19	X						0	0	0
PHIL CUSA DIRECTOR	10	X						0	0	0
W HUNTER LYONS JR DIRECTOR	10	X						0	0	0
LESLIE DEES DIRECTOR	10	X						0	0	0
HENRY MORGAN DIRECTOR	38	X						0	0	0
GREG DORRIETY DIRECTOR	19	X						0	0	0
DAVID DYE DIRECTOR	19	X						0	0	0
ED HAMMELE DIRECTOR	10	X						0	0	0
RICK KINGREA DIRECTOR	10	X						0	0	0
GINGER IRBY DIRECTOR	10	X						0	0	0
STEVE LONGFIELD DIRECTOR	10	X						0	0	0
JJ MCCOOL DIRECTOR	10	X						0	0	0
MC MCDONALD DIRECTOR	10	X						0	0	0

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			
KATHERINE MONROE DIRECTOR	10	X						0	0	0
KERRY J O'CONNOR DIRECTOR	19	X						0	0	0
TIM SIMMONDS DIRECTOR	38	X						0	0	0
BEN MCKIBBENS DIRECTOR	10	X						0	0	0
EDIE TERRESON DIRECTOR	10	X						0	0	0
DEREK THOMAS DIRECTOR	19	X						0	0	0
EFFIE THOMPSON DIRECTOR	28	X						0	0	0
TERRY THOMPSON DIRECTOR	19	X						0	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

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 ▶ $ 534,427

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

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

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

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

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

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

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

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

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

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

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

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

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

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

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

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

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

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

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				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				

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

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

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

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

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

(a) Description	(b) Book value
(1) LIVING TRUST ASSET	1,050,000
(2) ARTWORK COLLECTION	534,427
(3) BENEFICIAL ANNUITY INTEREST	32,479
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	1,616,906

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
See Additional Data Table	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	

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	798,047
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	599,449
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	198,598
4	Net unrealized gains (losses) on investments	4	-394,606
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	7,432
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	-387,174
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-188,576

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	403,441
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-394,606		
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	-394,606
3	Subtract line **2e** from line **1**			3	798,047
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	798,047

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

1	Total expenses and losses per audited financial statements			1	592,017
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	-7,432		
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	-7,432
3	Subtract line **2e** from line **1**			3	599,449
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	599,449

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
SUPPLEMENTAL FINANCIAL INFORMATION	SCHEDULE D, PAGE 4, PART XIV	IN 1999 THOMAS HOSPITAL RECEIVED A DONATION OF 530 ORIGINAL PAINTINGS AND PRINTS BY AREA ARTIST STIG MARCUSSEN THE GULF COAST AREA IS THE INSPIRATION FOR HIS WORK AND SOUTHERN BALDWIN COUNTY SERVED AS THE INSPIRATION FOR THIS GIFT IN ADDITION TO ADORNING THE WALLS OF THE HOSPITAL, THE PAINTINGS PROVIDE BOTH VISITORS AND PATIENTS A STIMULATING LOOK AT LIFE ALONG THE COAST WHICH ENRICHES THEIR EXPERIENCE WHEN VISITING THOMAS HOSPITAL

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

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

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

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

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

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

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

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

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

		(a) Event #1 GRAND SUMMER BA (event type)	(b) Event #2 GOLF TOURNAMENT (event type)	(c) Other Events 1 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	297,571	158,415	7,250	463,236
	2 Less Charitable contributions	244,671	137,915	5,030	387,616
	3 Gross income (line 1 minus line 2)	52,900	20,500	2,220	75,620
Direct Expenses	4 Cash prizes		600		600
	5 Non-cash prizes		825		825
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	152,970	43,441	7,611	204,022
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(205,447)
	11 Net income summary Combine lines 3 and 10 in column (d) ▶				-129,827

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

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

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

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

b If "No," Explain _____

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

b If "Yes," Explain _____

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

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

13 Indicate the percentage of gaming activity operated in

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

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

Name ▶ ----------

Address ▶ ----------

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

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

c If "Yes," enter name and address

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ ----------

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

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

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Identifier	ReturnReference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

