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 7/1/2011 **, and ending** 6/30/2012

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

C Name of organization LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC
Doing Business As
Number and street (or P O box if mail is not delivered to street address) 6600 S YALE AVE — Room/suite 400
City or town, state or country, and ZIP + 4 TULSA OK 74136-3319

D Employer identification number 73-1308273
E Telephone number (918) 502-8126
G Gross receipts $ 35,433,224

F Name and address of principal officer BARRY L STEICHEN 6600 S YALE AVE , TULSA, OK 74136-3319

H(a) Is this a group return for affiliates? [ ] Yes [X] 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 [X] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW LAUREATE COM

K Form of organization [X] Corporation [ ] Trust [ ] Association [ ] Other ▶ — **L** Year of formation 1987 — **M** State of legal domicile OK

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	3
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	1
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	485
6	Total number of volunteers (estimate if necessary)	6	53
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	905,821	851,785
	9	Program service revenue (Part VIII, line 2g)	31,624,667	33,334,399
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	767	-169,152
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	410,397	470,545
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	32,941,652	34,487,577
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	20,077,007	21,634,466
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	8,343,494	9,716,433
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	28,420,501	31,350,899
	19	Revenue less expenses Subtract line 18 from line 12	4,521,151	3,136,678

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	50,614,861	48,495,063
	21	Total liabilities (Part X, line 26)	3,790,973	4,150,597
	22	Net assets or fund balances Subtract line 21 from line 20	46,823,888	44,344,466

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 — Date 5/13/13
▶ BARRY L STEICHEN, TREASURER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
Kathleen Moseley		05/08/2013		P00116760

Firm's name ▶ ERNST & YOUNG US LLP — Firm's EIN ▶ 34-6565596
Firm's address ▶ 41 SOUTH HIGH STREET, SUITE 1100, COLUMBUS, OH 43215 — Phone no (614) 224-5678

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

For Paperwork Reduction Act Notice, see the separate instructions.
(HTA)

SCANNED JUN 18 2013

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . [X]

1 Briefly describe the organization's mission

TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO

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 [X] 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 [X] 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 $ 6,754,474 including grants of $ 0) (Revenue $ 4,784,394)

INDIVIDUAL PHYSICIANS FOR INPATIENT/OUPATIENT SERVICES LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC PROVIDES PSYCHIATRIC EVALUATION AND MEDICINE MANAGEMENT THROUGH USE OF PHYSICIAN, NURSE PRACTITIONER, AND PHYSICIAN ASSISTANT PROVIDERS IN ADDITION, LAUREATE OFFERS OUTPATIENT MENTAL HEALTH THERAPY THROUGH THE USE OF NON-PHYSICIAN PROVIDERS SUCH AS PSYCHOLOGISTS, SOCIAL WORKERS, LICENSED PROFESSIONAL COUNSELORS, LICENSED MARTIAL AND FAMILY THERAPISTS, AND LICENSED ALCOHOL AND DRUG COUNSELORS IN FISCAL YEAR 2012, LAUREATE PROVIDED 37,017 PHYSICIAN OUTPATIENT VISITS AND 30,691 THERAPIST AND PHD OUTPATIENT VISITS

4b (Code) (Expenses $ 4,937,310 including grants of $ 0) (Revenue $ 12,418,520)

ACUTE PSYCHIATRIC CARE SERVICES LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC PROVIDES NEEDED HIGH QUALITY, COST EFFECTIVE PSYCHIATRIC CARE SERVICES TO THE COMMUNITY REGARDLESS OF ANY INDIVIDUAL'S ABILITY TO PAY TREATMENT SERVICES INCLUDE, BUT ARE NOT LIMITED TO, EVALUATION AND DIAGNOSIS, ACUTE PSYCHIATRIC CARE, INTERMEDIATE AND LONG-TERM CARE, AND CHEMICAL DEPENDENCY CARE TO RESIDENTS OF OKLAHOMA, PRIMARILY TULSA AND THE SURROUNDING AREAS ASSESSMENT, STABILIZATION, AND DISCHARGE PLANNING ARE THE MAIN GOALS OF THE TREATMENT PROCESS LENGTH OF HOSPITALIZATION VARIES DEPENDING UPON DIAGNOSIS, AGE OF PATIENT, AND SEVERITY OF ILLNESS IN FISCAL YEAR 2012, LAUREATE PROVIDED 19,768 DAYS OF ACUTE PATIENT CARE AND 2,954 ADMISSIONS

4c (Code) (Expenses $ 3,849,161 including grants of $ 0) (Revenue $ 7,677,217)

EATING DISORDER PROGRAM. LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC OFFERS A NATIONALLY RECOGNIZED EATING DISORDERS PROGRAM PROVIDING TREATMENT OF VARIOUS EATING-RELATED DIFFICULTIES TO PATIENTS FROM AROUND THE COUNTRY THE GOALS OF TREATMENT INCLUDE MANAGING EATING DISORDERS, STABILIZING CHAOTIC EATING BEHAVIORS, DEVELOPING EMOTIONAL SATISFACTION AND HEGHTENING AWARENESS OF SELF AND RELATIONSHIPS WITH OTHERS LAUREATE PROVIDES COMPREHENSIVE SERVCIES FOR ADULTS AND ADOLESCENTS FOR THEIR FULL CONTINUITY OF CARE, WHICH INCLUDE THE INTENSIVE PROGRAM, THE MAGNOLIA HOUSE, TRANSITIONAL PROGRAM, AND THE OUTPATIENT PROGRAM IN FISCAL YEAR 2012, LAUREATE PROVIDED 148 ADMISSIONS TO THIS PROGRAM

4d Other program services (Describe in Schedule O)
(Expenses $ 9,297,091 including grants of $ 0) (Revenue $ 8,586,154)

4e Total program service expenses ► 24,838,036

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	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	X	
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		X
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		X
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		X
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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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		X
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		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
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		X
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		X
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		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
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		X
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	X	
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	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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, Parts I and IV*	14b		X
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 United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
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 United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
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		X
23	Did the organization answer "Yes" to Part VII, Section A, line 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	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25*	24a		X
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		X
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		X
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		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
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		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
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		X
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		X
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	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
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	X	
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		X
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		X
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	X	

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

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

				Line	Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	44			
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	X	
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	485			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	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		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
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		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
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		X
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		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
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		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
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?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O					
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand .	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		X
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 line 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 . [X]

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: 3. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent — 1b: 1			
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	X	
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	X	
4	*Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?*	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Did the organization have members or stockholders?	6	X	
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	X	
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	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b		
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		X

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		X
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		X
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
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	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
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	X	
b	Other officers or key employees of the organization. If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b	X	
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		X
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 ► OK

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply
[ ] Own website [ ] Another's website [X] 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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► ERIC SCHICK (918) 502-8118
6600 S YALE AVE , STE 400, TULSA, OK 74136-3319

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 . . . . [X]

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) JAKE HENRY, JR PRESIDENT/CHIEF EXECUTIVE OFFICER, DIRECTOR	1 00	X		X				0	1,331,821	113,578
(2) BARRY L STEICHEN TREASURER/CHIEF FINANCIAL OFFICER, DIRECTOR	1 00	X		X				0	673,939	175,060
(3) WILLIAM R LISSAU DIRECTOR	1 00	X						0	0	0
(4) WILLIAM K WARREN, JR TRUSTEE	1 00	X						0	0	0
(5) BISHOP EDWARD J SLATTERY TRUSTEE	1 00	X						0	0	0
(6) HENRY ZARROW TRUSTEE	1 00	X						0	0	0
(7) TOM NEFF SENIOR VICE PRESIDENT	1 00			X				0	369,769	110,064
(8) JEFFREY C SACRA SECRETARY	1 00			X				0	225,197	65,733
(9) ROBERT ELI SMITH ASSISTANT SECRETARY	1 00			X				147,615	0	15,710
(10) RENEE MATTHEWS ASSISTANT SECRETARY	1 00			X				0	70,465	17,465
(11) ERIC SCHICK ASSISTANT TREASUER	1 00			X				0	238,867	59,412
(12) WILLIAM SCHLOSS ADMINISTRATOR	40 00				X			0	417,982	114,560
(13) PETER LANTZ, M D PHYSICIAN	5 00					X		23,200	396,495	46,888
(14) THOMAS LUISKUTTY, M D PHYSICIAN	5 00					X		45,240	291,717	38,826

