



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



Form 990

Return of Organization Exempt From Income Tax

2011

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

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 11-01-2011 and ending 10-31-2012

B Check if applicable	C Name of organization VALLEY PRESBYTERIAN HOSPITAL	D Employer identification number 95-1945832
<input type="checkbox"/> Address change	Doing Business As	E Telephone number (818) 782-6600
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address) 15107 VANOWEN STREET	F Gross receipts \$ 335,098,667
<input type="checkbox"/> Initial return	Room/suite	
<input type="checkbox"/> Terminated		
<input type="checkbox"/> Amended return		
<input type="checkbox"/> Application pending	City or town, state or country, and ZIP + 4 VAN NUYS, CA 91405	
	F Name and address of principal officer LORI CARDLE 15107 VANOWEN STREET VAN NUYS, CA 91405	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
		H(c) Group exemption number ►

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

J Website: ► N/A

K Form of organization Corporation Trust Association Other ► L Year of formation 1948 M State of legal domicile CA

Part I Summary

1 Briefly describe the organization's mission or most significant activities VALLEY PRESBYTERIAN HOSPITAL EXISTS TO IMPROVE THE QUALITY OF HEALTH IN OUR COMMUNITY	
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 14
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 8
5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5 1,938
6 Total number of volunteers (estimate if necessary)	6 382
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

8 Contributions and grants (Part VIII, line 1h)	Prior Year 600,982	Current Year 713,476
9 Program service revenue (Part VIII, line 2g)	294,119,036	327,823,317
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	142,717	121,030
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,208,799	6,180,749
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	299,071,534	334,838,572

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,928,288	1,900,121
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)	124,504,701	135,608,626
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)	149,672,664	173,626,346
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	276,105,653	311,135,093
19 Revenue less expenses Subtract line 18 from line 12	22,965,881	23,703,479

20 Total assets (Part X, line 16)	Beginning of Current Year 173,472,084	End of Year 199,180,714
21 Total liabilities (Part X, line 26)	89,678,524	90,847,604
22 Net assets or fund balances Subtract line 21 from line 20	83,793,560	108,333,110

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 LORI CARDLE SVP FINANCE/COFO Type or print name and title	2013-09-16 Date
-----------	---	--------------------

Paid Preparer's Use Only	Preparer's signature ► RENIE BURBANK	Date	Check if self-employed ► <input type="checkbox"/>	Preparer's taxpayer identification number (see instructions) P00159653
	Firm's name (or yours if self-employed), address, and ZIP + 4 ► MOSS ADAMS LLP 101 SECOND STREET 9TH FLOOR SAN FRANCISCO, CA 94105			EIN ► 91-0189318
				Phone no ► (415) 956-1500

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

Part III Statement of Program Service Accomplishments

Check if Schedule Q contains a response to any question in this Part II.

y describe the organization's mission

VALLEY PRESBYTERIAN HOSPITAL EXISTS TO IMPROVE THE QUALITY OF HEALTH IN OUR COMMUNITY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If "Yes," describe these new services on Schedule C.

Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any programs or services?

If "Yes," describe these changes on Schedule C.

Yes No

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 \$ 266,252,593 including grants of \$) (Revenue \$ 327,823,317)
SEE SCHEDULE O

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

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

4d Other program services (Describe in Schedule O)

(Expenses \$

including grants of \$

) (Revenue

4e Total program service expenses: \$

266 252 593

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A.

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

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.

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.

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.

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.

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.

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III.

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.

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.

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.
- 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.
- 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.
- 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.
- e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part 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 XI.

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

- 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.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.

14a Did the organization maintain an office, employees, or agents outside of the United States?

- b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I.

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U.S.? If "Yes," complete Schedule F, Part II and IV.

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U.S.? If "Yes," complete Schedule F, Part III and IV.

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.

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.

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.

20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H.

- b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements.

	Yes	No
1	Yes	
2	Yes	
3		No
4	Yes	
5		No
6		No
7		No
8		No
9		No
10		No
11a	Yes	
11b		No
11c		No
11d	Yes	
11e	Yes	
11f	Yes	
12a	Yes	
12b		No
13		No
14a		No
14b		No
15		No
16		No
17		No
18	Yes	
19		No
20a	Yes	
20b	Yes	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25	24a	No	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No	
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	No	
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	No	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	No	
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a	No	
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	No	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? If "Yes," complete Schedule L, Part IV	29	No	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	No	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31	No	
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32	No	
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33	No	
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	34	No	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	35a	No	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35b	No	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36	No	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37	No	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	38	Yes	
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			

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	327
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	1,938
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes
<p>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</p>			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a	No
b	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).	7a	Yes
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?	7b	Yes
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	No
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
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?	9a	
9	Sponsoring organizations maintaining donor advised funds.	9b	
a	Did the organization make any taxable distributions under section 4966?	10a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	10b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	11a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	11b	
11	Section 501(c)(12) organizations. Enter	12a	
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?	12b	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	13a	
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state	13b	
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13c	
c	Enter the aggregate amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

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

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year

1a 14

1b 8

b Enter the number of voting members included in line 1a, above, who are independent

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?

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?

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?

5 Did the organization become aware during the year of a significant diversion of the organization's assets?

6 Did the organization have members or stockholders?

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?

b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

a The governing body?

b Each committee with authority to act on behalf of the governing body?

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

	Yes	No
1a		
1b		
2		No
3		No
4		No
5		No
6		No
7a		No
7b		No
8a	Yes	
8b	Yes	
9		No

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

10a Did the organization have local chapters, branches, or affiliates?

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?

11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?

b Describe in Schedule O the process, if any, used by the organization to review the Form 990

12a Did the organization have a written conflict of interest policy? If "No," go to line 13

b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done

13 Did the organization have a written whistleblower policy?

14 Did the organization have a written document retention and destruction policy?

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

b Other officers or key employees of the organization

If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)

16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

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?

	Yes	No
10a		No
10b		
11a	Yes	
12a	Yes	
12b	Yes	
12c	Yes	
13	Yes	
14	Yes	
15a	Yes	
15b	Yes	
16a		No
16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed

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

Own website Another's website Upon request

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

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

LORI CARDLE
15107 VANOWEN ST
VAN NUYS, CA 91405
(818) 782-6600

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 VI

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee.

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

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 **►274**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
PREFERRED IPA 1025 N BRAND BLVD 100 GLENDALE, CA 91202	MEDICAL SERVICES	7,275,929
BLUMBERG RIBNER INC 315 S BEVERLY DR 505 BEVERLY HILLS, CA 90212	HEALTHCARE CONSULTANTS	2,796,101
COMMUNITY FAMILY CARE MEDICAL GROUP 19210 S VERNON AVE STE 400 GARDENA, CA 90048	MEDICAL SERVICES	2,420,540
REHABCARE GROUP PO BOX 502096 ST LOUIS, MO 63150	HEALTHCARE MANAGEMENT	2,346,577
ST VINCENT ANESTHESIA MEDICAL PO BOX 50045 PASADENA, CA 91115	ANESTHESIA SERVICES	1,637,500

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 **56**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514			
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a							
	b Membership dues	1b							
	c Fundraising events	1c	71,442						
	d Related organizations	1d							
	e Government grants (contributions)	1e	100,595						
	f All other contributions, gifts, grants, and similar amounts not included above	1f	541,439						
	g Noncash contributions included in lines 1a-1f \$								
	h Total. Add lines 1a-1f		713,476						
Program Service Revenue	Business Code								
			2a PATIENT SERVICE REV	621110	327,142,186	327,142,186			
			b EXEMPT ORG RENT	531120	681,131	681,131			
			c						
			d						
			e						
			f All other program service revenue						
			g Total. Add lines 2a-2f		327,823,317				
Other Revenue									
			3 Investment income (including dividends, interest and other similar amounts)		94,902		94,902		
			4 Income from investment of tax-exempt bond proceeds						
			5 Royalties						
			6a Gross rents	(i) Real					
				209,331					
			b Less rental expenses	(ii) Personal					
				13,437					
c Rental income or (loss)		195,894							
d Net rental income or (loss)			195,894		195,894				
7a Gross amount from sales of assets other than inventory	(i) Securities	231,027							
b Less cost or other basis and sales expenses	(ii) Other	204,899							
c Gain or (loss)		26,128							
d Net gain or (loss)			26,128		26,128				
8a Gross income from fundraising events (not including \$ 71,442 of contributions reported on line 1c) See Part IV, line 18									
b Less direct expenses	a	27,408							
c Net income or (loss) from fundraising events	b	41,759							
d			-14,351		-14,351				
9a Gross income from gaming activities See Part IV, line 19	a								
b Less direct expenses	b								
c Net income or (loss) from gaming activities									
10a Gross sales of inventory, less returns and allowances	a								
b Less cost of goods sold	b								
c Net income or (loss) from sales of inventory									
Miscellaneous Revenue		Business Code							
11a OTHER REVENUE		900099	4,813,871		4,813,871				
b FOOD SALES		722210	919,381		919,381				
c GIFT SHOP REVENUE		453220	265,954		265,954				
d All other revenue									
e Total. Add lines 11a-11d			5,999,206						
12 Total revenue. See Instructions			334,838,572	327,823,317	0	6,301,779			

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	1,900,121	1,900,121		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,949,057		3,949,057	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	810,287		810,287	
7 Other salaries and wages	106,131,506	91,801,094	14,330,412	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,809,318	1,869,921	939,397	
9 Other employee benefits	13,929,461	9,585,423	4,344,038	
10 Payroll taxes	7,978,997	6,844,248	1,134,749	
11 Fees for services (non-employees)				
a Management				
b Legal	494,771		494,771	
c Accounting	256,618		256,618	
d Lobbying				
e Professional fundraising See Part IV, line 17				
f Investment management fees				
g Other	25,379,877	18,948,488	6,431,389	
12 Advertising and promotion				
13 Office expenses	6,697,434	5,178,781	1,518,653	
14 Information technology	1,680,212		1,680,212	
15 Royalties				
16 Occupancy	4,697,381		4,697,381	
17 Travel	124,139	23,873	100,266	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	1,556,772		1,556,772	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	7,169,554	6,350,332	819,222	
23 Insurance	1,819,276		1,819,276	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a CAPITATION EXPENSES	41,887,621	41,887,621		
b MEDICAL SUPPLIES	36,612,816	36,612,816		
c PROVIDER PROGRAM FEES	31,797,010	31,797,010		
d BAD DEBT EXPENSE	9,298,869	9,298,869		
e				
f All other expenses	4,153,996	4,153,996		
25 Total functional expenses. Add lines 1 through 24f	311,135,093	266,252,593	44,882,500	0
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	3,195,285	1 5,407,167
	2 Savings and temporary cash investments	34,989,922	2 39,672,379
	3 Pledges and grants receivable, net	799,355	3 803,520
	4 Accounts receivable, net	25,057,125	4 29,195,045
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L	6	
	7 Notes and loans receivable, net	7	
	8 Inventories for sale or use	3,709,422	8 3,669,608
	9 Prepaid expenses and deferred charges	8,611,675	9 1,897,318
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 237,885,991	
	b Less accumulated depreciation	10b 156,510,765	80,221,233 10c 81,375,226
	11 Investments—publicly traded securities	11	
	12 Investments—other securities See Part IV, line 11	5,293,506	12 6,362,486
	13 Investments—program-related See Part IV, line 11	13	
	14 Intangible assets	14	
	15 Other assets See Part IV, line 11	11,594,561	15 30,797,965
	16 Total assets. Add lines 1 through 15 (must equal line 34)	173,472,084	16 199,180,714
Liabilities	17 Accounts payable and accrued expenses	45,383,170	17 56,303,066
	18 Grants payable	18	
	19 Deferred revenue	15,494,241	19 0
	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	14,987,284	23 20,636,447
	24 Unsecured notes and loans payable to unrelated third parties	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	13,813,829	25 13,908,091
	26 Total liabilities. Add lines 17 through 25	89,678,524	26 90,847,604
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	78,790,854	27 103,544,286
	28 Temporarily restricted net assets	5,002,706	28 4,788,824
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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	83,793,560	33 108,333,110
	34 Total liabilities and net assets/fund balances	173,472,084	34 199,180,714

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	334,838,572
2	Total expenses (must equal Part IX, column (A), line 25)	2	311,135,093
3	Revenue less expenses Subtract line 2 from line 1	3	23,703,479
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	83,793,560
5	Other changes in net assets or fund balances (explain in Schedule O)	5	836,071
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	108,333,110

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? <input type="checkbox"/>	2a	No
2b Were the organization's financial statements audited by an independent accountant? <input type="checkbox"/>	2b	Yes
2c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O <input type="checkbox"/>	2c	Yes
2d 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 <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? <input type="checkbox"/>	3a	No
3b 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 <input type="checkbox"/>	3b	

2011

Open to Public
Inspection**SCHEDULE A**
(Form 990 or 990EZ)**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.

Department of the Treasury
Internal Revenue ServiceName of the organization
VALLEY PRESBYTERIAN HOSPITAL

Employer identification number

95-1945832

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

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

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

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

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

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

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

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

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

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

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

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

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

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 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?