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) G H HOSPITALS INC DBA THOMAS HOSP THOMAS HOSPITAL950 MORPHY AVE FAIRHOPE,AL 36532	63-0891904	3	478,000				CARDIAC CARE GRANT
(2) G H HOSPITALS INC DBA THOMAS HOSP THOMAS HOSPITAL950 MORPHY AVE FAIRHOPE,AL 36532	63-0891904	3	14,663				PEDS SIMULATION ROOM
(3) G H HOSPITALS INC DBA THOMAS HOSP THOMAS HOSPITAL950 MORPHY AVE FAIRHOPE,AL 36532	63-0891904	3	30,000				ENT NAVIGATION SYST
(4) G H HOSPITALS INC DBA THOMAS HOSP THOMAS HOSPITAL950 MORPHY AVE FAIRHOPE,AL 36532	63-0891904	3	22,985				VARIOUS SMALL GRANTS

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

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

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
PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS INSIDE THE UNITED STATES	SCHEDULE I, PAGE 1, PART I, LINE 2	TO RECEIVE A GRANT FROM THOMAS HOSPITAL FOUNDATION A GRANT APPLICATION MUST BE COMPLETED AND SUBMITTED FOR APPROVAL BY THE FOUNDATION'S EXECUTIVE COMMITTEE THE FOUNDATION DOES NOT TRANSFER FUNDS UNTIL AFTER THE EQUIPMENT HAS BEEN PURCHASED OR THE TRAINING COMPLETED THAT WAS APPROVED IN THE GRANT REQUEST IF THE PURCHASE IS MADE BY FOUNDATION CHECK IT IS MADE PAYABLE TO THE VENDOR AND NOT THE REQUESTING DEPARTMENT THIS PROCEDURE ASSURES THAT THE FUNDS WERE USED FOR THE SPECIFIC PURPOSE IN THE GRANT REQUEST

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

Identifier	Return Reference	Explanation
EXPLANATION ON VOLUNTEERS AND TYPES OF SERVICES OR BENEFITS	FORM 990, PAGE 1, PART I, LINE 6	THE FOUNDATION'S BOARD OF DIRECTORS IS MADE UP OF ALL VOLUNTEERS THE MAJOR FUND-RAISING EVENTS EACH YEAR ARE ALSO SUPPORTED AND STAFFED BY VOLUNTEERS
FIRST ACCOMPLISHMENT DESCRIPTION	FORM 990, PAGE 2, PART III, LINE 4A	WILL INCLUDE NEONATAL RESUSCITATION, OBSTETRICAL EMERGENCIES, PEDIATRIC ADVANCED LIFE SUPPORT, AND PEDIATRIC EMERGENCY ASSESSMENT, RECOGNITION & STABILIZATION THE FOUNDATION CONTRIBUTED 30,000 TOWARDS THE COST OF A NEW OPTICAL IMAGE GUIDANCE SYSTEM USED BY THE EAR, NOSE & THROAT DEPARTMENT AT THOMAS HOSPITAL THE NEW SYSTEM USES AN ELECTROMAGNETIC FIELD FOR TRACKING WHICH WILL ALLOW QUICKER CALIBRATION AND REGISTRATION IN SETTING THE SYSTEM UP IT WILL ALLOW MORE FREEDOM OF MOVEMENT OF THE INSTRUMENTS AND MAINTAIN THE ABILITY TO TRACK THE INSTRUMENTS THIS SHOULD RESULT IN SHORTER SURGICAL TIMES WHICH WILL BENEFIT BOTH THE PATIENTS AND THE STAFF IN ADDITION, VARIOUS SMALL GRANTS TOTALING 26,060 WERE MADE TO THE HOSPITAL FOR OTHER PROJECTS INCLUDING FURNITURE FOR THE BIRTH CENTER, DIABETES EDUCATION, A TV FOR THE CARDIAC REHAB UNIT, MENTAL HEALTH ASSISTANCE, THE EMERGENCY ASSISTANCE FUND AND THE EMPLOYEE CRISIS FUND
RELATED PARTY INFORMATION AMONG OFFICERS	FORM 990, PAGE 6, PART VI, LINE 2	EFFIE THOMPSON TERRY THOMPSON DIRECTOR DIRECTOR DAUGHER-IN-LAW/FATHER-IN-LAW
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE FOUNDATION BOARD OF DIRECTORS IS ELECTED OR APPOINTED BY THE BOARD OF DIRECTORS OF BALDWIN COUNTY EASTERN SHORE HEALTH CARE AUTHORITY
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE FORM 990 IS CAREFULLY PREPARED BY ACCOUNTANTS EMPLOYED BY THE SYSTEM WITH CONSIDERABLE ASSISTANCE AND INPUT FROM THE THOMAS HOSPITAL CONTROLLER AND THE EXECUTIVE DIRECTOR OF THE FOUNDATION THE EXECUTIVE DIRECTOR REVIEWS THE RETURN BEFORE FILING NO OTHER REVIEW WILL BE PERFORMED FOR THE CURRENT RETURN
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	EACH DIRECTOR SIGNS A CONFLICT OF INTEREST STATEMENT ANNUALLY
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	FOUNDATION DOCUMENTS REQUIRED TO BE MADE AVAILABLE TO THE GENERAL PUBLIC ARE PROVIDED UPON REQUEST FINANCIAL STATEMENTS AND THE CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE PUBLIC AT THIS TIME