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: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(15) SCOTT MOSEMAN, M D PHYSICIAN	40 00					X		287,204	0	35,827
(16) JIMMIE MCADAMS, D O PHYSICIAN	40 00					X		285,052	0	45,979
(17) MICHAEL DUBRIWNY, M D PHYSICIAN	40 00					X		282,031	0	42,702
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total ►								1,070,342	4,016,252	881,804
c Total from continuation sheets to Part VII, Section A ►								0	0	0
d Total (add lines 1b and 1c) ►								1,070,342	4,016,252	881,804

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 ► 12

		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		X
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	X	
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		X

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
MANHATTAN CONSTRUCTION C	5601 S 122ND E AVE , TULSA, OK 74146	CONSTRUCTION	2,497,404
WARREN PROFESSIONAL BUILD	PO BOX 470372, TULSA, OK 74147	LANDSCAPING SERVICES	117,066
OTIS ELEVATOR COMPANY, INC	PO BOX 905454, CHARLOTTE, NC 28290	ELEVATOR MAINTENANCE	115,210
			0
			0

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 ► 3

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	0				
	b Membership dues	1b	0				
	c Fundraising events	1c	0				
	d Related organizations	1d	840,000				
	e Government grants (contributions)	1e	0				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	11,785				
	g Noncash contributions included in lines 1a-1f:	$	0				
	h **Total.** Add lines 1a–1f		▶	851,785			
Program Service Revenue			Business Code				
	2a PATIENT SERVICES, NET OF CONTRACTUAL ADJUS		621110	24,472,137	24,472,137		
	b MEDICARE/MEDICAID PAYMENTS		621110	8,862,262	8,862,262		
	c			0			
	d			0			
	e			0			
	f All other program service revenue			0			
	g **Total.** Add lines 2a–2f		▶	33,334,399			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		▶	2,534			2,534
	4 Income from investment of tax-exempt bond proceeds .		▶	0			
	5 Royalties		▶	0			
		(i) Real	(ii) Personal				
	6a Gross rents	330,000					
	b Less rental expenses						
	c Rental income or (loss)	330,000	0				
	d Net rental income or (loss)		▶	330,000			330,000
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	0	773,961				
	b Less cost or other basis and sales expenses	0	945,647				
	c Gain or (loss)	0	-171,686				
	d Net gain or (loss)		▶	-171,686			-171,686
	8a Gross income from fundraising events (not including $ 0 of contributions reported on line 1c) See Part IV, line 18	a	0				
	b Less direct expenses	b	0				
	c Net income or (loss) from fundraising events		▶	0			
	9a Gross income from gaming activities See Part IV, line 19	a	0				
	b Less direct expenses	b	0				
	c Net income or (loss) from gaming activities		▶	0			
	10a Gross sales of inventory, less returns and allowances	a	0				
	b Less cost of goods sold	b	0				
	c Net income or (loss) from sales of inventory		▶	0			
	Miscellaneous Revenue		Business Code				
	11a MANAGEMENT SERVICES FOR AFFILIATES		541610	131,886	131,886		
	b AUXILIARY/GIFT SHOP SALES OR AUDITS		453220	2,400			2,400
	c			0			
	d All other revenue			6,259			6,259
	e **Total.** Add lines 11a–11d		▶	140,545			
	12 **Total revenue.** See instructions		▶	34,487,577	33,466,285	0	169,507

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	0			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	529,609		529,609	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	17,329,245	15,699,511	1,629,734	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,178,829	1,058,855	119,974	
9	Other employee benefits	1,449,691	1,047,928	401,763	
10	Payroll taxes	1,147,092	1,013,739	133,353	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	0			
c	Accounting	51,701		51,701	
d	Lobbying	0			
e	Professional fundraising services. See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	1,048,643	490,119	558,524	
12	Advertising and promotion	150,094	110,362	39,732	
13	Office expenses	877,069	748,411	128,658	
14	Information technology	24,452	12,008	12,444	
15	Royalties	0			
16	Occupancy	693,407	693,132	275	
17	Travel	88,313	78,807	9,506	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	2,073,071	0	2,073,071	0
23	Insurance	52,689	63,382	-10,693	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	BAD DEBT EXPENSE	1,982,298	1,982,298		
b	MEDICAID SHOPP FEE	769,613	769,613		
c	MEDICAL SUPPLIES	611,467	610,120	1,347	
d	REPAIRS AND MAINTENANCE	421,244	325,695	95,549	
e	All other expenses	872,372	134,056	738,316	
25	**Total functional expenses.** Add lines 1 through 24e	31,350,899	24,838,036	6,512,863	0
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	1,579,970	1	1,412,168
	2	Savings and temporary cash investments	121,309	2	307,058
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	2,808,242	4	2,567,696
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net	0	7	44,730
	8	Inventories for sale or use	112,095	8	100,648
	9	Prepaid expenses and deferred charges	107,667	9	114,182
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a 81,193,460			
	b	Less accumulated depreciation — 10b 37,461,266	45,584,710	10c	43,732,194
	11	Investments—publicly traded securities	0	11	0
	12	Investments—other securities See Part IV, line 11	0	12	0
	13	Investments—program-related See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	0
	15	Other assets See Part IV, line 11	300,868	15	216,387
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	50,614,861	16	48,495,063
Liabilities	17	Accounts payable and accrued expenses	2,995,392	17	3,319,186
	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	0	23	0
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	795,581	25	831,411
	26	**Total liabilities.** Add lines 17 through 25	3,790,973	26	4,150,597
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	46,823,888	27	44,344,466
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	46,823,888	33	44,344,466
	34	Total liabilities and net assets/fund balances	50,614,861	34	48,495,063

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	34,487,577
2	Total expenses (must equal Part IX, column (A), line 25)	2	31,350,899
3	Revenue less expenses Subtract line 2 from line 1	3	3,136,678
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	46,823,888
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-5,616,100
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	44,344,466

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 [X] 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		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 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?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
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 [X] Both consolidated and separate 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		X
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		

SCHEDULE A
(Form 990 or 990-EZ)

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
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC

Employer identification number
73-1308273

Part I **Reason for Public Charity Status** (All organizations must complete this part) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state·

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section **(see instructions)**)	(iv) Is the organization in col **(i)** listed in your governing document?		(v) Did you notify the organization in col **(i)** of your support?		(vi) Is the organization in col **(i)** organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									0
(B)									0
(C)									0
(D)									0
(E)									0
Total									0

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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 ")						0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 **Total.** Add lines 1 through 3	0	0	0	0	0	0
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						0

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	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
11 **Total support.** Add lines 7 through 10						0

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 section 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	0 00%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	0 00%

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 a 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 Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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 ")						0
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						0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 **Total.** Add lines 1 through 5	0	0	0	0	0	0
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
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						0
c Add lines 7a and 7b	0	0	0	0	0	0
8 **Public support** (Subtract line 7c from line 6)						0

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	0	0	0	0	0	0
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	0	0	0	0	0	0
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
13 **Total support.** (Add lines 9, 10c, 11, and 12)	0	0	0	0	0	0

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 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	0 00%
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	0 00%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f))	17	0 00%
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	0 00%

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

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 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: LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC

Employer identification number: 73-1308273

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 can 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 education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 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 Tax 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, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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 section 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 (ASC 958), 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 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) 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 acquisition, 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	0

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	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	0	0	0	0	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ ____ %
b Permanent endowment ▶ ____ %
c Temporarily restricted endowment ▶ ____ %

The percentages in lines 2a, 2b, and 2c should equal 100%

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

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

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

Part VI **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	0	13,060,926		13,060,926
b	Buildings	0	43,014,470	14,830,010	28,184,460
c	Leasehold improvements	0	6,772,757	6,558,359	214,398
d	Equipment	0	18,268,023	16,072,897	2,195,126
e	Other	0	77,284	0	77,284
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶					43,732,194