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

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

(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	
Total									

Part II Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						►

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14
15 Public Support Percentage for 2010 Schedule A, Part II, line 14	15
16a 33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization	►
b 33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization	►
17a 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization	►
b 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization	►
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions	►

Part III Support Schedule for Organizations Described in IRC 509(a)(2)

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support (Add lines 9, 10c, 11 and 12)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18
19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
b 33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions	

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

Facts And Circumstances Test

Explanation

SCHEDULE C
(Form 990 or 990-EZ)**Political Campaign and Lobbying Activities****2011****For Organizations Exempt From Income Tax Under section 501(c) and section 527**

► Complete if the organization is described below.
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

**Open to Public
Inspection**

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization VALLEY PRESBYTERIAN HOSPITAL	Employer identification number 95-1945832
--	--

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

- 1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV
- 2 Political expenditures ► \$ _____
- 3 Volunteer hours

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

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ► \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ _____
- 3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ► \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount Enter the amount from the following table in both columns			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a If zero or less, enter -0-			
i Subtract line 1f from line 1c If zero or less, enter -0-			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

4-Year Averaging Period Under Section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		No	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c Media advertisements?		No	
d Mailings to members, legislators, or the public?		No	
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?		No	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i Other activities? If "Yes," describe in Part IV	Yes		76,271
j Total lines 1c through 1i			76,271
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1 Dues, assessments and similar amounts from members	1
2 Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	
a Current year	2a
b Carryover from last year	2b
c Total	2c
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4
5 Taxable amount of lobbying and political expenditures (see instructions)	5

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF LOBBYING ACTIVITIES	PART II-B, LINE 1	THE ORGANIZATION PAYS MEMBERSHIP DUES TO THE CALIFORNIA HOSPITAL ASSOCIATION (CHA), HOSPITAL ASSOCIATION OF SOUTHERN CALIFORNIA (HASC), AND PRIVATE ESSENTIAL ACCESS COMMUNITY HOSPITALS, INC (PEACH) A PORTION OF THE DUES PAID ARE USED FOR LOBBYING ACTIVITIES BY CHA, HASC AND PEACH ON BEHALF OF THEIR MEMBERS

SCHEDULE D
(Form 990)**Supplemental Financial Statements****2011****Open to Public
Inspection**Department of the Treasury
Internal Revenue Service

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
 ► Attach to Form 990. ► See separate instructions.

Name of the organization
VALLEY PRESBYTERIAN HOSPITAL**Employer identification number**

95-1945832

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically importantly land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year

► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

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

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

b Assets included in Form 990, Part X ► \$ _____

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

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

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

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
1c	
1d	
1e	
1f	

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

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

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

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

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

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

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

(i) unrelated organizations
 (ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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		1,587,222			1,587,222
b Buildings		137,524,403	86,904,683		50,619,720
c Leasehold improvements					
d Equipment		96,751,495	69,606,082		27,145,413
e Other		2,022,871			2,022,871
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)					81,375,226

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

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

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

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

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

(a) Description	(b) Book value
(1) SELF INSURANCE RESERVE	-7,777
(2) OTHER RECEIVABLES	30,805,742
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.) ►	30,797,965

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
SELF INSURANCE RESERVES	12,042,574
ANNUITY AND TRUST PAYABLE	1,865,517
Total. (Column (b) should equal Form 990, Part X, col (B) line 25.) ►	13,908,091

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 Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	334,838,572
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	311,135,093
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	23,703,479
4	Net unrealized gains (losses) on investments	4	85,144
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	750,927
9	Total adjustments (net) Add lines 4 - 8	9	836,071
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	24,539,550

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	333,787,959
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	85,144
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	750,928
e	Add lines 2a through 2d	2e	836,072
3	Subtract line 2e from line 1	3	332,951,887
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	1,886,685
c	Add lines 4a and 4b	4c	1,886,685
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	334,838,572

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

1	Total expenses and losses per audited financial statements	1	309,248,409
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	309,248,409
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	1,886,684
c	Add lines 4a and 4b	4c	1,886,684
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	311,135,093

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE HOSPITAL RECOGNIZES THE TAX BENEFIT FROM UNCERTAIN TAX POSITIONS ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITIONS WILL BE SUSTAINED ON EXAMINATION BY THE TAX AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFIT IS MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT. THERE WERE NO UNCERTAIN TAX POSITIONS AS OF OCTOBER 31, 2012 OR 2011.
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS 750,928 ROUNDING -1 TOTAL TO SCHEDULE D, PART XI, LINE 8 750,927
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS 750,928
PART XII, LINE 4B - OTHER ADJUSTMENTS		RECLASSIFICATION OF RENTAL EXPENSES -13,437 RECLASSIFICATION OF GRANT EXPENSE 1,900,121 ROUNDING 1
PART XIII, LINE 4B - OTHER ADJUSTMENTS		RECLASSIFICATION OF RENTAL EXPENSES -13,437 RECLASSIFICATION OF GRANT EXPENSES 1,900,121

SCHEDULE G
(Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions

Name of the organization

VALLEY PRESBYTERIAN HOSPITAL

Employer identification number

95-194583

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

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

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

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

Yes No

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

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

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

		(a) Event #1 GOLF TOURNAMENT (event type)	(b) Event #2 (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
1	Gross receipts . . .	98,850			98,850
2	Less Charitable contributions . . .	71,442			71,442
3	Gross income (line 1 minus line 2) . . .	27,408			27,408
4	Cash prizes . . .	450			450
5	Non-cash prizes . . .	3,113			3,113
6	Rent/facility costs . . .	20,035			20,035
7	Food and beverages . . .	516			516
8	Entertainment . . .	1,975			1,975
9	Other direct expenses . . .	15,670			15,670
10	Direct expense summary Add lines 4 through 9 in column (d)				(41,759)
11	Net income summary Combine lines 3 and 10 in column (d)				-14,351

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

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

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

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

b If "No," Explain _____

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

b If "Yes," Explain _____

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

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

13 Indicate the percentage of gaming activity operated in

13a	
13b	

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

Name ►

Address ►

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

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

c If "Yes," enter name and address

Name ►

Address ►

16 Gaming manager information

Name ►

Gaming manager compensation ► \$ _____

Description of services provided ►

Director/officer

Employee

Independent contractor

17 Mandatory distributions

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

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

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

Identifier

ReturnReference

Explanation

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.

Name of the organization

Employer identification number

95-1945832

Part I Charity Care and Certain Other Community Benefits at Cost

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			2,443,697		2,443,697	0 810 %
b Medicaid (from Worksheet 3, column a)			163,508,313	140,265,228	23,243,085	7 700 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			7,877,902	1,301,840	6,576,062	2 180 %
d Total Charity Care and Means-Tested Government Programs			173,829,912	141,567,068	32,262,844	10 690 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			532,610		532,610	0 180 %
f Health professions education (from Worksheet 5)			368,000		368,000	0 120 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total Other Benefits			900,610		900,610	0 300 %
Total All Items 7 and 8			174,730,522	141,567,068	33,163,454	19 290 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			76,000		76,000	0 030 %
8 Workforce development						
9 Other						
10 Total			76,000		76,000	0 030 %

Part III Bad Debt, Medicare, & Collection Practices
Section A. Bad Debt Expense

1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?

2 Enter the amount of the organization's bad debt expense

3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy

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

	Yes	No
1	Yes	
2	9,298,869	
3	8,500,000	
5	73,631,921	
6	77,894,871	
7	-4,262,950	
9a	Yes	
9b	Yes	

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)

6 Enter Medicare allowable costs of care relating to payments on line 5

7 Subtract line 6 from line 5. This is the surplus or (shortfall)

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used

Cost accounting system

Cost to charge ratio

Other

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

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

Name and address

Other (Describe)

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)

VALLEY PRESBYTERIAN HOSPITAL

Name of Hospital Facility: _____

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1 Yes	
If "Yes," indicate what the Needs Assessment describes (check all that apply)		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 <u>11</u>		
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 Yes	
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 Yes	
5 Did the hospital facility make its Needs Assessment widely available to the public?	5 Yes	
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)		
a <input checked="" type="checkbox"/> Hospital facility's website		
b <input checked="" type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Development of a community-wide community benefit plan for the facility		
d <input checked="" type="checkbox"/> Participation in community-wide community benefit plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in the community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7	No
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that		
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8 Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9 Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care <u>350 000000000000%</u>		
If "No," explain in Part VI the criteria the hospital facility used		

Part V Facility Information (continued)

	Yes	No
10 Used FPG to determine eligibility for providing discounted care?	10 Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>350 000000000000%</u> If "No," explain in Part VI the criteria the hospital facility used		
11 Explained the basis for calculating amounts charged to patients?	11 Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)		
a <input checked="" type="checkbox"/> Income level		
b <input checked="" type="checkbox"/> Asset level		
c <input checked="" type="checkbox"/> Medical indigency		
d <input checked="" type="checkbox"/> Insurance status		
e <input checked="" type="checkbox"/> Uninsured discount		
f <input checked="" type="checkbox"/> Medicaid/Medicare		
g <input checked="" type="checkbox"/> State regulation		
h <input type="checkbox"/> Other (describe in Part VI)		
12 Explained the method for applying for financial assistance?	12 Yes	
13 Included measures to publicize the policy within the community served by the hospital facility?	13 Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		
a <input type="checkbox"/> The policy was posted at all times on the hospital facility's web site		
b <input type="checkbox"/> The policy was attached to all billing invoices		
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e <input type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility		
f <input checked="" type="checkbox"/> The policy was available upon request		
g <input checked="" type="checkbox"/> Other (describe in Part VI)		
Billing and Collections		
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14 Yes	
15 Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP		
a <input checked="" type="checkbox"/> Reporting to credit agency		
b <input checked="" type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments or arrests		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16 Yes	
If "Yes," check all actions in which the hospital facility or a third party engaged		
a <input checked="" type="checkbox"/> Reporting to credit agency		
b <input checked="" type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)		
a <input checked="" type="checkbox"/> Notified patients of the financial assistance policy upon admission		
b <input checked="" type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c <input checked="" type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d <input checked="" type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy		
e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued)**Policy Relating to Emergency Medical Care**

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?

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)

	Yes	No
18	Yes	

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care

- a** The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b** The hospital facility used the average of 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		No
21		No

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?

If "Yes," explain in Part VI

21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?

If "Yes," explain in Part VI

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

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

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

Part VI Supplemental Information

Complete this part to provide the following information

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6l, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 7, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS \$ 9298869

Identifier	ReturnReference	Explanation
		PART II SEE FORM 990, PART III, LINE 4A AND SCHEDULE O

Schedule H (Form 990) 2011

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS DO NOT INCLUDE A BAD DEBT FOOTNOTE THE FOOTNOTE FROM THE AUDITED FINANCIAL STATEMENT THAT ADDRESSES ACCOUNTS RECEIVABLE IS AS FOLLOWS THE HOSPITAL CARRIES ITS ACCOUNTS RECEIVABLE AT BILLED AMOUNTS LESS ALLOWANCES FOR CONTRACTUAL ADJUSTMENTS AND UNCOLLECTIBLE ACCOUNTS THE HOSPITAL DOES NOT ACCRUE INTEREST ON ITS RECEIVABLES ON A PERIODIC BASIS, THE HOSPITAL EVALUATES ITS ACCOUNTS RECEIVABLE AND ESTABLISHES ALLOWANCES BASED ON CONTRACTUAL ARRANGEMENTS, HISTORY OF PAST WRITE-OFFS AND COLLECTIONS AND CURRENT CREDIT CONDITIONS THE HOSPITAL'S POLICY FOR WRITING OFF RECEIVABLES AS UNCOLLECTIBLE VARIES BASED ON THE PAYER ARRANGEMENTS AND MANAGEMENT'S ESTIMATE OF THE CUSTOMER'S ABILITY TO PAY