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493276004002

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
THOMAS HOSPITAL FOUNDATION INC

Employer identification number
63-1109256

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) GH HOSPITALS INC DBA THOMAS HOSP 750 MORPHY AVE FAIRHOPE, AL 36532 63-0891904	HOSPITAL	AL	3	3	N/A		No

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

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

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

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

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
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		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
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		No
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) GHHI INC DBA THOMAS HOSPITAL	B	545,648	COST
(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	

THOMAS HOSPITAL FOUNDATION, INC.

FINANCIAL STATEMENTS
FOR THE YEARS ENDED
MARCH 31, 2012 AND 2011

WILKINS MILLER HIERONYMUS LLC

wilkinsmiller.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Thomas Hospital Foundation, Inc.
Fairhope, Alabama

We have audited the accompanying statements of financial position of Thomas Hospital Foundation, Inc. (the Foundation) (a not-for-profit organization) as of March 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thomas Hospital Foundation, Inc. as of March 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Wilkins Miller Hieronymus, LLC

June 27, 2012

THOMAS HOSPITAL FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

	March 31	
	2012	2011
ASSETS		
Cash and cash equivalents	$ 831,189	$ 460,374
Certificates of deposit	-	504,960
Due from Thomas Hospital	102	-
Restricted investments	156,039	155,909
Investments	5,745,041	5,816,815
Other assets	1,082,479	1,074,272
	$ 7,814,850	$ 8,012,330
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	$ 2,489	$ 11,334
Due to Thomas Hospital	-	59
Total liabilities	2,489	11,393
Net assets		
Unrestricted	4,034,929	4,092,570
Temporarily restricted	2,385,970	2,561,609
Permanently restricted	1,391,462	1,346,758
Total net assets	7,812,361	8,000,937
	$ 7,814,850	$ 8,012,330

See accompanying notes to financial statements

THOMAS HOSPITAL FOUNDATION, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, losses and other support				
Contributions	$ 450,850	$ 295,773	$ -	$ 746,623
Dividends and interest	130,110	-	44,704	174,814
Net unrealized/ realized loss on investments	(314,480)	(1,969)	-	(316,449)
Net assets released from restrictions	469,443	(469,443)	-	-
Total revenues, losses and other support	735,923	(175,639)	44,704	604,988
Expenses				
Grants	546,847	-	-	546,847
Special events	210,618	-	-	210,618
Postage and mailing	3,585	-	-	3,585
Printing and publications	4,726	-	-	4,726
Professional fees	16,976	-	-	16,976
Supplies	10,812	-	-	10,812
Total expenses	793,564	-	-	793,564
Change in net assets	(57,641)	(175,639)	44,704	(188,576)
Net assets Beginning of year	4,092,570	2,561,609	1,346,758	8,000,937
End of year	$ 4,034,929	$ 2,385,970	$ 1,391,462	$ 7,812,361

See accompanying notes to financial statements

THOMAS HOSPITAL FOUNDATION, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support				
Contributions	$ 631,769	$ 200,579	$ -	$ 832,348
Dividends and interest	88,521	-	33,298	121,819
Net unrealized/ realized gain on investments	273,985	14,529	109,344	397,858
Net assets released from restrictions	288,229	(288,229)	-	-
Total revenues, gains and other support	1,282,504	(73,121)	142,642	1,352,025
Expenses				
Grants	529,953	-	-	529,953
Special events	190,700	-	-	190,700
Postage and mailing	5,409	-	-	5,409
Printing and publications	8,812	-	-	8,812
Professional fees	40,612	-	-	40,612
Supplies	22,582	-	-	22,582
Total expenses	798,068	-	-	798,068
Change in net assets	484,436	(73,121)	142,642	553,957
Net assets				
Beginning of year	3,608,134	2,634,730	1,204,116	7,446,980
End of year	$ 4,092,570	$ 2,561,609	$ 1,346,758	$ 8,000,937