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	0	
(2) Closely-held equity interests .	0	
(3) Other	0	
(A)	0	
(B)	0	
(C)	0	
(D)	0	
(E)	0	
(F)	0	
(G)	0	
(H)	0	
(I)	0	
Total *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	0	

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
(1)	0	
(2)	0	
(3)	0	
(4)	0	
(5)	0	
(6)	0	
(7)	0	
(8)	0	
(9)	0	
(10)	0	
Total *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶	0	

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

(a) Description	(b) Book value
(1)	
(2)	0
(3)	0
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	0

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
(2) THIRD PARTY SETTLEMENT	189,965
(3) PROFESSIONAL LIABILITY INSURANCE RESERVE	641,446
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
(11)	0
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	831,411

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 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	34,487,577
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	31,350,899
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	3,136,678
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 through 8	9	0
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	3,136,678

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	33,848,626
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-810,637		
e	Add lines **2a** through **2d**			2e	-810,637
3	Subtract line **2e** from line **1**			3	34,659,263
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	-171,686		
c	Add lines **4a** and **4b**			4c	-171,686
5	Total revenue Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12)*			5	34,487,577

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

1	Total expenses and losses per audited financial statements			1	30,711,948
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c	171,686		
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	171,686
3	Subtract line **2e** from line **1**			3	30,540,262
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	810,637		
c	Add lines **4a** and **4b**			4c	810,637
5	Total expenses Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18)*			5	31,350,899

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, line 2, 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

PART XII 2D $810,637 IS OTHER EXPENSES PER AUDITED FINANCIAL STATEMENT

PART XII 4B $(171,686) IS LOSS ON SALE OF ASSETS

PART XIII 4B $810,637 IS OTHER EXPENSES PER AUDITED FINANCIAL STATEMENT

PART XIII 2C ($171,686) IS LOSS ON SALE OF ASSETS

LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC IS A SUBSIDIARY IN THE CONSOLIDATED FINANCIAL STATEMENTS OF SAINT FRANCIS HEALTH SYSTEM SAINT FRANCIS HEALTH SYSTEM ADOPTED ASC 740-10(f/k/a FIN 48) IN JUNE 30, 2007

Part XIV Supplemental Information *(continued)*

NO DISCLOSURES WERE REQUIRED UNDER GAAP AS SAINT FRANCIS HEALTH SYSTEM DOES NOT HAVE ANY MATERIAL TAX CONTINGENCIES THAT REQUIRED DISCLOSURES IN THE FOOTNOTES

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC

Employer identification number
73-1308273

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free care*? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care [ ] 100% [ ] 150% [ ] 200% [X] Other 225 %	3a	X	
b	Did the organization use FPG to determine eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care [ ] 200% [ ] 250% [ ] 300% [ ] 350% [ ] 400% [ ] Other ____ %	3b		X
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		X
6a	Did the organization prepare a community benefit report during the tax year? .	6a	X	
b	If "Yes," did the organization make it available to the public?	6b	X	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			1,143,629	0	1,143,629	3 72%
b Medicaid (from Worksheet 3, column a)			1,771,803	89,447	1,682,356	5 48%
c Costs of other means-tested government programs (from Worksheet 3, column b)			0	0	0	0 00%
d **Total** Financial Assistance and Means-Tested Government Programs	0	0	2,915,432	89,447	2,825,985	9 20%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			0	0	0	0 00%
f Health professions education (from Worksheet 5)			0	0	0	0 00%
g Subsidized health services (from Worksheet 6)			5,311,486	4,793,323	518,163	1 65%
h Research (from Worksheet 7)			0	0	0	0 00%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			0	0	0	0 00%
j **Total.** Other Benefits	0	0	5,311,486	4,793,323	518,163	1 65%
k **Total.** Add lines 7d and 7j	0	0	8,226,918	4,882,770	3,344,148	10 85%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing					0	0 00%
2 Economic development					0	0 00%
3 Community support					0	0 00%
4 Environmental improvements					0	0 00%
5 Leadership development and training for community members					0	0 00%
6 Coalition building					0	0 00%
7 Community health improvement advocacy					0	0 00%
8 Workforce development					0	0 00%
9 Other					0	0 00%
10 Total	0	0	0	0	0	0 00%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?		1		X
2	Enter the amount of the organization's bad debt expense	2	1,982,298		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy	3	1,585,838		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	8,411,480		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	8,428,793		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-17,313		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other				

Section C. Collection Practices

			Yes	No
9a	Did the organization have a written debt collection policy during the tax year?	9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1			0 00%	0 00%	0 00%
2			0 00%	0 00%	0 00%
3			0 00%	0 00%	0 00%
4			0 00%	0 00%	0 00%
5			0 00%	0 00%	0 00%
6			0 00%	0 00%	0 00%
7			0 00%	0 00%	0 00%
8			0 00%	0 00%	0 00%
9			0 00%	0 00%	0 00%
10			0 00%	0 00%	0 00%
11			0 00%	0 00%	0 00%
12			0 00%	0 00%	0 00%
13			0 00%	0 00%	0 00%

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

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

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER–24 hours	ER-other	Other (describe)
1 LAUREATE PHYCHIATRIC CLINIC AND HOSPITAL, INC 6600 S YALE AVE , STE 400 TULSA OK 74136	X								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: LAUREATE PHYCHIATRIC CLINIC AND HOSPITAL, INC

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8 If "Yes," indicate what the Needs Assessment describes (check all that apply)	1		
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ____			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5	Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)	5		
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a	☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide community benefit plan			
d	☐ Participation in the execution of a community-wide community benefit plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing *free care*? If "Yes," indicate the FPG family income limit for eligibility for free care 225 00 % If "No," explain in Part VI the criteria the hospital facility used	9	X	

Part V Facility Information *(continued)* LAUREATE PHYCHIATRIC CLINIC AND HOSPITAL, INC

			Yes	No
10	Used FPG to determine eligibility for providing *discounted care*?	10		X
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 0 00 %			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[X] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	[ ] The policy was posted on the hospital facility's website			
b	[X] The policy was attached to billing invoices			
c	[ ] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[ ] The policy was posted in the hospital facility's admissions offices			
e	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Part VI)			

Billing and Collections

			Yes	No
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		X
	If "Yes," check all actions in which the hospital facility or a third party engaged			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply)			
a	[ ] Notified patients of the financial assistance policy on admission			
b	[ ] Notified patients of the financial assistance policy prior to discharge			
c	[ ] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[ ] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information *(continued)* LAUREATE PHYCHIATRIC CLINIC AND HOSPITAL, INC

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 0

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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

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

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

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

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

PART 1, LINE 3C

INCOME BASED CRITERIA IS USED AS THE BASIS IN DETERMINING ELIGIBILITY FOR FREE MEDICAL CARE

PART I, LINE 6A

THE ANNUAL REPORT FOR THE FILING ORGANIZATION IS PART OF A CONSOLIDATED REPORT PREPARED AT A HEALTH SYSTEM LEVEL

PART I, LINE 7A

A COST TO CHARGE RATIO FROM WORKSHEET 2 IS USED TO CALCULATE THE AMOUNTS OF LINES 7A-7C

PART III, LINE 3

THIS IS THE AMOUNT OF BAD DEBT ATTRIBUTABLE TO PATIENTS UNDER THE FINANCIAL ASSISTANCE POLICY

THE PERCENTAGE OF BAD DEBT USED TO REPRESENT CHARITY WAS FROM A SAMPLE REVIEW OF ALL BAD DEBT ACCOUNTS AND SUBSEQUENT INFORMATION

PART III, LINE 4

LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL REPORTS BAD DEBT IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) HEALTH CARE FINANCIAL MANAGEMENT ASSOCIATION'S STATEMENT 15 IS FOLLOWED TO THE EXTENT THAT BAD DEBT EXPENSE AT COST IS DETERMINED USING THE SAME COST TO CHARGE