Identifier	ReturnReference	Explanation
VALLEY PRESBYTERIAN HOSPITAL		<p>PART V, SECTION B, LINE 3 COMMUNITY INPUT VPH TOOK INTO ACCOUNT INPUT FROM PERSONS WHO REPRESENT THE COMMUNITY SERVED INPUT WAS RECEIVED FROM HOSPITALS, COMMUNITY HEALTH CARE LEADERS AND BUSINESS LEADERS WE ALSO SOUGHT INPUT FROM COMMUNITY BASED ORGANIZATIONS (CBOS) AND PUBLIC ENTITIES THE HOSPITAL CONSULTED THE "PERSONS" THROUGH IN PERSON FOCUS GROUPS, TELEPHONE AND THROUGH WRITTEN SURVEYS THE FIRST SURVEY WAS CONDUCTED BY CSUN AND DATA WAS RECEIVED FROM 120 COMMUNITY BASED ORGANIZATIONS THE SECOND SURVEY WAS DISTRIBUTED TO 250 VIA EMAIL OTHER SURVEYS WERE DISTRIBUTED AT CHNA MEETINGS FROM NOVEMBER 2009 THROUGH 2010 THROUGH THIS PROCESS, WE RECEIVED 109 COMPLETED SURVEYS THE LIST OF CHNA "PARTICIPANTS" CONSISTED OF PERSONS CONSULTED DURING THE PROCESS, ALL WHOM PARTICIPATED BY IDENTIFYING COMMUNITY HEALTH NEEDS THE MEMBERS OF THE COMMUNITY PARTICIPANTS CONSISTED OF ABODE COMMUNITIESACCESS TO CARE GLENDALE HEALTHY KIDSADVANCE HEALTH MEDICAL GROUP HAVEN HILLSALLIANCE FOR A BETTER COMMUNITY AMERICAN CANCER SOCIETY SFV HILLVIEW MENTAL HEALTH CENTER, INC AMERICAN DIABETES ASSOCIATION LA HOMES FOR LIFE FOUNDATION AMERICAN HEART ASSOCIATION IMMUNIZATION PROGRAM PUBLIC HEALTHARTHROSIS FOUNDATION VALLEY BRANCH JEWISH FAMILY SERVICES LOS ANGELESBOYS AND GIRLS CLUB JEWISH FAMILY SERVICES VALLEY STORE FRONTBRODOS READY FOR SCHOOL FAMILY CHILD AND FAMILY GUIDANCE CENTER CHILD CARE RESOURCE CENTER KIDS COMMUNITY DENTAL CLINICCHILD DEVELOPMENT INSTITUTE LA COUNTY AREA AGENCY ON AGINGCHRYSLIS LA FAMILY HOUSINGCITY OF LOS ANGELES COUNCIL DISTRICT 7 LA VALLEY COLLEGECITY OF LOS ANGELES, OFFICE OF MAYOR LAC DEPT OF HEALTH SERVICESCOLUMBUS SCHOOL BASED CLINIC LAC DEPT OF HEALTH SERVICES OFFICE OF AMBULATORY CARECOMPREHENSIVE COMMUNITY HEALTH CENTERS LAC DEPT OF HEALTH SERVICES OFFICE OF PLANNING & DEVELOPMENTCOMMUNITY CLINIC ASSOCIATION LOS ANGELES COUNTY LAC DEPT OF MENTAL HEALTHCOUNCIL MEMBER GRIEG SMITH LAC DEPT OF PUBLIC HEALTHCRECENTA VALLEY YMCA LAC DEPT OF PUBLIC HEALTH OFFICE HEALTH ASSESSMENT & EPIDEMIOLOGYCRI-HELP INC LAC PROBATION DEPARTMENTDEL-CARMEN MEDICAL CENTER LACDA VICTIM WITNESS ASSISTANCEECONOMIC ALLIANCE OF THE SAN FERNANDO VALLEY LA HEALTH ACTIONEL CENTRO DE AMISTAD LAUSD DISTRICT 1EI NIDO FAMILY CENTERS LAUSD DISTRICT 2EL PROYECTO DEL BARRIO LUTHERAN SOCIAL SERVICEFAMILY CARE PARTNERSHIP MEET EACH NEED WITH DIGNITY/MENDFRIENDS OF THE FAMILY GARY HERMAN DDS, INC MISSION CITY COMMUNITY HOSPITAL UCLA DENTAL CLINICNEIGHBORHOOD LEGAL SERVICES MISSION CITY COMMUNITY NETWORK, INC NEW DIRECTIONS SANTA CLARITA ADULT DAY HEALTHNORTHEAST VALLEY HEALTH CORPORATION, CANOGA PARK SANTA CLARITA COMMUNITY DEV CORP NORTH EAST VALLEY HEALTH CORPORATION, PACOIMA NORTH EAST VALLEY HEALTH CORPORATION, SAN FERNANDO TARZANA TREATMENT CENTER, NORTH RIDGENORTHEAST VALLEY HOMELESS HEALTH CLINIC TARZANA TREATMENT CENTER, RESEDA THE HELP GROUPOVARIAN CANCER COALITION THE VILLAGE CANOGA PARK READY FOR SCHOOLPACIFIC ASIAN COUNSELING SERVICES TRANSIT COALITION-CHAMBER OF COMMERCEPARTNERS IN CARE FOUNDATION UCAL SCHOOL OF DENTISTRYPEOPLE IN PROGRESS URBAN EDUCATION OF HEALTH SERVICESPHILLIPS GRADUATE INSTITUTE PPA NORTH HOLLYWOOD HEALTH CENTER VALLEY COMMUNITY CLINICPROJECT GRAD LOS ANGELES (PGLA) VALLEY COMMUNITY TEEN CLINICPROJECT SAFE VALLEY NON PROFIT HUMAN INTERACTION RESEARCH INSTITUTEPROJECT YOUTH GREEN PROVIDENCE CENTER FOR COMMUNITY HEALTH VALLEY TRAUMA CENTERPROVIDENCE SENIOR OUTREACH AND SCHOOL PROGRAMS VALLEY VIEW FAMILY CLINICVERDUGO MENTAL HEALTH CENTERVOA HEAD START AND EARLY STARTVOLUNTEERS OF AMERICA LA HEAD START & EARLY HEAD STARTPUEBLO Y SALUD INC WELLNESS WORKS INC SAN FERNANDO VALLEY DENTAL SOCIETY ZEV YAROSLAVSKY THIRD DISTRICT OFFICESAN FERNANDO COMMUNITY MENTAL HEALTH, INC SAN FERNANDO COMMUNITY MENTAL HEALTH CORNERSTONE</p>

Identifier	ReturnReference	Explanation
VALLEY PRESBYTERIAN HOSPITAL		PART V, SECTION B, LINE 4 LIST OF OTHER HOSPITAL PARTICIPANTS CONSISTED OF GLENDALE ADVENTIST HOSPITALHENRY MAYO NEWHALL MEMORIAL HOSPITALKAISE PERMANENTE PANORAMA CITYKAISE PERMANENTE WOODLAND HILLSMISSION CITY COMMUNITY HOSPITALNORTHRIDGE HOSPITAL MEDICAL CENTER PROVIDENCE HOLY CROSS PROVIDENCE SAINT JOSEPH MEDICAL CENTERPROVIDENCE TARZANA MEDICAL CENTER SHERMAN OAKS HOSPITAL SAGE PROGRAMVALLEY CARE OLIVE VIEW-UCLA

Identifier	ReturnReference	Explanation
VALLEY PRESBYTERIAN HOSPITAL		PART V, SECTION B, LINE 7 THE CURRENT COMMUNITY HEALTH NEEDS ASSESSMENT WAS REVIEWED AND ANALYZED PRIORITY HEALTH CARE NEEDS WERE IDENTIFIED AND A WRITTEN PLAN WAS CREATED THE PLAN PROVIDED GUIDELINES FOR CREATING A COMMUNITY DEVELOPMENT PROGRAM AND INCLUDED OBJECTIVES FOR REACHING THE SPANISH SPEAKING MARKET, CREATION AND IMPLEMENTATION OF SEVERAL NEW COMMUNITY EDUCATION PROGRAMS, HEALTH EDUCATION INFORMATION (CHILDBIRTH AND DIABETES EDUCATION, AS AN EXAMPLE) AND THE CREATION OF A EMPLOYEE VOLUNTEER PROGRAM THE PLAN WAS REVIEWED AND APPROVED BY A COMMITTEE OF THE BOARD OF DIRECTORS IN 2012

Identifier	ReturnReference	Explanation
VALLEY PRESBYTERIAN HOSPITAL		PART V, SECTION B, LINE 13G OTHER MEASURES TO PUBLICIZE THE FINANCIAL ASSISTANCE POLICY WITHIN THE COMMUNITY SERVED IS THROUGH FINANCIAL COUNSELING IF IDENTIFIED AS UNDERINSURED

Schedule H (Form 990) 2011

Identifier	ReturnReference	Explanation
VALLEY PRESBYTERIAN HOSPITAL		PART V, SECTION B, LINE 19D THE HOSPITAL FACILITY BILLED 110% OF MEDICARE RATE TO INDIVIDUALS FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE

Schedule H (Form 990) 2011

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 2 COMMUNITY NEEDS ASSESSMENT AND PLANNING PROCESS VALLEY PRESBYTERIAN HOSPITAL PARTICIPATES IN THE TRIENNIAL SAN FERNANDO/SANTA CLARITA VALLEY COMMUNITY NEEDS ASSESSMENT PROCESS THAT BEGAN IN 1997 THIS LARGE CONSORTIUM OF HEALTH CARE AND SOCIAL SERVICE PROVIDERS IS CURRENTLY CONDUCTING RESEARCH AND WILL PRODUCE ITS SIXTH TRIENNIAL REPORT BY LATE SUMMER 2013 THE COPY OF THE 2010 COMMUNITY NEEDS ASSESSMENT CONTAINS THE NAMES OF THE PARTICIPATING ORGANIZATIONS AND A DESCRIPTION OF THE COLLABORATION PROCESS THE SURVEY'S FINDINGS, ALONG WITH VARIOUS INTERNAL AND EXTERNAL ANALYSES, ARE USED TO ASSIST VALLEY PRESBYTERIAN HOSPITAL IN DETERMINING THE TYPES OF SERVICE MODIFICATIONS AND PROGRAMS THAT IT SHOULD CONSIDER TO ADDRESS THE NEEDS OF ITS COMMUNITY THERE ARE FOUR KEY STEPS IN THE PLANNING PROCESS THAT DIRECTS OUR COMMUNITY DEVELOPMENT PROGRAM PLANNING THESE FOUR STEPS INCLUDE 1 REVIEW OF COMMUNITY NEEDS ASSESSMENT EVERY YEAR, VALLEY PRESBYTERIAN HOSPITAL REVIEWS CURRENT COMMUNITY PROGRAMS FOR RE-EVALUATION AND MEASUREMENT 2 CREATION OF NEW PROGRAMS USING THE INFORMATION FROM THE COMMUNITY NEEDS ASSESSMENT AND THROUGH INTERACTION WITH COMMUNITY LEADERS, VALLEY PRESBYTERIAN HOSPITAL IDENTIFIES NEW PROGRAMS FOR IMPLEMENTATION 3 CREATION OF COMMUNITY STRATEGIC PLAN AN ANNUAL PLAN IS CREATED AND PRESENTED TO THE BOARD OF DIRECTORS FOR DISCUSSION AND APPROVAL 4 PROGRAM DESIGN AND IMPLEMENTATION WHEN THE PLAN IS APPROVED, CURRENT COMMUNITY PROGRAMS ARE REVISED AND OR ENHANCED, IF NECESSARY NEW COMMUNITY PROGRAMS ARE CREATED AND IMPLEMENTED</p>

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 3 PATIENT EDUCATION A PACKET IS GIVEN TO ANY PATIENT IDENTIFIED AS SELF PAY OR UNINSURED FINANCIAL ASSISTANCE PROGRAM - UNINSURED OR UNDERINSURED PATIENTS WHO ARE UNABLE TO PAY THEIR BILL MAY BE ELIGIBLE FOR 100% FINANCIAL ASSISTANCE, LEAVING NO FINANCIAL OBLIGATION TO THE HOSPITAL FOR THE BILL</p> <p>QUALIFICATIONS ARE BASED UPON VERIFIABLE INCOME, FAMILY SIZE AND CURRENT FEDERAL POVERTY</p> <p>GUIDELINES TO QUALIFY FOR VALLEY PRESBYTERIAN HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM, REQUIRED DOCUMENTATION MUST BE SUBMITTED WITHIN 15 DAYS OF DISCHARGE FROM THE</p> <p>HOSPITAL UNINSURED DISCOUNT RATE - VALLEY PRESBYTERIAN HOSPITAL OFFERS DAILY RATES FOR INPATIENT SERVICES AND A SIGNIFICANTLY REDUCED CHARGE RATE FOR OUTPATIENT SERVICES THE</p> <p>DISCOUNT IS SIMILAR TO RATES PAID BY MEDICARE AND IS OFFERED UNDER THE UNINSURED DISCOUNT</p> <p>PROGRAM VALLEY PRESBYTERIAN HOSPITAL'S THREE MATERNITY PLANS ARE AS FOLLOWS - NORMAL DELIVERY UP TO A 2-DAY STAY - \$3,000,- C-SECTION UP TO A 3-DAY STAY - \$5,000,- C-SECTION 4-DAY STAY - \$6,500</p> <p>DURING THE ADMISSION, IF A PATIENT CHOOSES TO HAVE A CIRCUMCISION PERFORMED ON THE CHILD, IT IS INCLUDED IN THE MATERNITY PLAN IF A DECISION IS MADE TO PERFORM THE PROCEDURE ON AN OUTPATIENT SURGERY BASIS, THE COST WILL BE CALCULATED BASED ON THE CALCULATION FOR</p> <p>OUTPATIENT UNINSURED DISCOUNT RATES PAYMENT PLANS - BALANCES ARE DUE UPON DISCHARGE FROM THE HOSPITAL IF THE PATIENT DOES NOT QUALIFY FOR STATE ASSISTANCE OR VALLEY PRESBYTERIAN HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM, PAYMENT ARRANGEMENTS MAY BE ESTABLISHED WITH VALLEY PRESBYTERIAN HOSPITAL'S FINANCIAL COUNSELOR PAYMENT ARRANGEMENTS MAY BE MADE WITH NO INTEREST PENALTIES DEFAULTING ON A PAYMENT PLAN WILL RESULT IN DISQUALIFICATION OF THIS OPTION MEDI-CAL AND GOVERNMENT PROGRAMS - PATIENTS MAY QUALIFY FOR GOVERNMENT PROGRAMS TO ASSIST WITH ALL OR PART OF THE HOSPITAL EXPENSES VALLEY PRESBYTERIAN HOSPITAL HAS AN INTERNAL MEDI-CAL ELIGIBILITY UNIT TO ASSIST PATIENTS WITH THE MEDI-CAL APPLICATION PROCESS (PATIENTS MAY RECEIVE BILLS FROM OTHER BILLING COMPANIES FOR ITEMS SUCH AS PHYSICIAN CHARGES, RADIOLOGY, AND AMBULANCE)</p>