See accompanying notes to financial statements

THOMAS HOSPITAL FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	Year ended March 31	
	2012	2011
Operating activities		
Net change in net assets	$ (188,576)	$ 553,957
Adjustments to reconcile net change to net cash provided by operating activities		
Realized gain on investments	(78,157)	(124,254)
Unrealized loss (gain) on investments	394,606	(273,604)
Decrease (increase) in:		
Other assets	(8,207)	46,007
Due from Thomas Hospital	(102)	8,969
Increase (decrease) in:		
Accounts payable	(8,845)	11,332
Due to Thomas Hospital	(59)	(44)
Total adjustments	299,236	(331,594)
Net cash provided by operating activities	110,660	222,363
Investing activities		
Proceeds from redemption of certificates of deposit	504,960	366,596
Proceeds from sale of investments	1,890,401	1,011,299
Purchases of investments	(2,135,206)	(1,926,983)
Net cash provided by (used in) investing activities	260,155	(549,088)
Net increase (decrease) in cash and cash equivalents	370,815	(326,725)
Cash and cash equivalents		
Beginning of year	460,374	727,099
End of year	$ 831,189	$ 400,374

See accompanying notes to financial statements

THOMAS HOSPITAL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2012 AND 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of purpose

Thomas Hospital Foundation, Inc. (the Foundation) was formed primarily to foster and support the activities and purposes of Thomas Hospital (the Hospital), to encourage broad-based public support of such hospital, and to advance its charitable, educational or scientific purposes, including sponsorship of specific projects and programs intended to promote the charitable, educational or scientific purposes of such hospital.

Basis of accounting

The Foundation prepares its financial statements on the accrual basis of accounting; accordingly, certain revenues and the related assets are recognized when earned and expenses are recognized when the related obligation is incurred.

Financial statement presentation and contributions

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

Unconditional promises to give cash and other assets to the Foundation are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. The Foundation reports grants and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted revenue.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, money market funds, and temporary investments purchased with an initial maturity of three months or less.

Restricted investments

Restricted investments consists of common stock donated to the Foundation to be used for Diabetic Education with the stipulation that they cannot be sold for 20 years from the date of donation in July of 1998. Earnings on the stock consists of dividends which can be used to support the mission of the Foundation.

Investments

Equity securities and mutual funds, in general, are stated at fair market value. Fair market value of investments is based on quoted market prices or dealer quotes, where available. Alternative investments, including managed futures and hedge funds, which are not readily marketable, are carried at estimated fair values as provided by the investment managers. The Foundation reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of the alternative investments. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. Other investments, including artwork, are stated at appraised value at the date of donation in the case of gifts.

The Foundation invests in various types of investment securities and investment vehicles. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment vehicles, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

The Foundation's investments are managed to achieve the maximum long-term total return. The goal of the Foundation's investment policy is to ensure that the future growth of the fund is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the fund. The objective of the investment program is to enhance long-term viability by maximizing the value of the investment with a prudent level of risk. The policy provides for diversification of assets in an effort to maximize the investment return and manage the risk of the investments consistent with market conditions.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants expense

Grants are requested by the Hospital depending on the specific needs of a department, at which time the Foundation's Board of Directors generally commits to supporting the Hospital's request. The grant expense is recorded once the Hospital makes the actual request for the disbursement of the funds from the Foundation, which generally coincides with the start of the funded program or project or at the time the equipment is purchased by the Hospital and placed into service.

Income taxes

The Foundation is a not-for-profit organization that is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

The Foundation's management is not aware of any uncertain tax positions that would require recognition or disclosure in the financial statements at March 31, 2012 or 2011. The Foundation's tax years 2008 - 2011 remain open to examination.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Due to fluctuations in interest rates primarily, it is at least reasonably possible the fair value of certain investments will change within the near term.

Concentration of credit risk

The Company maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on the cash and cash equivalents.

Contributed office space and services

No amounts have been reflected in the financial statements for contributed office space or for contributed services, as no objective basis is available to measure the value of such office space or services.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain reclassifications were made to the 2011 financial statements to conform them to the presentations used in 2012.

Subsequent events

Subsequent events have been evaluated through June 27, 2012, which is the date the financial statements were available to be issued.