Part VI Supplemental Information

Complete this part to provide the following information

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

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RATIO THAT IS USED TO CALCULATE CHARITY CARE DISCOUNTS AND ALLOWANCES ARE ACCOUNTED FOR SEPARATELY FROM BAD DEBT EXPENSE ACCOUNTS RECEIVABLE IS VALUED AT NET REALIZABLE VALUE LAUREATE ESTIMATES ALLOWANCES FOR UNCOLLECTIVLE ACCOUNTS BASED ON HISTORIC WRITE OFFS AND THE AGING OF ACCOUNTS

PART III, LINE 8

THE AMOUNT REPORTED IN LINE III, SECTION B, LINE 7 IS THE SHORTFALL THAT IS ESTIMATED BETWEEN THE COST OF PROVIDING SERVICES USING THE HOSPITAL COST TO CHARGE RATIO AND THE REIMBURSEMENT RECEIVED FOR PROVIDING THESE SERVICES

PART III, LINE 9B

IT IS THE POLICY OF LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL TO PURSUE COLLECTIONS OF PATIENT BALANCES FROM PATIENTS WHO HAVE THE ABILITY TO PAY FOR THESE SERVICES LAUREATE APPLIES ITS COLLECTION EFFORTS CONSISTENTLY AND FAIRLY TO ALL PATIENTS REGARDLESS OF INSURANCE IF A PATIENT DOES NOT HAVE THE FINANCIAL RESOURCES TO PAY HIS/HER OUTSTANDING BALANCE, IT IS THE GOAL OF LAUREATE TO WORK WITH THE PATIENT TO QUALIFY THEM FOR OUR CHARITY POLICY IF THE PATIENT QUALIFIES FOR CHARITY UNDER OUR CHARITY POLICY, THEN WE WILL WRITE OFF THE AMOUNT OWED 100% IT IS THE FEELING OF THE BOARD OF DIRECTORS THAT OUR POLICY SUPPORTS THE MISSION OF LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL

Part VI Supplemental Information

Complete this part to provide the following information

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

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PART V, SECTION B, LINE 10

PATIENTS WHO HAVE BEEN IDENTIFIED TO BE FINANCIAL ASSISTANCE PLAN ELIGIBLE AND MEET THE CRITERIA ESTABLISHED BY THE HOSPITAL ARE CONSIDERED CHARITY AND THEREFORE BY HOSPITAL POLICY ARE NOT BILLED FOR ANY SERVICES ALL OTHER SELF PAY PATIENTS RECEIVE A 20% DISCOUNT OFF BILLED CHARGES

PART V, SECTION B, LINE 19D

A SELF PAY DISCOUNT OF 20% IS PROVIDED ON ALL CHARGES

NEEDS ASSESSMENT

THIS ORGANIZATION HAS ONE OF ITS FUNDAMENTAL OPERATIONAL GOALS TO IDENTIFY AND ADDRESS THE NEEDS OF THE DEFINED COMMUNITY THAT IT SERVES TO DO THIS THE SAINT FRANCIS HEALTH SYSTEM GATHERS AND OBTAINS INFORMATION IDENTIFYING THOSE NEEDS AND DEVELOPS PROGRAMS AND SERVICES THAT ADDRESS AND PROVIDE ACCESS TO THOSE IN GREATEST NEED OF HEALTHCARE SERVICES HISTORICALLY, THE HEALTHCARE SYSTEM'S FOCUS HAS BEEN CARING FOR THOSE WHO AR SICK AND VULNERABLE IN ORDER TO MAKE INFORMED DECISIONS ON HOW TO CARE FOR THE SICK, AT-RISK, AND MINORITY POPULATIONS, THE SYSTEM MUST FIRST IDENTIFY PRIORITY HEALTH NEEDS THE COMMUNITY NEEDS ASSESSMENT IS THE METHOD UTILIZED BY THE HEALTH SYSTEM TO IDENTIFY THOSE NEEDS

THE ASSESSMENT IS A COMPILATION OF NATIONAL SURVEY RESULTS, HEALTH INFORMATION DATABASES, GOVERNMENT DATA, AND ANALYTICAL FEEDBACK FROM STATE AND LOCAL PARTNERS THIS DATA IS USED TO IDENTIFY POTENTIAL COURSES

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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OF ACTION BASED ON EXISTING HEALTH CARE FACILITIES, AVAILABLE RESOURCES WITHIN THE COMMUNITY, AND CAPABILITIES OF THE COMMUNITY IN TERMS OF BOTH SOCIOECONOMIC AND EDUCATIONAL STATUS

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

BECAUSE OF OUR NOT-FOR-PROFIT DESIGNATION, WE WANT TO MAKE SURE THAT THOSE WHO CANNOT PAY FOR SERVICES ARE GIVEN THE OPPORTUNITY TO STILL HAVE QUALITY HEALTHCARE SERVICES WE PROMOTE AND/OR OFFER OUR CHARITY POLICY IN SERVERAL DIFFERENT AVENUES TO ENSURE PATIENTS ARE AWARE OF OUR GENEROUS POLICY SO THEY CAN ACCESS IT OUR CHAIRTY POLICY IS FIRST DISCUSSED IN OUR PATIENT FINANCIAL RESPONSIBILITY HAND OUT WE GIVE TO ALL PATIENTS AFTER CONFIRMING SELF PAY STATUS, THE FINANCIAL COUNSELOR WORKS WITH THE PATIENT TO DETERMINE IF THE PATIENT MAY QUALIFY FOR ASSISTANCE UNDER A GOVERNMENT SPONSORED PLAN IF THE PATIENT DOES NOT QUALIFY FOR A GOVERNMENT SPONSORED PLAN THEN THE FINANCIAL COUNSELOR WORKS WITH THE PATIENT TO TRY AND GET THEM QUALIFIED FOR CHARITY BASED ON THE HOSPITAL'S CHARITY POLICY ADDITIONALLY, DURING THE COLLECTIONS PROCESS WE OFFER CHARITY POLICY AS WELL AS PAYMENT OPTIONS AS A PART OF OUR PATIENT RESPONSIBILITY FOLLOW UP COLLECTION CALLS

Part VI Supplemental Information

Complete this part to provide the following information

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

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COMMUNITY INFORMATION

LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL SERVES ADULTS AND ADOLESCENTS PRIMARILY TO THE RESIDENTS OF OKLAHOMA FOR MENTAL HEALTH SERVICES AND NATIONWIDE FOR EATING DISORDER SERVICES

PROMOTION OF COMMUNITY HEALTH

LAUREATE PROMOTES COMMUNITY HEALTH THROUGH COMMUNITY EVENTS SUCH AS HEALTH FAIRS AND SPONSORING CONFERENCES AND SEMINARS ON MENTAL HEALTH ISSUES LAUREATE ALSO IS AN ACTIVE MEMBER OF THE MENTAL HEALTH ASSOCIATION OF TULSA

AFFILIATED HEALTHCARE SYSTEM

LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL IS A PART OF THE SAINT FRANCIS HEALTH SYSTEM ANNUALLY, LAUREATE ADMITS APPROXIMATELY 3,000 PATIENTS AND PROVIDES OVER 70,000 OUTPATIENT VISITS FOR PSYCHIATRIC SERVICES

STATE FILING AND COMMUNITY BENEFIT REPORT

THE STATE OF OKLAHOMA DOES NOT REQUIRE STATE FILING OF THE COMMUNITY BENEFIT REPORT HOWEVER, FOR THE LAST 6 YEARS, SAINT FRANCIS HEALTH SYSTEM HAS DISTRIBUTED A WRITTEN REPORT ACROSS THE STATE OF OKLAHOMA TO HELP EDUCATE THE COMMUNITY OF THE BENEFITS PROVIDED TO THE COMMUNITIES WE SERVE IN RETURN FOR OUR NOT FOR PROFIT STATUS

Part VI Supplemental Information

Complete this part to provide the following information

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

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SCHEDULE J **(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC