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 COMMUNITY INFORMATION VALLEY PRESBYTERIAN HOSPITAL'S TOTAL SERVICE AREA IS COMPRISED OF ALMOST 17 MILLION PERSONS WITH A FORECASTED INCREASE OF 30% BY 2016 VALLEY PRESBYTERIAN HOSPITAL'S 2011 PRIMARY SERVICE AREA (PSA) (THE AREA THAT GENERATES 75% OF VALLEY PRESBYTERIAN HOSPITAL'S DISCHARGES) HAS A POPULATION OF NEARLY 1 MILLION AND INCLUDES 19 ZIP CODES THAT HAVE SOME OF THE LOWEST MEDIAN HOUSEHOLD INCOME LEVELS AND HIGHEST POPULATION DENSITIES IT INCLUDES THE COMMUNITIES OF VAN NUYS, PACOIMA, RESEDA, SUN VALLEY, CANOGA PARK, GRANADA HILLS, PANORAMA CITY, SAN FERNANDO, SYLMAR, NORTH HILLS, NORTH HOLLYWOOD, SHERMAN OAKS AND WINNETKA WITH THE EXCEPTION OF SAN FERNANDO, THE PSA IS PART OF THE CITY OF LOS ANGELES THE 2011 RACIAL/ETHNIC DISTRIBUTION IS - HISPANIC 57%- CAUCASIAN 22%- ASIAN OR PACIFIC ISLANDER 13%- AFRICAN-AMERICAN 4%- OTHER 4% IN THE PSA, APPROXIMATELY 27% OF THE RESIDENTS ARE ON MEDI-CAL AND APPROXIMATELY 28% ARE UNINSURED

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	CA

Schedule H (Form 990) 2011

2011

Open to Public
Inspection**Schedule I
(Form 990)****Grants and Other Assistance to Organizations,
Governments and Individuals in the United States**

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

► Attach to Form 990

Department of the Treasury
Internal Revenue Service

Name of the organization

VALLEY PRESBYTERIAN HOSPITAL

Employer identification number

95-1945832

Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" toForm 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ►

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) CALIFORNIA HEALTH FOUNDATION AND TRUST 1215 K STREET STE 800 SACRAMENTO, CA 95814	94-1498697	501(C)(3)	1,778,771				CA HOSPITAL PROVIDER PROGRAM
(2) LOS ANGELES COUNTY BUSINESS FEDERATION 1000 N ALAMEDA ST STE 240 LOS ANGELES, CA 90012	26-0295348	501(C)(6)	30,000				LOS ANGELES COUNTY BUSINESS DEVELOPMENT
(3) BOYS & GIRLS CLUB OF THE SAN FERNANDO VALLEY 11251 GLENOAKS BLVD PACOIMA, CA 91331	95-2468448	501(C)(3)	25,000				COMMUNITY SUPPORT
(4) CSUN FOUNDATION 18111 NORDHOFF STREET NORTHRIDGE, CA 91330	95-6196006	501(C)(3)	10,000				PERFORMING ARTS CENTER DONATION
(5) PARTNERS IN CARE FOUNDATION 732 MOTT ST STE 150 SAN FERNANDO, CA 91340	95-3954057	501(C)(3)	8,200				DEVELOP SOLUTIONS THAT IMPROVE HEALTH & SOCIAL SERVICES FOR INDIVIDUALS, FAMILIES, AND THEIR COMMUNITIES
(6) LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION 444 S FLOWER ST 37TH FL LOS ANGELES, CA 90071	95-3643339	501(C)(3)	5,000				SUPPORT FOR LA COUNTY ECONOMIC DEVELOPMENT EFFORTS
(7) LOS ANGELES FIRE DEPARTMENT FOUNDATION 1875 CENTURY PARK EAST STE 200 LOS ANGELES, CA 90067	27-2007326		5,000				PROVIDE ESSENTIAL EQUIPMENT, TECHNOLOGY AND TRAINING TO THE LA FIRE DEPARTMENT
(8) ARTHRITIS FOUNDATION 800 W 6TH ST STE 1250 LOS ANGELES, CA 90017	95-1885447	501(C)(3)	5,000				FUND ARTHRITIS RESEARCH AND EDUCATION PROGRAMS
(9) BARLOW FOUNDATION 2000 STADIUM WAY LOS ANGELES, CA 90026	95-4560787	501(C)(3)	5,000				FUND PROGRAMS, SERVICES AND MEDICAL TECHNOLOGY OF BARLOW RESPIRATORY HOSPITAL
(10) NATIONAL HEALTH FOUNDATION 515 S FIGUEROA ST STE 1300 LOS ANGELES, CA 90071	23-7314808	501(C)(3)	5,000				SUPPORT MORE EFFECTIVE HEALTHCARE DELIVERY OF THE UNDERSERVED

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ► 83 Enter total number of other organizations listed in the line 1 table ► 2

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

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

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 1) ONCE A GRANT IS RECEIVED, GRANT COVENANTS ARE IDENTIFIED, REVIEWED AND COMMUNICATED AS APPROPRIATE, 2) COVENANTS ARE CALENDARDED BY MONTH TO ENSURE TIMELY RESPONSE AND COMPLETION, 3A) IF A GRANT IS FOR CAPITAL EQUIPMENT, THE BENEFITTING VALLEY PRESBYTERIAN HOSPITAL DEPARTMENT NOTIFIES THE DEVELOPMENT DEPARTMENT THAT A PROJECT HAS BEEN COMPLETED AND/OR EQUIPMENT HAS BEEN PURCHASED, A PURCHASE ORDER IS COMPLETED, THE DEVELOPMENT DEPARTMENT NOTIFIES ACCOUNTING THAT FUNDS MAY BE RELEASED, 3B) IF THE GRANT IS FOR TRAINING, ALL STEPS IN 3A APPLY, BUT INSTEAD OF COMPLETING A PURCHASE ORDER, DOCUMENTATION OF TRAINING DETAILS IS ATTACHED INCLUDING WHO ATTENDED TRAINING, HOW MANY HOURS AND HOURLY RATES, 4) ONCE THE GRANT IS EXPENDED, THE GRANTOR IS NOTIFIED

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

2011**Open to Public
Inspection**Department of the Treasury
Internal Revenue Service

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

Name of the organization
VALLEY PRESBYTERIAN HOSPITAL**Employer identification number**

95-1945832

Part I Questions Regarding Compensation

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

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

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?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply

<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> 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?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

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

Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

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 Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		No
4b	Yes	
4c		No
5a		No
5b		No
6a	Yes	
6b		No
7		No
8		No
9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) GUSTAVO VALDESPINO	(i) 605,165 (ii) 0	204,450 0	0 0	168,553 0	22,671 0	1,000,839 0	0 0
(2) JEAN O'KEEFE RICO	(i) 313,172 (ii) 0	64,665 0	0 0	71,309 0	22,587 0	471,733 0	0 0
(3) NORMA RESNEDER	(i) 259,117 (ii) 0	53,705 0	0 0	59,255 0	16,099 0	388,176 0	0 0
(4) JULIE REBACK	(i) 231,036 (ii) 0	39,178 0	0 0	43,091 0	8,128 0	321,433 0	0 0
(5) RAY MOSS	(i) 229,629 (ii) 0	38,819 0	0 0	45,216 0	22,145 0	335,809 0	0 0
(6) GAYATHRI JITH	(i) 217,847 (ii) 0	36,637 0	0 0	39,277 0	21,388 0	315,149 0	0 0
(7) JENNIFER CASTALDO	(i) 195,786 (ii) 0	33,316 0	0 0	7,946 0	2,118 0	239,166 0	0 0
(8) MICHELLE QUIGLEY	(i) 207,534 (ii) 0	43,706 0	0 0	35,123 0	0 0	286,363 0	0 0
(9) LORI CARDLE	(i) 145,744 (ii) 0	66,402 0	0 0	2,683 0	0 0	214,829 0	0 0
(10) LAUREN LEBARON	(i) 171,840 (ii) 0	23,763 0	0 0	6,383 0	7,105 0	209,091 0	0 0
(11) SOHEILA RAHMAN-ATAR	(i) 214,995 (ii) 0	158 0	0 0	8,541 0	3,320 0	227,014 0	0 0
(12) HASMIG ANANIAN	(i) 214,580 (ii) 0	158 0	0 0	7,419 0	4,633 0	226,790 0	0 0
(13) SYLVIA SONG	(i) 201,348 (ii) 0	208 0	0 0	7,557 0	4,091 0	213,204 0	0 0
(14) DOMINADOR CRUZ	(i) 192,798 (ii) 0	158 0	0 0	6,202 0	12,365 0	211,523 0	0 0
(15) JUNG KIM	(i) 192,924 (ii) 0	158 0	0 0	9,187 0	4,362 0	206,631 0	0 0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 4B	PART I, LINE 4B DURING CALENDAR YEAR 2011, VALLEY PRESBYTERIAN HOSPITAL HAD A 457(F) PLAN. THE FOLLOWING ARE OFFICERS AND KEY EMPLOYEES THAT PARTICIPATED IN THE SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN: GUSTAVO VALDESPINO, JEAN O'KEEFE, RICO NORMA RESNEDER, JULIE REBACK, RAY MOSS, GAYATHRI JITH, JENNIFER CASTALDO, MICHELLE QUIGLEY.
	PART I, LINE 6	VALLEY PRESBYTERIAN HOSPITAL HAS AN INCENTIVE (BONUS) PLAN FOR EXECUTIVE TEAM MEMBERS AND HOSPITAL DEPARTMENT DIRECTORS. PAYMENT OF ANY BONUS IS CONTINGENT ON SEVERAL CRITERIA, EBIDA, QUALITY, AND PATIENT SATISFACTION (ALL EQUALLY WEIGHTED) OF WHICH ARE BENCHMARKED BY ACHIEVING SPECIFIC METRICS ON AN ANNUAL BASIS.

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue Service

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

**Open to Public
Inspection**

Name of the organization
VALLEY PRESBYTERIAN HOSPITAL

Employer identification number

95-1945832

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ➤ \$ _____
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ➤ \$ _____

Part II Loans to and/or From Interested Persons.