NOTE 2 - INVESTMENTS

Investments, including restricted investments, consist of the following at March 31:

	2012		2011	
	Cost	Fair Market Value	Cost	Fair Market Value
Common stocks and options	$ 1,468,608	$ 1,595,496	$ 1,762,450	$ 2,031,140
Exchange and mutual funds	2,997,969	3,002,166	2,228,334	2,435,914
Managed future funds	287,139	262,893	430,000	441,998
Hedge funds	500,000	506,098	500,000	529,245
Artwork	534,427	534,427	534,427	534,427
	$ 5,788,143	$ 5,901,080	$ 5,455,211	$ 5,972,724

NOTE 3 - OTHER ASSETS

Other assets consist of the following at March 31:

	2012	2011
Beneficial remainder interest in real estate	$ 1,050,000	$ 1,050,000
Beneficial interest in charitable remainder annuities	32,479	24,272
	$ 1,082,479	$ 1,074,272

The beneficial interest in real estate represents land and a residence donated to the Foundation. The donor has a life estate in the property. The interest was recorded at fair market value of the property determined by an independent appraisal on the date of the donation.

The Foundation recognizes the beneficial interest in the charitable remainder annuities at the time the donor makes the gift based on the terms of the Gift Annuity Agreement and an actuarial calculation. The beneficial interest in the charitable remainder annuities represents the present value of amounts expected to be received upon the death of the lifetime beneficiary.

NOTE 4 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following at March 31:

	2012	2011
Time restrictions	$ 1,082,478	$ 1,074,272
Capital expansion	400,515	168,045
Cardiac care	198,026	675,585
Diabetic education	204,152	356,554
Emergency room	162,817	161,745
Other	337,982	125,408
Total temporarily restricted net assets	$ 2,385,970	$ 2,561,609

Permanently restricted net assets consist of the following at March 31:

	2012	2011
Southworth investment	$ 1,391,462	$ 1,346,758

On September 27, 2007, the Foundation received a donation from the Estate of Ruth Southworth. The net assets from the donation are to be permanently restricted and maintained as a separate fund with 5% of its value at the end of its prior year, or the income for the said prior year, whichever is less, used to support the Hospital's community health program. Any income not distributed should be added to the corpus.

NOTE 5 - FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of quoted prices for similar assets or liabilities in active markets, and Level 3 inputs are unobservable and have the lowest priority. The Company uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Company measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Fair value of assets measured on a recurring basis at March 31, 2012 are as follows:

	Fair Market Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks and options	$ 1,595,496	$ 1,595,496	$ -	$ -
Exchange and mutual funds	3,002,166	3,002,166	-	-
Managed future funds	262,893	-	-	262,893
Hedge funds	506,098	-	-	506,098
Total assets	$ 5,366,653	$ 4,597,662	$ -	$ 768,991

Fair value of assets measured on a recurring basis at March 31, 2011 are as follows:

	Fair Market Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit	$ 504,960	$ -	$ 504,960	$ -
Common stocks and options	2,031,140	2,031,140	-	-
Exchange and mutual funds	2,435,914	2,435,914	-	-
Managed future funds	441,998	-	-	441,998
Hedge funds	529,245	-	-	529,245
Total assets	$ 5,943,257	$ 4,467,054	$ 504,960	$ 971,243

NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Managed future funds	Hedge funds	Total
April 1, 2010	$ 145,168	$ 489,710	$ 634,878
Net unrealized/ realized gain on investments	296,830	39,535	336,365
March 31, 2011	$ 441,998	529,245	$ 971,243
Net unrealized/ realized loss on investments	(29,980)	(23,147)	(53,127)
Purchases, issuances, and settlements	(149,125)	-	(149,125)
March 31, 2012	$ 262,893	$ 506,098	$ 768,991

The certificates of deposit (level 2) have been valued using a cost approach. Managed future funds (level 3) are recorded according to the Value at Risk model. Value at Risk models permit estimation of a portfolio's aggregate market risk exposure, incorporating a range of Value at Risk market risks, reflect risk reduction due to portfolio diversification or hedging activities, and can cover a wide range of portfolio assets. The funds engage, directly and indirectly, in the speculative trading of a portfolio of commodity interests, including commodity options, commodity futures, and forward contracts on the United States exchanges and certain foreign exchanges. The fund also speculates in currencies, interest rates, stock indices, agricultural, energy products, and precious and base metals. In addition, it may also enter into swap transactions relating to the value of crude oil and other energy-related products. Fair value of the hedge fund (level 3) is based on the expected cash flows over the life of the trade. Expected cash flows are determined by evaluating transactions with a pricing model using a specific market environment.

There have been no changes in valuation techniques and related inputs. The level 3 investments are recorded at fair value in the Statement of Financial Position, with changes in fair value reported as a component of net realized and change in net unrealized gain (loss) in the Statement of Activities.