Employer identification number: 73-1308273

Part I Questions Regarding Compensation

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

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

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

Note. The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JAKE HENRY, JR	(i)	0	0	0	0	0	0	0
	(ii)	857,420	434,886	39,515	103,771	9,807	1,445,399	0
2 TOM NEFF	(i)	0	0	0	0	0	0	0
	(ii)	274,423	87,225	8,121	98,631	11,433	479,833	0
3 JEFFREY C SACRA	(i)	0	0	0	0	0	0	0
	(ii)	190,620	33,088	1,489	57,337	8,396	290,930	0
4 BARRY L STEICHEN	(i)	0	0	0	0	0	0	0
	(ii)	474,881	193,008	6,050	162,991	12,069	848,999	0
5 ROBERT ELI SMITH	(i)	133,761	13,103	751	14,913	797	163,325	0
	(ii)	0	0	0	0	0	0	0
6 ERIC E SCHICK	(i)	0	0	0	0	0	0	0
	(ii)	198,880	38,083	1,904	48,368	11,044	298,279	0
7 PETER LANTZ, M D	(i)	23,200	0	0	0	0	23,200	0
	(ii)	394,291	2,204	0	30,827	16,060	443,382	0
8 THOMAS LUISKUTTY, M D	(i)	45,240	0	0	0	0	45,240	0
	(ii)	289,513	2,204	0	22,577	16,249	330,543	0
9 JIMMIE MCADAMS, D O	(i)	282,848	2,204	0	30,827	15,152	331,031	0
	(ii)	0	0	0	0	0	0	0
10 SCOTT MOSEMAN, M D	(i)	285,000	2,204	0	30,827	5,000	323,031	0
	(ii)	0	0	0	0	0	0	0
11 MICHAEL DUBRIWNY, M D	(i)	263,327	2,204	16,500	30,827	11,875	324,733	0
	(ii)	0	0	0	0	0	0	0
12 WILLIAM SCHLOSS	(i)	0	0	0	0	0	0	0
	(ii)	312,543	100,894	4,545	102,827	11,733	532,542	0
13	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
14	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
15	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
16	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0

LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC 73-1308273

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information

PART 1 LINE 4b A SELECT GROUP OF HIGHLY COMPENSATED EMPLOYEES OF SAINT FRANCIS HEALTH SYSTEM, INC AND ITS RELATED ENTITIES, SAINT FRANCIS HOSPITAL, INC , LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC , WARREN CLINIC, INC , PATIENT CARE SERVICES OF SAINT FRANCIS, INC , AND SAINT FRANCIS HOSPITAL SOUTH, LLC , ARE ELIGIBLE TO PARTICIPATE IN A NONQUALIFIED DEFERRED COMPENSATION PLAN UNDER SECTION 457(b) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED UNDER THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

NOTE NONE OF THE INDIVIDUALS LISTED ON SCHEDULE J ARE COMPENSATED AS BOARD MEMBERS OF THE REPORTING ENTITY THE REPORTED COMPENSATION OF THE BOARD MEMBERS IS FOR SERVICES AS EMPLOYEES OF A RELATED ORGANIZATION

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 990-EZ 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	Employer identification number
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC	73-1308273

990 PART V, LINE 2B

FOLLOWING THE REVENUE PROCEDURE 70-6, 1970-1 C B 420, SAINT FRANCIS PAYROLL SERVICES, LLC, EIN 45-0470422, HAS BEEN AUTHORIZED TO ACT AS A COMMON PAY AGENT UNDER SECTION 3504 OF THE INTERNAL REVENUE CODE FOR LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC EFFECTIVE JULY 1, 2002 AS OF THAT DATE, SAINT FRANCIS PAYROLL SERVICES, LLC ASSUMED REPORTING OBLIGATIONS FOR FEDERAL INCOME TAX, SOCIAL SECURITY, MEDICARE AND BACK UP WITHHOLDING TAX PURPOSES FOR LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC , INCLUDING THE YEAR END REPORTING

990 PART VI, SECTION A, LINE 2

SEVERAL PERSONS IN THIS CATEGORY SERVE ON OTHER COMPANY BOARDS, OR ARE RELATIVES THE ORGANIZATION HAS DETERMINED THAT THESE ASSOCIATIONS DO NOT PRESENT A CONFLICT OF INTEREST

JAKE HENRY, JR SERVES ON THE BOARD OF DIRECTORS OF OTHER ORGANIZATIONS, SOME OF WHICH ARE RELATED

990 PART VI, SECTION A, LINE 3

THE ORGANIZATION BY ITS BYLAWS AND RESOLUTION DELEGATED GOVERNANCE OF ITS OPERATIONS TO THE DIRECTORS OF SAINT FRANCIS HEALTH SYSTEM, INC

PART VI, SECTION A LINE 6

THERE ARE THREE MEMBERS WHO ELECT THE GOVERNING BODY

Name of the organization: LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC

Employer identification number: 73-1308273

PART VI, SECTION A LINE 7A

THERE ARE THREE MEMBERS WHO ELECT THE GOVERNING BODY

990 PART VI, SECTION A, LINE 7B

MEMBERS APPROVE SALE OF ALL OR SUBSTANTIALLY ALL ASSETS OR ASSETS VAULED AT $10,000,000 OR MORE

MEMBERS APPROVE AMENDMENT TO THE ORGANIZATIONAL DOCUMENTS AND BYLAWS AND APPROVE MERGERS AND CONSOLIDATIONS

990 PART VI, SECTION B, LINE 11B

THE FINANCE COMMITTEE, A SUB-COMMITTEE OF SAINT FRANCIS HEALTH SYSTEM FOR WHICH LAUREATE IS A MEMBER, HAS ACCESS TO REVIEW THE PASSWORD PROTECTED FORM 990 ONLINE PRIOR TO FILING THE FORM WITH THE IRS

990 PART VI, SECTION B, LINE 12C

THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION POLICY OF SAINT FRANCIS HEALTH SYSTEM, INC OFFICIALS AND KEY EMPLOYEES REFERENCED IN B 12 REGULARLY DISCLOSE CONFLICTS OF INTEREST WHICH ARE REVIEWED AND MANAGED THERE ARE NO CONFLICTS REPORTED SPECIFIC TO THIS ORGANIZATION

990 PART VI, SECTION B, LINE 13

THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION POLICY OF SAINT FRANCIS HEALTH SYSTEM, INC OFFICIALS AND KEY EMPLOYEES REFERENCED IN B 12 REGULARLY DISCLOSE CONFLICTS OF INTEREST WHICH ARE REVIEWED AND MANAGED THERE ARE NO CONFLICTS REPORTED SPECIFIC TO THIS ORGANIZATION

990 PART VI, SECTION B, LINE 14

THE ORGANIZATION FOLLOWS THE CONFLICT OF INTEREST, WHISTLEBLOWER AND RECORD RETENTION

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 990-EZ 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	Employer identification number
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC	73-1308273

POLICY OF SAINT FRANCIS HEALTH SYSTEM, INC OFFICIALS AND KEY EMPLOYEES REFERENCED IN B 12 REGULARLY DISCLOSE CONFLICTS OF INTEREST WHICH ARE REVIEWED AND MANAGED THERE ARE NO CONFLICTS REPORTED SPECIFIC TO THIS ORGANIZATION

990 PART VI, SECTION B, LINE 15B

THESE OFFICIALS' AND KEY EMPLOYEES' COMPENSATION IS ANNUALLY REVIEWED AND APPROVED BY A COMMITTEE OF THE DIRECTORS WITH THE GUIDANCE OF INDEPENDENT CONSULTANTS AND COMPARATIVE DATA

990 PART VI, SECTION C, LINE 19

THESE REQUESTS ARE DETERMINED ON A CASE-BY-CASE BASIS

990 PART VII, SECTION A, LINE 1A

THE HOURS PER WEEK REPORTED FOR ALL OF THE OFFICERS AND DIRECTORS AND HIGHEST COMPENSATED EMPLOYEES ARE THE HOURS SPENT ON THE FILING ENTITY ONLY THE REMAINING PORTION OF THE 40 HOURS PER WEEK OF THE OFFICERS AND DIRECTORS WITH RELATED COMPENSATION IS ALLOCATED AMONG THE ENTITIES REPORTED ON SCHEDULE R