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

Part III Grants or Assistance Benefitting Interested Persons.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) TRACY Rafter	DIRECTOR (BOARD MEMBER) - Rafter Group	47,500	MARKETING/PUBLIC RELATIONS SERVICES		No
(2) KAMRAN MALEK MD	DIRECTOR (BOARD MEMBER) - Malek & Friedman OB GYN	134,100	MEDICAL SERVICES		No
(3) PATRICK WALSH MD	DIRECTOR (BOARD MEMBER) - Patrick Walsh, MD	130,224	MEDICAL SERVICES		No
(4) SUKSHMA SREEPATHI MD	DIRECTOR (BOARD MEMBER) - Tri-Valley Neonatal Medical Group	36,680	MEDICAL SERVICES		No
(5) SRIDHAR RAMACHANDRAN MD	DIRECTOR (BOARD MEMBER) - Sridhar Ramachandran, MD	12,800	MEDICAL SERVICES		No
(6) SUMAN PATEL MD	DIRECTOR (BOARD MEMBER) - Suman Patel, MD	44,880	MEDICAL SERVICES		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

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

2011**Open to Public
Inspection**Name of the organization
VALLEY PRESBYTERIAN HOSPITAL**Employer identification number**

95-1945832

Identifier	Return Reference	Explanation
EXEMPT PURPOSE ACHIEVEMENTS	FORM 990, PART III, LINE 4A	VALLEY PRESBYTERIAN HOSPITAL IS A FREESTANDING, NOT-FOR-PROFIT COMMUNITY HOSPITAL ORGANIZED FOR THE PURPOSE OF PROVIDING MEDICAL SERVICES IN THE SAN FERNANDO VALLEY AND NEIGHBORING AREAS. VALLEY PRESBYTERIAN HOSPITAL CURRENTLY HAS 350 LICENSED BEDS AND PROVIDES PRIMARY AND SECONDARY ACUTE CARE TO THE COMMUNITY PROGRAMS, FACILITIES, AND SERVICES. EMERGENCY SERVICES - VPH'S EMERGENCY SERVICES TEAM PROVIDED EMERGENCY CARE TO ALMOST 60,000 PATIENTS IN FY 2011/2012. THE EMERGENCY SERVICES TEAM IS DESIGNATED AS A STEMI RECEIVING CENTER AND IS ABLE TO PROVIDE CRITICAL CARE WITHIN THE FIRST 90 MINUTES FROM EXPERIENCING HEART ATTACK SYMPTOMS. VPH ALSO PROVIDES "FAST TRACK" SERVICES FOR PATIENTS WITH URGENT, BUT NOT LIFE THREATENING NEEDS SUCH AS CUTS OR SPORTS INJURIES, COLDS, FEVER AND EARACHES, TO NAME A FEW. WOMEN'S SERVICES - VPH'S WOMEN'S SERVICES PROGRAM IS ONE OF THE BUSIEST IN THE REGION WITH MORE THAN 4,200 BABIES BORN IN FY 2011/2012. LAST YEAR, VPH OPENED A NEWLY REMODELED AND EXPANDED LABOR, DELIVERY AND RECOVERY UNIT. THIS \$4.5 MILLION RENOVATION INCLUDES SEVEN NEW SUITES DESIGNED TO PROVIDE COMFORT TO NEW MOTHERS DURING AND AFTER THE BIRTHING PROCESS. IN ADDITION TO THE RENOVATION, VPH ALSO CREATED AN OB LABORIST PROGRAM TO PROVIDE IN-HOSPITAL OBSTETRICAL CARE 24/7. AMONG THE BENEFITS OF IMPLEMENTING A LABORIST PROGRAM ARE DECREASED LENGTH OF PATIENT STAY AND ASSOCIATED COST, IMPROVED PATIENT SAFETY AND INCREASED PATIENT SATISFACTION. IN ADDITION TO OPENING UP THE NEW UNIT, A VARIETY OF EDUCATION AND COMMUNITY WORKSHOPS WERE INTRODUCED TO SUPPORT WOMEN AND THEIR FAMILIES THROUGH THE BIRTHING PROCESS. THESE COMMUNITY ACTIVITIES WERE ALL BRANDED UNDER A NEW PROGRAM CALLED "LITTLE TREASURES" OR "PEQUENOS TESOROS" AND ARE SPECIALLY PREPARED FOR SPANISH SPEAKING PATIENTS. OTHER WOMEN'S SERVICES INCLUDE A NON-STRESS TEST UNIT FOR PREGNANT WOMEN WHO REQUIRE ROUTINE MONITORING OF THEIR UNBORN BABY'S HEALTH AND OR ULTRASOUNDS, OB/TRIAGE FOR EMERGENT HIGH-RISK CARE DURING PREGNANCY AND AN OB HIGH-RISK ANTEPARTUM UNIT FOR WOMEN WITH HIGH-RISK PREGNANCIES. AMPUTATION PREVENTION CENTER - PRESERVING A LIMB AT RISK FOR AMPUTATION IS THE SINGULAR FOCUS OF THE AMPUTATION PREVENTION CENTER (APC). THE APC OFFERS AN INNOVATIVE, INTEGRATED APPROACH AND IS ONE OF ONLY A HANDFUL OF FACILITIES, NATIONWIDE AND THE ONLY FACILITY IN SOUTHERN CALIFORNIA. VALLEY HIP AND KNEE INSTITUTE - THIS FACILITY IS HOME TO AN OUTSTANDING TEAM OF NATIONALLY RECOGNIZED ORTHOPEDIC EXPERTS. CONTINUALLY INNOVATING AND ADVANCING JOINT REPLACEMENT AND REPAIR PROCEDURES, THE VALLEY HIP AND KNEE INSTITUTE SURGEONS HAVE PERFORMED THOUSANDS OF SUCCESSFUL PROCEDURES. IN ADDITION TO THE HIGH QUALITY MEDICAL SERVICES, VALLEY PRESBYTERIAN HOSPITAL ALSO OFFERS FREE COMMUNITY EDUCATION WORKSHOPS TO HELP PATIENTS UNDERSTAND JOINT REPLACEMENT OPTIONS, RECOVERY PROCESS AND HOW TO SELECT THE RIGHT PROCEDURES. THESE COMMUNITY EDUCATION WORKSHOPS WERE HELD TWICE LAST YEAR AND ATTRACTED MORE THAN 150 ATTENDEES IN FY 2011/2012. CHILDREN'S SERVICES - EVERY CHILD ADMITTED TO THE HOSPITAL RECEIVES THE FULL ATTENTION OF A MULTI-DISCIPLINARY TEAM COMPRISED OF PEDIATRIC SPECIALISTS. OUR FAMILY-CENTERED APPROACH TO CARE ENSURES THAT PARENTS AND CHILDREN HAVE THE OPPORTUNITY TO STAY TOGETHER AND BE WELL-INFORMED. THROUGHOUT THE COURSE OF TREATMENT, SPECIALTY SERVICES INCLUDE A NEONATAL INTENSIVE CARE UNIT (NICU) AND A PEDIATRIC INTENSIVE CARE UNIT (PICU) FOR THE MOST VULNERABLE PATIENTS. CARDIOVASCULAR SERVICES - VPH OFFERS ONE OF THE MOST ADVANCE CARDIOLOGY PROGRAMS STAFFED BY CARDIOLOGISTS, NURSE AND TECHNICIANS. WE ALSO OFFER A CARDIAC REHABILITATION AND FITNESS CENTER FOR MEDICALLY SUPERVISED EXERCISE, DIETARY AND LIFESTYLE COUNSELING. OUTPATIENT SERVICES - THE HOSPITAL OFFERS MANY OUTPATIENT SERVICES INCLUDING THE SERVICES OF A GI LABORATORY, OCCUPATIONAL THERAPY, RADIOLOGY/IMAGING, GENERAL LABORATORY SERVICES, PHYSICAL THERAPY, RESPIRATORY THERAPY, NUCLEAR MEDICINE AND RADIATION THERAPY. SURGICAL SERVICES - VPH OFFERS A WIDE PORTFOLIO OF SURGICAL SERVICES FOR THE COMMUNITY. SOME EXAMPLES OF SURGICAL PROCEDURES INCLUDE CARDIOTHORACIC AND VASCULAR, HIP AND KNEE REPLACEMENTS, SPORTS-RELATED INJURIES, OTOLOGIC SURGERY, ESOPHAGEAL AND GASTRIC, OPEN HEART, NASAL AND SINUS SURGERY, SPINE, FACIAL PLASTIC AND RECONSTRUCTIVE SURGERY AND MANY TYPES OF GENERAL SURGERY.

Identifier	Return Reference	Explanation
EXEMPT PURPOSE ACHIEVEMENTS (CONTINUATION)	FORM 990, PART III, LINE 4A	<p>WOMEN'S SERVICES A NUMBER OF FREE COMMUNITY EDUCATION PROGRAMS ARE OFFERED TO WOMEN AND THEIR FAMILIES TO HELP THEM THROUGH A SAFE AND HAPPY PREGNANCY AND CHILDBIRTH IN FY 2011/2012, MORE THAN 2,700 INDIVIDUALS ATTENDED WOMEN AND MATERNITY SERVICES COMMUNITY EDUCATION PROGRAMS ALL WOMEN'S SERVICES PROGRAM ARE HELD AT THE HOSPITAL EDUCATION PROGRAMS OFFERED IN FY 2011/2012 INCLUDE "BABY SHOWERS" (ENGLISH AND SPANISH) THIS IS A WAY TO LEARN MORE ABOUT THE HOSPITAL'S LABOR, DELIVERY AND RECOVERY PROGRAMS PARTICIPANTS CAN TAKE A TOUR OF THE FACILITY, MEET THE HOSPITAL STAFF, AND SIGN UP FOR MEDICAL COVERAGE THIS PROGRAM WAS OFFERED ONCE EACH MONTH (12 WORKSHOPS) AND WILL CONTINUE INTO THE NEXT FISCAL YEAR TOTAL ATTENDANCE AT THE 12 WORKSHOPS LAST YEAR WAS 2,470 CHILDBIRTH PREPARATION SERIES (ENGLISH AND SPANISH) BOTH PARENTS LEARN THE LATEST IN LABOR AND DELIVERY COMFORT MEASURES AND HOW TO PROMOTE HEALTHY BIRTHING THIS PROGRAM WAS OFFERED 15 TIMES IN FY 2011/2012 AND WAS ATTENDED BY 266 INDIVIDUALS OR APPROXIMATELY 133 COUPLES (TWO OR MORE ATTENDEES PER REGISTRATION) BABY BEGINNINGS AND INFANT CARE (ENGLISH) THIS IS A "PARENTS TO BE" WORKSHOP TO HELP NAVIGATE YOUR FIRST WEEKS AT HOME WITH A NEW BABY PARTICIPANTS LEARN WHAT TO EXPECT FROM A NEWBORN, HOW TO CARE FOR A NEWBORN INCLUDING DIAPERING, SWADDLING TECHNIQUES, BATHING TIPS, FEEDING OPTIONS, INFANT SAFETY, NEWBORN SLEEPING PATTERNS AND MUCH MORE THIS PROGRAM WAS OFFERED THREE TIMES LAST YEAR AND ATTRACTED 25 ATTENDEES PLANS TO INCLUDE THE PROGRAM IN SPANISH WILL BE IMPLEMENTED NEXT YEAR BREASTFEEDING PREPARATION (ENGLISH AND SPANISH) PARTICIPANTS LEARN BASIC BREASTFEEDING TECHNIQUES AND WHERE TO GET ASSISTANCE, IF NEEDED A TOTAL OF THREE WORKSHOPS WERE HELD LAST YEAR AND ATTRACTED 25 ATTENDEES PLANS ARE UNDER CONSIDERATION TO PROMOTE THIS PROGRAM TO A BROADER AUDIENCE NEXT YEAR BABY CAR SEAT AWARENESS IN FY 2011/2012, VPH DISTRIBUTED MORE THAN 4,000 INFANT CAR SEATS TO NEW MOTHERS, FREE OF CHARGE THE CAR SEAT PROGRAM WAS IMPLEMENTED BECAUSE 95% OF ALL MATERNITY PATIENTS COME FROM POVERTY-LEVEL CIRCUMSTANCES AND 85% OF ALL MATERNITY PATIENTS COME FROM THE LOCAL LATINO COMMUNITY ACCORDING TO THE AMERICAN ACADEMY OF PEDIATRICS, MINORITY CHILDREN ARE LESS LIKELY TO BE RESTRAINED IN A MOTOR VEHICLE ADDITIONALLY, WHEN POOR FAMILIES PROVIDE INFANT RESTRAINTS, THEY ARE MORE LIKELY TO USE A SECOND-HAND CAR SEAT BECAUSE THEY LACK THE FINANCIAL RESOURCES TO PURCHASE A NEW CAR SEAT (NEW ECONOMICS FOR WOMEN) IN ADDITION TO PROVIDING FREE CAR SEATS, VPH REFERRED PATIENTS TO A FREE CAR SEAT SAFETY WORKSHOP PROVIDED BY NEW ECONOMICS FOR WOMEN AND, VPH PROVIDED FREE RESOURCES TO INFORM PATIENTS WHERE TO OBTAIN A FREE CAR SEAT INSPECTION COMMUNITY EDUCATION PROGRAMS DIABETES EDUCATION AND AWARENESS VPH UNDERSTANDS THE IMPORTANCE OF DIABETES EDUCATION AND AWARENESS ACCORDING TO THE VALLEY COMMUNITY CARE CONSORTIUM LED, "COMMUNITY NEEDS ASSESSMENT," THE ESTIMATED CASES OF DIABETES ARE APPROXIMATELY 621% OR APPROXIMATELY 11,000 OF THE TOTAL POPULATION THE COMMUNITY NEEDS ASSESSMENT INDICATES THAT DIABETES HAS INCREASED BY 17.8% OVER THE PAST FIVE YEARS, SPECIFICALLY IN VAN NUYS, WHERE THE HOSPITAL IS LOCATED ALTHOUGH THE HOSPITAL OFFERS SEVERAL COMMUNITY EDUCATION PROGRAMS AT THE FACILITY, HOSPITAL ADMINISTRATION ALSO IDENTIFIED NUMEROUS COMMUNITY PROGRAMS VPH FORMED RELATIONSHIPS WITH OTHER ORGANIZATIONS TO HELP PROMOTE DISEASE AWARENESS AND EDUCATION IN FY 2011/2012, 12 WORKSHOPS ON DIABETES EDUCATION AND MANAGEMENT WERE HELD IN BOTH ENGLISH AND SPANISH NURSE/EDUCATORS HELP WORKSHOP ATTENDEES MANAGE THEIR DIABETES THROUGH HEALTHY LIFESTYLE, EATING AND EXERCISE TECHNIQUES EIGHTY INDIVIDUALS ATTENDED THESE WORKSHOPS IN FY 2011/2012 PLANS ARE underway TO PROMOTE THIS PROGRAM TO A BROADER AUDIENCE IN THE FUTURE VPH PARTNERED WITH SEVERAL EXTERNAL PARTNERS TO COMMUNICATE DIABETES EDUCATION AND AWARENESS SOME EXTERNAL PROGRAMS INCLUDED AMERICAN DIABETES ASSOCIATION (ADA) - STOP DIABETES AT WORK THE ADA CREATED THIS PROGRAM PRIMARILY TARGETED TO LARGE EMPLOYERS THROUGHOUT LOS ANGELES COUNTY THE PROGRAM WAS FOCUSED ON DIABETES PREVENTION AND AWARENESS VPH ATTENDED FIVE (5) WORKSHOPS AND REACHED MORE THAN 700 INDIVIDUALS TO PROMOTE DIABETES PREVENTION AMERICAN DIABETES ASSOCIATION (ADA) - DIABETES EXPO IN ANOTHER PARTNERSHIP WITH THE ADA, VPH ATTENDED THE ADA'S ANNUAL DIABETES PREVENTION AND EDUCATION HEALTH FAIR ATTENDING THIS HEALTH FAIR PROVIDED NUMEROUS OPPORTUNITIES TO DISTRIBUTE DIABETES PREVENTION AND EDUCATION MATERIALS TO ALMOST 5,000 ATTENDEES STROKE EDUCATION AND AWARENESS VALLEY PRESBYTERIAN HOSPITAL HOSTED ITS SECOND ANNUAL COMMUNITY HEALTH FAIR WITH MORE THAN 200 ATTENDEES AT THE HEALTH FAIR, VPH CLINICIANS ADMINISTERED FREE FLU VACCINATIONS, CAROTID ARTERY SCREENINGS, CHOLESTEROL, GLUCOSE (BLOOD SUGAR), BLOOD PRESSURE SCREENINGS, AND BODY FAT (BMI) ANALYSES ATTENDEES ALSO ENJOYED HEALTHY COOKING DEMONSTRATIONS AND OBTAINED</p>

Identifier	Return Reference	Explanation
EXEMPT PURPOSE ACHIEVEMENTS (CONTINUATION)	FORM 990, PART III, LINE 4A	<p>TIPS FROM CLINICAL DIETICIANS ON LIVING A HEALTHY LIFESTYLE PHYSICIANS ASSOCIATED WITH VPH CONDUCTED PRESENTATIONS ON STROKE AND DIABETES AWARENESS REPRESENTATIVES FROM VPH WERE ON HAND TO DISTRIBUTE INFORMATION ON COMMUNITY HEALTH ALONG WITH REPRESENTATIVES FROM SEVERAL HEALTH SERVICES COMMUNITY ORGANIZATIONS JOINT REPLACEMENT IN FY 2011/2012, VALLEY PRESBYTERIAN HOSPITAL HOSTED TWO (2) FREE COMMUNITY WORKSHOPS TO HELP COMMUNITY RESIDENTS UNDERSTAND JOINT REPLACEMENT OPTIONS, TREATMENT PROCESSES AND HOW TO SELECT A QUALIFIED PHYSICIAN THE TWO SEMINARS, ONE HELD IN APRIL AND A SECOND HELD IN OCTOBER, WERE WELL ATTENDED AND ATTRACTED MORE THAN 150 PARTICIPANTS SUPPORTING THE ECONOMIC VITALITY OF THE COMMUNITY IN ADDITION TO SUPPORTING A NUMBER OF SOCIAL AND COMMUNITY CAUSES, VPH ALSO SUPPORTS PROGRAMS THAT HELP THE LOCAL ECONOMY THE PROGRAMS VPH IMPLEMENTED AND OR SUPPORTED IN FY 2011/2012 INCLUDES THE FOLLOWING STUDENT HEALTHCARE PROGRAM VALLEY PRESBYTERIAN HOSPITAL PARTNERS WITH LOS ANGELES VALLEY COLLEGE (LAVC) TO BRING LOW AND NO COST QUALITY HEALTHCARE TO COMMUNITY COLLEGE STUDENTS THROUGH THIS UNIQUE COLLABORATION, THE HOSPITAL PROVIDES PHYSICIANS AND PHYSICIAN ASSISTANTS FOR LAVC'S STUDENT HEALTH CENTER, WHERE ENROLLED STUDENTS BENEFIT FROM AN ARRAY OF HEALTHCARE SERVICES, INCLUDING PHYSICAL EXAMS, SCREENINGS, IMMUNIZATIONS AND REFERRALS WORKFORCE DEVELOPMENT PROGRAM FOR NURSES THE HOSPITAL IS TAKING A PROACTIVE APPROACH TO DEVELOP A SUSTAINABLE PIPELINE OF SKILLED HEALTH CARE PROFESSIONALS THIS SIX-MONTH PROGRAM CONNECTS NEW NURSE GRADUATES WITH PRECEPTORS, OR EXPERIENCED NURSING PROFESSIONALS THIS EARLY START TO A SUCCESSFUL NURSING CAREER PROVIDES THESE NEW GRADUATES AN OPPORTUNITY TO LEARN THE NURSING PROFESSION FROM THOSE ALREADY SKILLED IN THE PROFESSION NEW GRADUATES RECEIVE TRAINING IN A SPECIALTY AREA SUCH AS EMERGENCY CARE, OPERATING ROOM, OBSTETRICS/MATERNITY, CHILDREN'S SERVICES OR TELEMETRY AND RECEIVE REGULAR EVALUATIONS ON THEIR PROGRESS IN FY 2011/2012, VPH FILLED 21 NURSING POSITIONS WITH NEW GRADUATES VALLEY SIMULATION LABORATORY THE VALLEY SIMULATION LABORATORY IS ONE OF THE REGIONS MOST TECHNOLOGICALLY ADVANCED IN FY 2011/2012, 350 COLLEGE STUDENTS VISITED THE LAB TO PRACTICE SKILLS IN A "REAL WORLD" ENVIRONMENT THE LAB USES A FULL LINE OF HIGH FIDELITY MANNEQUINS THAT ARE DESIGNED TO SIMULATE REALISTIC PATIENT SITUATIONS AND RESPONSES BY ALLOWING INSTRUCTORS TO BUILD LIMITLESS MEDICAL SCENARIOS THE LABORATORY IS DESIGNED TO MODEL A PATIENT CARE UNIT WITH A LABOR AND DELIVERY SECTION, ICU, THREE FULLY EQUIPPED MEDICAL/SURGICAL BAYS AND A NURSING STATION VPH PARTNERS WITH CALIFORNIA STATE UNIVERSITY NORTHridge (NORTH SAN FERNANDO VALLEY REGION), COLLEGE OF THE CANYONS (SANTA CLARITA), MOUNT ST MARY'S COLLEGE (LOS ANGELES) AND LOS ANGELES VALLEY COLLEGE TO PROVIDE NURSING STUDENTS A LINK FROM DIDACTIC LEARNING TO HANDS-ON MEDICAL APPLICATION IN A NO-RISK ENVIRONMENT</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE CFO AND CONTROLLER REVIEW THE WORKPAPERS AND THE DRAFT 990. ONCE THE 990 IS COMPLETED, IT IS REVIEWED WITH THE CEO AND THE BOARD FINANCE AND AUDIT COMMITTEE PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	VALLEY PRESBYTERIAN HOSPITAL'S BOARD MEMBERS ARE REQUIRED TO SIGN A CONFLICT OF INTEREST STATEMENT. ALL VALLEY PRESBYTERIAN HOSPITAL EMPLOYEES ARE REQUIRED TO DISCLOSE ANY CONFLICT OF INTEREST AS SOON AS IT IS KNOWN. ADDITIONALLY, VALLEY PRESBYTERIAN HOSPITAL'S COMPLIANCE OFFICER OVERSEES THIS POLICY ON A REGULAR AND CONSISTENT BASIS.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	<p>EXECUTIVE COMPENSATION IS DETERMINED BY THE COMPENSATION COMMITTEE OF THE VALLEY PRESBYTERIAN HOSPITAL BOARD IN DETERMINING EACH INDIVIDUAL'S COMPENSATION, THE COMMITTEE, WHICH WAS ADVISED BY AN OUTSIDE CONSULTANT, UTILIZES THE MOST RECENT CALIFORNIA REGIONAL EXECUTIVE COMPENSATION SURVEY REPORTS PREPARED BY INTEGRATED HEALTHCARE STRATEGIES (FORMERLY KNOWN AS CLARK CONSULTING) AND THE HOSPITAL ASSOCIATION OF SOUTHERN CALIFORNIA THESE SURVEYS PROVIDE EXECUTIVE COMPENSATION DATA (INCLUDING BENEFIT DATA) FROM 120 CALIFORNIA HEALTH SYSTEMS AND HOSPITALS. THE HOSPITAL'S EXECUTIVE COMPENSATION PACKAGE IS MADE UP OF BASE SALARY AND AN INCENTIVE BONUS BASED UPON BOTH THE ORGANIZATION'S AND THE INDIVIDUAL'S PERFORMANCE DUE TO THE CHALLENGING TIMES AND COMPLEXITY OF THE ORGANIZATION, TOTAL COMPENSATION IS TARGETED AT THE 75TH PERCENTILE OF THE MARKET. THIS INCLUDES BASE SALARY, INCENTIVE BONUS, AND BENEFITS. THE INCENTIVE BONUS IS BASED ON KEY MEASURABLE SUCCESS INDICATORS DEVELOPED ANNUALLY BY THE GOVERNING BOARD'S COMPENSATION COMMITTEE. THESE INDICATORS INCLUDE QUALITY, FINANCIAL, AND PATIENT SATISFACTION GOALS (ALL THREE ARE EQUALLY WEIGHTED)</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	UPON REQUEST AT THE HOSPITAL LOCATION

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 85,144 CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS 750,928 ROUNDING -1 TOTAL TO FORM 990, PART XI, LINE 5 836,071

Identifier	Return Reference	Explanation
AUDIT COMMITTEE AND OVERSIGHT	FORM 990, PART XII, LINE 2C	THERE HAVE BEEN NO CHANGES TO THIS PROCESS FROM PRIOR YEAR

Report of Independent Auditors and
Financial Statements for

Valley Presbyterian Hospital

October 31, 2012 and 2011

MOSS-ADAMS LLP

CONTENTS

	PAGE
REPORT OF INDEPENDENT AUDITORS	1
FINANCIAL STATEMENTS	
Balance sheets	2
Statements of operations	3
Statements of changes in net assets	4
Statements of cash flows	5
Notes to financial statements	6-24



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Valley Presbyterian Hospital

We have audited the accompanying balance sheets of Valley Presbyterian Hospital (the "Hospital") as of October 31, 2012 and October 31, 2011, and the related statements of operations, changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the 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 of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Valley Presbyterian Hospital as of October 31, 2012 and October 31, 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Los Angeles, California
February 28, 2013

VALLEY PRESBYTERIAN HOSPITAL
BALANCE SHEETS
AS OF OCTOBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Cash and cash equivalents	41,470,031	36,138,554
Patient receivables, net of estimated uncollectibles of \$8,736,000 in 2012 and \$9,196,000 in 2011	29,195,045	25,312,626
Due from third-party payors	10,528,425	10,955,727
Hospital fee receivable	18,949,303	-
Inventory	3,669,608	3,709,422
Deposits, prepaid expenses and other receivables	3,225,332	9,012,280
Total Current Assets	107,037,744	85,128,609
Assets whose use is limited - gift annuities and trusts	7,464,261	5,130,014
Restricted cash	2,150,000	2,150,000
Unconditional promises to give, net	803,520	799,355
Property and equipment, net	81,375,226	80,221,230
Other assets	349,963	298,377
TOTAL ASSETS	\$ 199,180,714	\$ 173,727,585
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	31,756,474	26,373,699
Accrued liabilities	3,264,651	2,852,457
Accrued compensation	15,159,311	12,508,139
Medical claims payable	7,988,147	5,523,308
Deferred income	-	15,494,241
Self-insurance reserves	4,185,325	4,781,419
Revolving loan payable	3,045,693	2,297,354
Current portion of term loan payable	2,000,004	4,485,241
Current portion of capital lease obligations	1,769,916	2,009,878
Total Current Liabilities	69,169,521	76,325,736
Self-insurance reserves - noncurrent	7,857,249	7,413,478
Term loan payable - noncurrent	7,999,996	-
Asset retirement obligation	2,747,253	2,731,731
Capital lease obligations - noncurrent	3,073,585	3,463,080
TOTAL LIABILITIES	90,847,604	89,934,025
NET ASSETS		
Unrestricted	103,544,286	78,790,854
Temporarily restricted	4,788,824	5,002,706
Total Net Assets	108,333,110	83,793,560
TOTAL LIABILITIES AND NET ASSETS	\$ 199,180,714	\$ 173,727,585