990 PART XI, LINE 5

THE CHANGE IN FUND BALANCE OF $5,616,100 WAS A NET EQUITY TRANSFER TO SAINT FRANCIS HEALTH SYSTEM, INC

Name of the organization	Employer identification number
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC	73-1308273

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: LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC
Employer identification number: 73-1308273

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

(a) Name, address and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)			0	0	
(2)			0	0	
(3)			0	0	
(4)			0	0	
(5)			0	0	
(6)			0	0	

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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 entity? Yes	No
(1) SAINT FRANCIS HOSPITAL, INC 73-0700090 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	3	SFHS	X	
(2) WARREN CLINIC, INC 73-1310891 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	3	SFHS	X	
(3) SAINT FRANCIS HEALTH SYSTEM, INC 73-1501972 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	11b TYPE II	N/A		X
(4) SAINT FRANCIS HOSPITAL SOUTH, LLC 01-0603214 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	3	SFH	X	
(5) PATIENT CARE SERVICES OF SAINT FRANCIS, INC 73-0803027 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	3	SFHS	X	
(6) THE CHILDREN'S HOSPITAL FOUNDATION AT SAINT FRANCIS 20-2843418 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	501(C)(3)	3	SFHS	X	
(7) SERVICE COLLECTION ASSOCIATION, INC 73-0927856 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	INACTIVE	OK	501(E)		SFH	X	

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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
(1)					0	0			0			%
(2)					0	0			0			%
(3)					0	0			0			%
(4)					0	0			0			%
(5)					0	0			0			%
(6)					0	0			0			%
(7)					0	0			0			%

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to 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
(1) XAVIER INSURANCE COMPANY, INC 03-0333599 76 ST PAUL ST , BURLINGTON, VT 05401-4477	INSURANCE CO	VT	SFH	C Corp	0	0	%
(2) SAINT FRANCIS PAYROLL SERVICES, LLC 45-0470422 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	COMMON PAY AGEN	OK	SFHS	C Corp	0	0	%
(3) SPRINGER CLINIC, INC 73-1414359 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	SFH	S Corp	0	0	%
(4) RELATED HEALTH SERVICES, INC 73-1288715 6600 S YALE AVE , STE 400, TULSA, OK 74136-3319	HEALTH SERVICES	OK	SFH	S Corp	0	0	%
(5) SAINT FRANCIS HEALTH SYSTEM GENERAL-PROFESSIONAL LIABILITY P O BOX 3038, MILWAUKEE, WI 53215	SELF INSURANCE	OK	SFHS	Trust	0	0	%
(6)					0	0	%
(7)					0	0	%

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

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

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) SAINT FRANCIS HOSPITAL, INC	o	44,164,672	ACTUAL
(2) SAINT FRANCIS HOSPITAL, INC	l	1,589,791	ACTUAL
(3) SAINT FRANCIS HOSPITAL, INC	p	34,079,684	ACTUAL
(4) SAINT FRANCIS HOSPITAL, INC	h	102,581	ACTUAL
(5) SAINT FRANCIS HEALTH SYSTEM, INC	b	5,718,682	CASH
(6) WARREN CLINIC, INC	l	123,473	ACTUAL

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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 section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate 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	
(1)						0	0			0			%
(2)						0	0			0			%
(3)						0	0			0			%
(4)						0	0			0			%
(5)						0	0			0			%
(6)						0	0			0			%
(7)						0	0			0			%
(8)						0	0			0			%
(9)						0	0			0			%
(10)						0	0			0			%
(11)						0	0			0			%
(12)						0	0			0			%
(13)						0	0			0			%
(14)						0	0			0			%
(15)						0	0			0			%
(16)						0	0			0			%

Part VII **Supplemental Information**

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

Part II **Continuation of Identification of Related Tax–Exempt Organizations**

(a) Name address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(8) LAUREATE MENTIAL HEALTH CORPORATION 73-1328882 P O BOX 470372, TULSA, OK 74147	FUNDING MENTAL HEALTH	OK	501(C)(3)	11a TYPE I	N/A	X	
(9) LAUREATE BUILDING CORPORATION 73-1478020 P O BOX 470372, TULSA, OK 74147	HOLDING COMPANY	OK	501(C)(2)		LAUREATE MENTAL H	X	
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							
(19)							
(20)							
(21)							
(22)							
(23)							
(24)							
(25)							

Part V **Continuation of Transactions With Related Organizations**

(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(c) Method of determining amount involved
(7) WARREN CLINIC, INC	p	2,061,234	ACTUAL
(8) SAINT FRANCIS HOSPITAL SOUTH, LLC	p	58,748	ACTUAL
(9)		0	
(10)		0	
(11)		0	
(12)		0	
(13)		0	
(14)		0	
(15)		0	
(16)		0	
(17)		0	
(18)		0	
(19)		0	
(20)		0	
(21)		0	
(22)		0	
(23)		0	
(24)		0	

Laureate Psychiatric Clinic and Hospital, Inc.

Financial Statements

Years Ended June 30, 2012 and 2011

Contents

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Report of Independent Auditors

The Board of Trustees
Laureate Psychiatric Clinic and Hospital, Inc.

We have audited the accompanying statements of financial position of Laureate Psychiatric Clinic and Hospital, Inc. (the Hospital) as of June 30, 2012 and 2011, and the related statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Hospital'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Hospital's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and 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 Laureate Psychiatric Clinic and Hospital, Inc. at June 30, 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.

Ernst & Young LLP

November 5, 2012

1205-1359532

Laureate Psychiatric Clinic and Hospital, Inc.

Statements of Financial Position

	June 30 2012	June 30 2011
Assets		
Current assets:		
Cash	**$ 1,412,168**	$ 1,579,970
Patient accounts receivable, net of allowances for uncollectible receivables of $1,772,000 in 2012 and $1,654,000 in 2011	**2,555,850**	2,743,908
Inventories	**100,648**	112,095
Prepaid expenses and other receivables	**387,146**	417,549
Total current assets	**4,455,812**	4,853,522
Assets whose use is limited:		
Restricted assets	**307,057**	121,309
	307,057	121,309
Property and equipment:		
Land and improvements	**19,833,683**	19,833,683
Buildings	**43,014,470**	40,082,706
Equipment	**18,268,023**	18,762,058
Construction in progress	**77,284**	3,007,634
	81,193,460	81,686,081
Less accumulated depreciation	**37,461,266**	36,101,371
	43,732,194	45,584,710
Total assets	**$ 48,495,063**	$ 50,559,541
Liabilities and net unrestricted assets		
Current liabilities:		
Accounts payable and accrued expenses	**$ 145,577**	$ 579,367
Employee compensation and related liabilities	**2,866,552**	2,239,397
Estimated third-party settlements	**189,965**	89,840
Total current liabilities	**3,202,094**	2,908,604
Other long-term liabilities	**948,503**	827,050
Net unrestricted assets	**44,344,466**	46,823,887
Total liabilities and net unrestricted assets	**$ 48,495,063**	$ 50,559,541

See accompanying notes.

Laureate Psychiatric Clinic and Hospital, Inc.

Statements of Operations and Changes in Net Assets

	Year Ended June 30 2012	2011
Revenues:		
Net patient service revenue	**$ 33,296,802**	$ 31,587,069
Other operating revenue	**1,348,143**	1,287,994
Total unrestricted revenues	**34,644,945**	32,875,063
Expenses:		
Employee compensation	**21,898,106**	20,255,779
Occupancy	**1,133,206**	1,137,318
Drugs and patient care supplies	**1,215,837**	1,199,463
Administrative	**2,100,231**	1,101,718
Office	**309,199**	292,151
Provisions for bad debts	**1,982,298**	1,992,404
Depreciation and amortization	**2,073,071**	1,855,062
Total expenses	**30,711,948**	27,833,895
Income from operations	**3,932,997**	5,041,168
Other income (expense):		
Investment income	**2,534**	1,574
Donations	**11,785**	65,821
Other, net	**(810,637)**	(587,414)
Excess of revenues over expenses	**3,136,679**	4,521,149
Transfers to Saint Francis Health System, Inc.	**(5,616,100)**	(3,168,754)
(Decrease) increase in net unrestricted assets	**(2,479,421)**	1,352,395
Net unrestricted assets, beginning of year	**46,823,887**	45,471,492
Net unrestricted assets, end of year	**$ 44,344,466**	$ 46,823,887

See accompanying notes.