VALLEY PRESBYTERIAN HOSPITAL
STATEMENTS OF OPERATIONS
YEARS ENDED OCTOBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUE		
Net patient service revenue	\$ 278,443,493	\$ 255,768,486
Premium revenue	48,698,692	37,678,426
Other operating revenue	6,875,317	4,961,701
Net assets released from restrictions used for operations	<u>595,680</u>	<u>109,897</u>
 Total Operating Revenue	 <u>334,613,182</u>	 <u>298,518,510</u>
OPERATING EXPENSES		
Salaries and wages	100,299,974	93,428,664
Outside medical services	41,887,621	35,392,679
Supplies	40,866,495	38,921,135
Employee benefits	35,389,266	31,021,109
Quality assurance fee	31,797,010	20,777,188
Purchased services	28,527,015	25,729,527
Provision for bad debt	9,298,869	8,438,214
Other operating	8,756,787	8,542,040
Depreciation and amortization	7,169,554	7,158,700
Taxes	1,879,770	1,963,774
Insurance	1,819,276	1,245,395
Interest and financing	<u>1,556,772</u>	<u>1,639,718</u>
 Total Operating Expenses	 <u>309,248,409</u>	 <u>274,258,143</u>
INCOME FROM OPERATIONS	 <u>25,364,773</u>	 <u>24,260,367</u>
NON-OPERATING REVENUE (EXPENSE)		
Interest income	94,902	73,102
Gain on sale of assets	26,128	1,150
Contributions	<u>(1,900,121)</u>	<u>(2,043,049)</u>
 EXCESS OF REVENUE OVER EXPENSES	 <u>23,585,682</u>	 <u>22,291,570</u>
Net assets released from restrictions used for capital improvements	1,082,606	-
Change in net unrealized gains on investments, other than trading securities	<u>85,144</u>	<u>114,761</u>
 INCREASE IN UNRESTRICTED NET ASSETS	 <u>\$ 24,753,432</u>	 <u>\$ 22,406,331</u>

VALLEY PRESBYTERIAN HOSPITAL
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED OCTOBER 31, 2012 AND 2011

	2012	2011
UNRESTRICTED NET ASSETS		
Excess of revenues over expenses	\$ 23,585,682	\$ 22,291,570
Net assets released from restrictions used for capital improvements	1,082,606	-
Change in net unrealized gains on investments, other than trading securities	85,144	114,761
Increase in unrestricted net assets	24,753,432	22,406,331
TEMPORARILY RESTRICTED NET ASSETS		
Restricted contributions, investment income and other	713,476	669,447
Change in value of split-interest agreements	750,928	-
Net assets released from restrictions	(1,678,286)	(109,897)
Increase (decrease) in temporarily restricted net assets	(213,882)	559,550
Increase in net assets	24,539,550	22,965,881
NET ASSETS, BEGINNING OF YEAR	83,793,560	60,827,679
NET ASSETS, END OF YEAR	\$ 108,333,110	\$ 83,793,560

VALLEY PRESBYTERIAN HOSPITAL
STATEMENTS OF CASH FLOWS
YEARS ENDED OCTOBER 31, 2012 AND 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 24,539,550	\$ 22,965,881
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	7,169,554	7,158,700
Accretion of asset retirement obligation	15,522	178,711
Provision for bad debt	9,298,869	8,163,685
Changes in assets and liabilities:		
Patient receivables	(13,181,288)	(4,709,543)
Due from third-party payors	427,302	6,214,019
Inventory	39,814	(441,859)
Deposits, prepaids and other receivables	5,786,948	(2,232,669)
Unconditional promises to give	(4,165)	297,000
Other assets	(51,586)	158,384
Accounts payable and accrued liabilities	5,840,876	6,132,332
Accrued compensation	2,651,172	1,263,496
Medical claims payable	2,464,839	1,491,652
Hospital fee receivable / deferred income	(34,443,544)	7,332,921
Self-insurance reserves	(152,323)	608,345
Net cash provided by operating activities	<u>10,401,540</u>	<u>54,581,055</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(7,463,675)	(10,038,862)
Purchase of investments	<u>(2,334,247)</u>	<u>(1,037,077)</u>
Net cash used in investing activities	<u>(9,797,922)</u>	<u>(11,075,939)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on revolving loans	(214,676,180)	(231,875,237)
Proceeds from revolving loans	215,424,519	223,476,628
Payments on term loan	(1,006,891)	(2,155,952)
Proceeds from term loans	6,521,650	4,405,923
Cash restricted under loan agreements	-	(2,150,000)
Payments on capital lease obligations	<u>(1,535,239)</u>	<u>(2,441,866)</u>
Net cash provided by (used in) financing activities	<u>4,727,859</u>	<u>(10,740,504)</u>
Net increase in cash and cash equivalents	<u>5,331,477</u>	<u>32,764,612</u>
Cash and cash equivalents at beginning of year	<u>36,138,554</u>	<u>3,373,942</u>
Cash and cash equivalents at end of year	<u>\$ 41,470,031</u>	<u>\$ 36,138,554</u>
Supplemental Disclosures of Cash Flow Information		
Interest paid during the year	\$ 1,556,772	\$ 1,639,718
Property and equipment additions through capital leases	905,782	2,950,065
Accrued capital expenditures	45,907	317,387

VALLEY PRESBYTERIAN HOSPITAL NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization

Valley Presbyterian Hospital (the "Hospital") is a freestanding, not-for-profit community hospital organized for the purpose of providing patient services in the San Fernando Valley and neighboring areas. The Hospital currently has 350 licensed beds and provides primary and secondary acute care services to the community.

Note 2 - Summary of Significant Accounting Policies

Basis of presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Hospital and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor imposed stipulations that may, or will be met, either by actions of the Hospital and/or the passage of time. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of changes in net assets as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained by the Hospital in perpetuity.

Cash and cash equivalents - Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less, excluding those amounts that are limited for use by board designation or other arrangements under trust agreements or with third-party payors.

Patient accounts receivable - The Hospital carries its accounts receivable at billed amounts less allowances for contractual adjustments and uncollectible accounts. The Hospital does not accrue interest on its receivables. On a periodic basis, the Hospital evaluates its accounts receivable and establishes allowances based on contractual arrangements, history of past write-offs, collections, and current credit conditions. The Hospital's policy for writing off receivables as uncollectible varies based on the payer arrangements and management's estimate of the customer's ability to pay.

Inventories - Inventories at October 31, 2012 and 2011 are reflected in these financial statements at cost, which does not exceed market value.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (continued)

Assets whose use is limited - Assets whose use is limited include assets held by the Hospital relating to charitable trusts. Investments in mortgage and asset backed securities, equity securities and fixed income funds are measured at fair value in the balance sheets. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses unless donor or law restricts the income or loss. Unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities. Carrying values of investments approximate to market values.

Fair value of financial instruments - The financial statements include financial instruments for which the fair market value may differ from amounts reflected on a historical basis. Financial instruments of the Hospital consist of cash deposits, accounts receivable, accounts payable and certain accrued liabilities and notes payable. The Hospital's other financial instruments generally approximate fair market value based on the short-term nature of these instruments.

Property and equipment - Property and equipment acquisitions are recorded at cost. Depreciation is provided for on the straight-line method over the estimated useful lives as follows

Equipment	2-10 years
Buildings and improvements	10-40 years
Land improvements	12-30 years
Equipment under capital lease	Estimated useful live or lease term, whichever is shorter

Impairment of long-lived assets is recognized whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Measurement of the amount of impairment may be based on market values of similar assets or estimates of future discounted cash flows resulting from use and ultimate disposition of the assets.

Asset retirement obligation - The Hospital accounts for asset retirement obligations in accordance with Accounting Standards Update (ASU) 410-20 "Asset Retirement Obligations", and accrues for costs related to legal obligations to perform certain activities in connection with retirement, disposal and abandonment of assets. The Hospital has identified asbestos abatement as a retirement obligation. Asbestos abatement is estimated based upon historical removal cost per square foot applied to assets identified requiring asbestos abatement.

Excess of revenues over expenses - The statements of operations include excess of revenues over expenses. Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (continued)

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, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the year the related services are rendered and adjusted in future years, as final settlements are determined.

Premium revenue - The Hospital has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the Hospital receives monthly capitation payments based on the number of each HMO's participants, regardless of services actually performed by the Hospital. In addition, the HMOs make fee-for-service payments to the Hospital for certain covered services based upon discounted fee schedules. Liabilities for services provided to enrollees by service providers outside the Hospital are accrued in the month the services are rendered to enrollees based in part on estimates, including an accrual for services incurred but not reported to the Hospital. Normal estimation differences between the estimates and amounts finally paid to service providers are reflected in claims expense in the current period.

Certain HMO contracts contain risk-sharing programs whereby the Hospital participates in the surplus and deficit of the risk-sharing program. The Hospital's partner physician groups also share in the proceeds of risk-sharing programs. Partial payment of these monies are due and made to the physician groups on a quarterly basis, with the final payment due and made to the physician groups within ninety (90) to one hundred eighty (180) days post contract year. Estimated settlements are accrued based upon the performance of the risk-sharing contracts in the period the Hospital was obligated to provide the services to the enrollees and adjusted in the future periods as final settlements are determined.

Charity care - the Hospital provides care to patients who meet certain criteria under its charity care policy without charge. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as revenue. The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (ASU) No. 2010-23, *The Basis for Measuring the Amount of Charity Care Provided by Health Care Entities*. The ASU requires all health care entities to measure the amount of charity care provided based on direct and indirect costs incurred in providing such care; no other measurement basis is considered acceptable. In addition, both the method used to identify or estimate the amount of charity care costs and the amount of any funds received to subsidize charity care services must be disclosed. The guidance is effective for fiscal years beginning after December 15, 2010 on a retrospective basis. The Hospital adopted the ASU on November 1, 2011. The Hospital maintains records to identify and monitor the level of charity care it provides, which includes management's estimate of the expense to provide charity care. The Hospital estimates the cost to provide charity care based on the ratio of costs to provide care to revenue for all patients and multiplying the ratio by charity care charges.

VALLEY PRESBYTERIAN HOSPITAL

NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (continued)

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

Income taxes - The Hospital qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. Therefore, no provision for Federal and California income tax has been made. In addition, the Hospital qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

The Hospital recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no uncertain tax positions as of October 31, 2012 or 2011.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Amounts subject to significant estimate include allowances for contractual and bad debts on patient accounts receivable, self-insurance reserves, medical claims payable, and estimated third party cost report settlements. Actual results could differ from those estimates.

Estimated self-insurance costs - The provision for estimated self-insurance costs for medical malpractice, workers compensation and employee health insurance claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. In August 2010, ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, was released as an update to Accounting Standards Codification ("ASC") 954-450. ASU 2010-24 clarifies that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. ASU 2010-24 is effective for fiscal years beginning after December 15, 2010, and was adopted by the Hospital in fiscal year ended October 31, 2012. Adoption did not have a significant impact on the financial statements of the Hospital.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (continued)

Reclassifications - Certain reclassifications were made to the 2011 amounts to conform to the 2012 presentation.

Recent accounting pronouncements - In July 2011, the FASB issued ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. ASU 2011-07 requires healthcare organizations that perform services for patients for which the ultimate collection of all or a portion of the amounts billed or billable cannot be determined at the time services are rendered to present all bad debt expense associated with patient service revenue as an offset to the patient service revenue line item in the statements of operations and changes in net assets. The ASU also requires qualitative disclosures about the Hospital's policy for recognizing revenue and bad debt expense for patient service transactions and quantitative information about the effects of changes in the assessment of collectability of patient service revenue. This ASU is effective for fiscal years beginning after December 15, 2011, and will be adopted by the Hospital in fiscal year ending October 31, 2013. Management is currently evaluating the impact of the adoption of ASU 2011-07.

Note 3 - Supplemental Payments

During the years ended October 2012 and 2011, the Hospital was eligible to participate in the Disproportionate Share Hospital (DSH) program (SB855), which entitles the Hospital to supplemental payment adjustments from the California Department of Health Care Services (DHS). Included in due from third-party payors in the accompanying balance sheets are amounts receivable from the State at October 31, 2012 and 2011 of \$3,495,676 and \$4,047,799, respectively, which represents the amounts earned, but not yet received by the Hospital under the SB855 DSH program. The Hospital recorded a change in estimate for amounts expected to be received under the SB855 program resulting in a reduction in net patient service revenue of approximately \$2,765,000 during the year ended October 31, 2012 as a result of state mandated Provider Fee reductions.