Laureate Psychiatric Clinic and Hospital, Inc.

Statements of Cash Flows

	Year Ended June 30	
	2012	**2011**
Operating activities and other income		
(Decrease) increase in net unrestricted assets	**$ (2,479,421)**	$ 1,352,395
Adjustments to reconcile (decrease) increase in net unrestricted assets to net cash provided by operating activities and other income:		
Depreciation and amortization	**2,073,071**	1,855,062
Transfers to Saint Francis Health System, Inc.	**5,616,100**	3,168,754
Provision for bad debts	**1,982,298**	1,992,404
Gain on sale of assets	**171,686**	807
Changes in operating assets and liabilities, net:		
Patient accounts receivable	**(1,794,240)**	(2,048,357)
Inventories, prepaid expenses, and other receivables	**41,850**	795,219
Estimated third-party settlements	**100,125**	(135,165)
Accounts payable, accrued expenses, employee compensation and related liabilities, and other long-term liabilities	**314,818**	(455,478)
Net cash provided by operating activities	**6,026,287**	6,525,641
Investing activities		
Purchases of property and equipment, net	**(392,241)**	(3,368,637)
Net increase in assets whose use is limited	**(185,748)**	(14,624)
Net cash used in investing activities	**(577,989)**	(3,383,261)
Financing activity		
Transfers to from Saint Francis Health System, Inc.	**(5,616,100)**	(3,168,754)
Net cash used in financing activity	**(5,616,100)**	(3,168,754)
Net decrease in cash	**(167,802)**	(26,374)
Cash at beginning of year	**1,579,970**	1,606,344
Cash at end of year	**$ 1,412,168**	$ 1,579,970

See accompanying notes.

Laureate Psychiatric Clinic and Hospital, Inc.

Notes to Financial Statements

June 30, 2012

1. Organization and Accounting Policies

Organization

Laureate Psychiatric Clinic and Hospital, Inc. (Laureate or the Hospital), located in Tulsa, Oklahoma, is organized as a nonprofit corporation under the laws of the state of Oklahoma and is a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Treatment services include, but are not limited to, evaluation and diagnosis, acute psychiatric care, intermediate and long-term care, and chemical dependency care to residents of Oklahoma, primarily in Tulsa and the surrounding areas. Laureate also provides treatment of various eating disorders to patients from around the country.

In addition to providing treatment services, Laureate also conducts clinical and neuroscience research aimed at improving or developing treatment techniques and breakthroughs in the understanding of the causes, the prevention, and the eventual cure of mental illness.

Saint Francis Health System, Inc. (the Hospital), which includes Laureate, appoints the trustees and provides management and administrative services. Laureate is consolidated as part of the Hospital's financial reporting process.

Use of Estimates

In preparing the financial statements in conformity with generally accepted accounting principles in the United States, management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts Receivable

In establishing the estimate of uncollectible accounts, the Hospital considers its historical collection experience, the aging of the account, and the payor classification. Amounts due directly from patients represent the majority of uncollectible accounts. Accounts are written off after all collection efforts have been exhausted.

1. Organization and Accounting Policies (continued)

The components of receivables from patients and third-party payors were as follows:

	Year Ended June 30	
	2012	**2011**
Medicare	**22%**	22%
Medicaid	**1**	1
Commercial insurance and managed care	**74**	73
Private pay and other	**3**	4
	100%	100%

Laureate grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. A significant portion of its net patient receivables is due from the Medicare and Medicaid programs. Laureate must comply with various reporting and operating regulations mandated by each of the federal and state programs. Failure to comply with these regulations could result in Laureate losing its eligibility to receive these funds. Management is not aware of any operations or activities that would jeopardize Laureate's eligibility under these programs.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

Statements of Operations

For financial reporting purposes, transactions considered by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses. Peripheral or incidental transactions are reported as other income.

1. Organization and Accounting Policies (continued)

Investments

The Hospital's investment portfolio is classified as trading, with unrealized gains and losses included in other income (expense) and stated at fair value.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Donated property and equipment are recorded at fair value on the date of donation. Depreciation is determined by the straight-line method over the estimated useful lives of the assets. The American Hospital Association's *Estimated Useful Lives of Depreciable Hospital Assets* is used as a general guide in establishing depreciable lives.

Donations

Substantially all of the donations were received from Laureate Mental Health Corporation and the William K. Warren Foundation (the Foundation), both unrelated third parties, during the years ended June 30, 2012 and 2011. Contributions are recognized as revenue in the period received or unconditionally pledged to the Hospital. The Hospital's net assets are reported as unrestricted, permanently restricted, or temporarily restricted, depending on the terms of the contribution. All of the Hospital's net assets are unrestricted at June 30, 2012 and 2011.

Professional and General Liability Insurance

Laureate is self-insured with respect to claims relating to professional and general liability under the Saint Francis Health System General/Professional Liability Trust Fund, a revocable trust arrangement. The Hospital has obtained excess professional and general liability insurance coverage from the reinsurance market in excess of the funds set aside in the trust. The Hospital funds an amount, as determined by an independent actuary, in a revocable trust with a local trustee for the self-insured portion of its estimated professional and general liability exposure. The Hospital establishes a reserve for probable exposure on professional liability claims based on the recommendations of an actuary and includes the Hospital's best estimate of potential losses for reasonably estimable claims. At June 30, 2012 and 2011, Laureate had recorded a reserve for its professional and general liabilities of approximately $641,000 and $706,000, respectively, and such amounts are included in other long-term liabilities in the accompanying statements of financial position.

1. Organization and Accounting Policies (continued)

Income Taxes

Laureate has been granted tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Once qualified as a tax-exempt entity, the Hospital is required to operate in conformity with the Code and its tax-exempt purpose to maintain its qualification. Taxes related to unrelated business income and operations of taxable affiliates are insignificant. There were no material unrecorded tax liabilities as of June 30, 2012 and 2011.

Charity Care

Laureate accepts patients regardless of their ability to pay. A patient is classified as a traditional charity patient by reference to certain established policies of Laureate. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, Laureate utilizes welfare and Medicaid eligibility criteria but also includes certain cases where incurred charges are significant when compared to the patient's income. The amount of traditional charity care provided, determined on the basis of cost, was approximately $733,000 and $635,000 for the years ended June 30, 2012 and 2011, respectively. Previously, the Hospital reported its estimates of services provided under its charity care programs based on gross charges. In connection with the Hospital's adoption of Accounting Standards Update (ASU) 2010-23, *Measuring Charity Care for Disclosure*, amounts previously reported for care provided under its charity care programs have been restated to reflect the Hospital's estimates of its direct and indirect costs of providing these services. This change had no impact on the Hospital's results of operations.

Additionally, the Hospital has a 20% private pay discount and considers the private pay discounts and all Medicaid contractual adjustments to be a component of total charity care. Total charity care provided in 2012 and 2011, measured at gross charges, approximated $2,703,000 (including $612,000 of private pay discount and $849,000 of Medicaid contractual adjustments) and $2,526,000 (including $602,000 of private pay discount and $751,000 of Medicaid contractual adjustments), respectively.

1. Organization and Accounting Policies (continued)

Provision and Allowance for Doubtful Accounts

To provide for accounts receivable that could become uncollectible in the future, the Hospital establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value. The primary uncertainty lies with uninsured patient receivables and deductibles, co-payments or other amounts due from individual patients.

The Hospital has an established process to determine the adequacy of the allowance for doubtful accounts that relies on a number of analytical tools and benchmarks to arrive at a reasonable allowance. No single statistic or measurement determines the adequacy of the allowance for doubtful accounts. Some of the analytical tools that the Hospital utilizes include, but are not limited to, historical cash collection experience, revenue trends by payor classification and revenue days in accounts receivable. Accounts receivable are written off after collection efforts have been followed in accordance with the Hospital's policies.

Subsequent Events

The Hospital evaluated events and transactions occurring subsequent to June 30, 2012, and through November 5, 2012, the date of issuance of the financial statements. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

Accounting Pronouncements Adopted

In January 2010, the Financial Accounting Standards Board (FASB) released ASU No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements*. ASU 2010-06 was issued to improve disclosure requirements related to the fair value measurements and disclosures topic (overall Subtopic 820-10) of the FASB. The new disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010. The Hospital's adoption of ASU 2010-06 did not have a material impact on its overall results of operations, financial position, or cash flows.

In August 2010, the FASB issued ASU No. 2010-23, *Measuring Charity Care for Disclosure*. ASU 2010-23 is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care. ASU 2010-23 requires that cost be used as the

1. Organization and Accounting Policies (continued)

measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care, and requires disclosure of the method used to identify or determine such costs. This ASU is effective for fiscal years beginning after December 15, 2010, with retrospective application required. The Hospital's adoption of ASU 2010-23 did not have a material impact on its overall results of operations, financial position, or cash flows.

In August 2010, the FASB issued ASU No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*. The amendments in this ASU clarify that a health care entity may not net insurance recoveries against related claim liabilities. In addition, the amount of the claim liability must be determined without consideration of insurance recoveries. This ASU is effective for the Hospital on July 1, 2011. The Hospital's adoption of ASU 2010-24 did not have a material impact on its overall results of operations, financial position, or cash flows.

Pending Accounting Pronouncements

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends certain guidance in Accounting Standards Codification (ASC) 820, *Fair Value Measurement*. ASU 2011-04 expands ASC 820's existing disclosure requirements for fair value measurements and makes other amendments. ASU 2011-04 is effective for interim and annual reporting periods beginning after December 15, 2011 and will be applied on a prospective basis. The Hospital does not believe adoption of ASU 2011-04 will have a material impact on its overall results of operations, financial position, or cash flows.

In July 2011, the FASB released ASU No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Healthcare Entities*. ASU 2011-07 requires health care entities to change the presentation of their statements of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). Additionally, enhanced disclosures will be required surrounding the entity's policies for recognizing revenue and assessing bad debts. ASU 2011-07 is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011. The Hospital does not believe adoption of ASU 2011-07 will have a material impact on its overall results of operations, financial position, or cash flows.

2. Net Patient Service Revenue

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

Medicare

Laureate is reimbursed for all inpatient acute psychiatric care services rendered to Medicare program beneficiaries at tentative interim rates with final settlement determined after submission of an annual cost report by the Hospital and audit thereof by the Medicare fiscal intermediary. These retroactive settlements are estimated and recorded in the financial statements in the year in which they occur. These estimated settlements could differ from actual settlements based on the results of cost report audits. Prior-year cost report settlements resulted in an increase in total net patient service revenue of approximately $32,000 and $154,000 during 2012 and 2011, respectively. Laureate's Medicare cost reports have been settled by the Medicare fiscal intermediary through June 30, 2010. Management believes it has made adequate provision for adjustments, if any, which may result from the intermediary's audits of the cost reports for fiscal years subsequent to 2010.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates may change by a material amount in the near term.

Additionally, the federal Medicaid rules allow for hospitals to be reimbursed for some of the uncompensated cost of treating Medicaid and uninsured patients up to an Upper Payment Limit (UPL). The Oklahoma Medicaid program has chosen a state-wide UPL strategy to draw available federal Medicaid dollars into the state. Under this program, non-exempt hospitals pay an assessment fee which along with the supplemental federal matching funds are distributed to participating hospitals. During the year ended June 30, 2012, the Hospital paid assessments of $770,000 and received funding of $90,000 under this program. These amounts are reflected as administrative expenses and net patient service revenue, respectively, in the accompanying financial statements.

Capitated Arrangements

The Hospital has entered into capitated arrangements with CommunityCare Managed Healthcare Plans of Oklahoma Inc., a related party, whereby the Hospital accepts the risk for the provision of comprehensive health care services to health plan members. Under these agreements, the Hospital receives monthly capitation payments based upon the number of participants, regardless

2. Net Patient Service Revenue (continued)

of services actually performed. The capitation revenue is allocated among the members of the Hospital, including the Hospital, based upon historical cost information to provide services to this population. The Hospital's allocation of capitation payments received is recorded as net patient service revenue in the accompanying statements of operations and changes in net assets. The Hospital recognized capitated revenue of $1,758,000 and $1,815,000 as of June 30, 2012 and 2011, respectively.

Other

Laureate has entered into contractual payment arrangements with commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The payments for services rendered to beneficiaries under these contractual arrangements include predetermined rates per discharge, per diem rates, discounts from established charges, and capitated payments.

The Hospital's net patient service revenues were from the following payor sources:

	Year Ended June 30	
	2012	**2011**
Medicare	**25%**	25%
Medicaid	**1**	1
Commercial insurance and managed care	**67**	66
Capitated revenue	**5**	6
Private pay and other	**2**	2
	100%	100%

3. Fair Value Measurements

ASC No. 820, *Fair Value Measurements*, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Hospital has the ability to access.

3. Fair Value Measurements (continued)

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2012 and 2011.

Mutual funds and money market funds are valued at the net asset value (NAV) of shares held by the Hospital at year-end.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Hospital believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Hospital's financial assets at fair value as of June 30, 2012 and 2011:

	Assets at Fair Value as of June 30, 2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual and money market funds	**$ 307,057**	**$ –**	**$ –**	**$ 307,057**
Total assets at fair value	**$ 307,057**	**$ –**	**$ –**	**$ 307,057**

	Assets at Fair Value as of June 30, 2011			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual and money market funds	$ 121,309	$ –	$ –	$ 121,309
Total assets at fair value	$ 121,309	$ –	$ –	$ 121,309

3. Fair Value Measurements (continued)

These investments represent assets held on behalf of the Hospital's portion of the Hospital's 457(b) plan (see Note 4). A corresponding liability is recorded in other long-term liabilities.

4. Benefit Plans

The Hospital has three defined contribution plans for eligible employees. Under the 401(k) and 403(b) plans, a participant may contribute in calendar year 2012 the lesser of $17,000 or 100% of annual compensation. Employees who do not make an affirmative salary deferral election are automatically enrolled in either the 401(k) or 403(b) plan at a salary deferral percentage of 3% of compensation. The Hospital also has a nonqualified defined contribution plan for eligible employees. Under the 457(b) plan, a participant may contribute the lesser of $16,500 or 100% of annual compensation. The Hospital matches 50% of the first 8% of compensation of any participant's contributions to these plans. The Hospital also contributes 6% of the participant's compensation to either the 401(k) or 403(b) plan. The Hospital's total contributions to these plans totaled approximately $1,243,000 and $1,195,000 in 2012 and 2011, respectively, and are included in employee compensation expense.

5. Related-Party Transactions

Saint Francis Hospital (Saint Francis) pays for all capital acquisitions and operating expenses for the Hospital, including employee wages and benefits. The Hospital reimburses Saint Francis for amounts paid on its behalf. During fiscal years 2012 and 2011, charges from Saint Francis for capital acquisitions and operating expenses approximated $28,013,000 and $27,138,000, respectively.

At June 30, 2012 and 2011, the Hospital had net amounts receivable from affiliates or from the Hospital of approximately $216,000 and $246,000 at June 30, 2012 and 2011, respectively, for employee benefits and other operating expenses paid by the Hospital on behalf of various affiliates within the Hospital, net of expenses paid on behalf of the Hospital. These balances are reported in prepaid expenses and other receivables or accounts payable in the accompanying statements of financial position.

6. Contingencies

The Hospital is a party to a number of lawsuits and claims alleging medical malpractice. Management has accrued for its best estimate of its self-insured loss exposure. Management of the Hospital, after consulting with legal counsel, believes that the ultimate resolution of these lawsuits will not have a material effect on the financial condition of the Hospital.

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