Additionally, the Hospital met the eligibility criteria for SB1255 funds available from the State of California's Emergency Services and Supplemental Payment Fund in 2012 and 2011. SB1255 funds receivable from the State at October 31, 2012 totaled \$1,500,000 and are included in due from third-party payors. SB1255 funds received in excess of amounts earned at October 31, 2011 are included in deferred revenue at October 31, 2011.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 4 - Unconditional Promises to Give and Charitable Trusts

Unconditional promises to give - Unconditional promises to give are recorded after discounting to the present value of future cash flows at a rate of 4% for the years ended October 31, 2012 and 2011. No new unconditional promises to give were received during the years ended October 31, 2012 and 2011. As of October 31, the Hospital has unconditional promises to give as follows:

	2012	2011
Due within 1 year	\$ -	\$ 23,555
Due after 5 years	<u>1,500,000</u>	<u>1,500,000</u>
	1,500,000	1,523,555
Present value discount	<u>(696,480)</u>	<u>(724,200)</u>
	\$ 803,520	\$ 799,355

Charitable trusts - The Hospital serves as trustee for various charitable remainder trusts. Under the terms of these agreements, the Hospital makes distributions to income beneficiaries for a given term or the life of the beneficiaries. At the end of the term, or upon the death of the income beneficiaries, assets remaining in the trust will be transferred to the Hospital. The Hospital records the assets held in these trusts at their fair value, records a liability for the respective agreements at the estimated discounted value of the amounts due to the income beneficiaries and records contribution revenue for the difference between the two values. The present value of payments to beneficiaries under these arrangements is calculated using discount rates representing rates commensurate with the risks involved which were in existence at the date of the gift. The discount rates used for the years ended October 31, 2012 and 2011 ranged from 7.5% to 9.0%. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount rate are recorded as increases or decreases in the value of the charitable trusts in the accompanying statements of changes in net assets.

Liabilities to beneficiaries under charitable trust agreements totaled \$1,865,517 and \$1,618,931 at October 31, 2012 and 2011, respectively, and are included in accrued liabilities in the accompanying balance sheets.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 5 - Assets Whose Use is Limited

The composition of assets whose use is limited at October 31, stated at fair value, is set forth in the following table:

	2012	2011
Mortgage and asset backed securities	\$ 1,013,123	\$ 1,172,260
Fixed income funds - domestic	3,044,740	2,982,323
Domestic equity funds	2,070,472	975,431
Money market funds	1,265,267	-
Government securities	<u>70,659</u>	<u>-</u>
 Total	 <u>\$ 7,464,261</u>	 <u>\$ 5,130,014</u>

Investment income and gains are comprised of the following for the years ending October 31:

	2012	2011
Interest income	<u>\$ 94,902</u>	<u>\$ 73,102</u>
 Other changes in unrestricted net assets:		
Unrealized gains on investments other than trading securities	<u>\$ 85,144</u>	<u>\$ 114,761</u>

Note 6 - Fair Value of Financial Instruments

The Hospital records its investments in accordance with ASC 820, *Fair Value Measurements and Disclosures*. ASC 820 defines fair value as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Three levels of inputs that may be used to measure fair value are established.

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 6 - Fair Value of Financial Instruments (continued)

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Marketable debt and equity securities - Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. These securities are classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The fair values of the Hospital's financial instruments at October 31, 2012 are as follows:

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in cash and cash equivalents				
Money market funds - domestic	\$ 29,427,544	\$ 29,427,544	\$ -	\$ -
Total assets included in cash and cash equivalents	\$ 29,427,544	\$ 29,427,544	\$ -	\$ -
Assets included in assets whose use is limited				
Mortgage and asset backed securities	\$ 1,013,123	\$ -	\$ 1,013,123	\$ -
Money market funds - domestic	1,265,267	-	-	-
Government securities	70,659	70,659	-	-
Fixed income funds - domestic	3,044,740	3,044,740	-	-
Domestic equity funds	2,070,472	2,070,472	-	-
Total assets included in assets whose use is limited	\$ 7,464,261	\$ 5,185,871	\$ 1,013,123	\$ -
Assets included in other assets				
Stock certificate	\$ 163,492	\$ -	\$ -	\$ 163,492
Total assets included in other assets	\$ 163,492	\$ -	\$ -	\$ 163,492

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 6 - Fair Value of Financial Instruments (continued)

The fair values of the Hospital's financial instruments at October 31, 2011 are as follows:

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in cash and cash equivalents				
Money market funds - domestic	\$ 31,797,718	\$ 31,797,718	\$ -	\$ -
Total assets included in cash and cash equivalents	\$ 31,797,718	\$ 31,797,718	\$ -	\$ -
Assets included in assets whose use is limited				
Mortgage and asset backed securities	\$ 1,172,260	\$ -	\$ 1,172,260	\$ -
Fixed income funds - domestic	2,982,323	2,982,323	-	-
Domestic equity funds	975,431	975,431	-	-
Total assets included in assets whose use is limited	\$ 5,130,014	\$ 3,957,754	\$ 1,172,260	\$ -
Assets included in other assets				
Stock certificate	\$ 163,492	\$ -	\$ -	\$ 163,492
Total assets included in other assets	\$ 163,492	\$ -	\$ -	\$ 163,492

Note 7 - Property and Equipment

Property and equipment is comprised of the following at October 31:

	2012	2011
Land	\$ 1,587,222	\$ 1,587,222
Buildings	137,524,403	132,284,870
Equipment	96,830,348	91,398,875
	235,941,973	225,270,967
Less: Accumulated depreciation	156,510,765	149,181,685
	79,431,208	76,089,282
Construction in progress	1,944,018	4,131,948
Net property and equipment	\$ 81,375,226	\$ 80,221,230

Depreciation expense for the years ended October 31, 2012 and 2011 amounted to \$7,169,554 and \$7,158,700, respectively. Capitalized cost of equipment under capital lease at October 31, 2012 and 2011 totaled \$10,173,692 and \$8,243,739, respectively. Related accumulated amortization on equipment under capital lease at October 31, 2012 and 2011 totaled \$2,700,309 and \$1,294,599, respectively. The Hospital had construction commitments totaling \$3,229,886 at October 31, 2012.

VALLEY PRESBYTERIAN HOSPITAL

NOTES TO FINANCIAL STATEMENTS

Note 8 - Asset Retirement Obligations

The Hospital has asset retirement obligations (AROs) arising from regulatory requirements to perform asset retirement activities at the time that certain buildings are disposed of. The obligation primarily relates to asbestos abatement. The liability was initially measured at fair value and subsequently is adjusted for accretion expense and changes in the amount or timing of the estimated cash flows. At October 31, 2012 and 2011, the Hospital's asset retirement obligations totaled \$2,747,253 and \$2,731,731, respectively. Accretion expense amounted to \$15,522 in 2012 and \$178,711 in 2011.

Note 9 - Revolving Loan and Term Loan Payable

On August 29, 2006, the Hospital entered into an agreement with Healthcare Finance Group (HFG) to refinance the Hospital's bonded indebtedness. The Hospital borrowed \$11,000,000 in aggregate Term Loans. The agreement required the Hospital to maintain compliance with certain financial and nonfinancial covenants.

On February 6, 2009, the Hospital amended the terms set forth in the original agreement. The amendment combined term loans tranche 1, 2a and 2b into a single term loan. The single term loan had an interest rate of LIBOR plus 6.00% and monthly payment of \$55,428 which commenced on March 1, 2009. The maturity date for this single term loan was October 31, 2011.

On November 20, 2010, the Hospital renegotiated the loan terms with the lender for the third time and the lender agreed to advance a new term loan in the amount of \$5,492,133 to be used in part to pay off a prior balance at November 1, 2010 in the amount of \$2,492,133, including \$275,000 of deferred interest. Additional terms required the Hospital to make monthly payments of \$91,536 (principal amount) plus interest commencing December 1, 2010, and extended the maturity date to October 31, 2013. The interest rate of LIBOR plus 6% remained the same, however the amendment redefined LIBOR to be at least 2%. The revolving loan balance and the term loan balance at October 31, 2011 totaled \$2,297,354 and \$4,485,241, respectively.

On October 7, 2011 the Loan Agreement was amended for the fourth time. This amendment did not change any of the loan amounts, however it did reset several covenants, consented to the dissolution of Health Dynamics, Inc (HDI), the parent company of the Hospital, and waived the April 2011 default relating to the Hospital's fixed charge covenant. The amendment to the covenants required that an amount of \$2,000,000 be deposited into an account at Morgan Stanley/Smith Barney with a control agreement on behalf of HFG. In addition a minimum of \$10,000,000 of unencumbered cash was required to be maintained and available to avoid triggering a change in the covenants.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 9 - Revolving Loan and Term Loan Payable (Continued)

As of October 31, 2011, the Hospital was not in compliance with the tangible net worth covenant. Although HFG did not indicate their intent to do so, the agreement provided HFG with the option to demand repayment of amounts outstanding in the event of noncompliance. On February 28, 2012 the Loan Agreement was amended for the fifth time, waiving the October 31, 2011 default. Since the Hospital was unable to obtain a waiver through October 31, 2011, there was a risk that future noncompliance could have required repayment of the amounts outstanding. As a result, the Hospital included the term loan repayments due in fiscal 2014 of \$7,999,996 as a current liability as of October 31, 2011.

On September 27, 2012, the Hospital entered into a new agreement with HFG and California Bank & Trust (CB&T) to refinance the Hospital's indebtedness. The new agreement provides for three financing vehicles as follows:

Revolver Loan The Revolver Loan allows the Hospital to borrow up to a maximum of \$17,000,000. A minimum of \$1,500,000 must be drawn on the line at all times. The Revolver Loan has an interest rate of LIBOR plus 3.75%. The agreement defines LIBOR as the greater of LIBOR or 1.25%. The maturity date of the Revolver Loan is September 25, 2015 and the balance outstanding at October 31, 2012 totaled \$3,045,693.

Delayed Draw Term Loan HFG advanced \$10,000,000 to the Hospital from a Delayed Draw Term Loan on September 27, 2012. The Delayed Draw Term loan has an interest rate of LIBOR plus 4.75% and a monthly payment of \$166,667 (principal amount). Interest payments are due the month following a draw on the loan. Monthly principal payments are deferred until April 1, 2013. The maturity date of the Delayed Draw Loan is September 25, 2015 and the balance outstanding at October 31, 2012 totaled \$10,000,000.

Progress Term Loan The Hospital has the option of borrowing an additional \$10,000,000 from a Progress Term Loan. The Progress Term Loan has an interest rate of LIBOR plus 4.75%. The Hospital must draw funds needed from the loan by June 30, 2013. The principal amount is due starting one month after the draw on the line. The maturity date of the Progress Term Loan is September 25, 2015. There were no amounts drawn on the Progress Term Loan as of October 31, 2012.

Future minimum payments under the Delayed Draw Term Loan at October 31, 2012 are as follows:

Year	Amount
2013	\$ 2,000,004
2014	<u>7,999,996</u>
	<u><u>\$ 10,000,000</u></u>

Accounts receivable are pledged as collateral for the above loans. The agreement requires the Hospital to maintain compliance with certain financial and non-financial covenants.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 10 - Capital Leases

The Hospital entered into several capital lease agreements for various equipment. The leases call for monthly payments ranging from twelve to sixty months. Future minimum lease payments required under capital lease obligations are as follows:

<u>Period Ending October 31,</u>	
2013	\$ 2,072,278
2014	1,582,971
2015	830,170
2016	553,180
2017	<u>104,927</u>
Total approximate minimum leases payments	5,143,526
Less approximate amount representing lease interest	<u>(300,025)</u>
Present value of minimum lease payments	4,843,501
Less current portion	<u>(1,769,916)</u>
Noncurrent portion of capital lease obligations	<u>\$ 3,073,585</u>

Note 11 - Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or future years as of October 31:

	2012	2011
Available for future periods:		
Annuity and unitrusts receivable	\$ 3,089,752	\$ 2,338,823
Pledges received	803,520	799,355
Medical programs and activities	<u>895,552</u>	<u>1,864,528</u>
Total temporarily restricted net assets	<u>\$ 4,788,824</u>	<u>\$ 5,002,706</u>

There were no permanently restricted net assets at October 31, 2012 and 2011.

Net assets released from restriction were used for the following purposes during the year ended October 31:

	2012	2011
Medical programs and activities	\$ 1,678,286	\$ 109,897

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 12 - Concentrations

At October 31, 2012 and 2011, the Hospital had bank balances with certain major financial institutions which exceeded the Federal depository insurance limits. Management monitors the financial condition of these institutions on an ongoing basis and does not believe significant credit risk exists at this time. In addition, the Hospital invests in highly liquid U.S. Government and agency obligations. Investments in such funds are not insured or guaranteed by the U.S. Government; however, management believes that credit risk related to these investments is minimal.

The Hospital 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 the Hospital's accounts receivable is concentrated in government programs, in which the Hospital does not believe there is any undue credit risk.

The approximate mix of receivables from patients and third-party payors was as follows:

	2012	2011
Medicare	24%	22%
Medi-Cal	51%	54%
HMO/PPO	14%	14%
Other Third Party Payors	4%	3%
Self-Pay	6%	7%
	100%	100%

VALLEY PRESBYTERIAN HOSPITAL

NOTES TO FINANCIAL STATEMENTS

Note 13 - Net Patient Service Revenue

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

Medicare - Inpatient acute care hospital services are based on prospectively set rates. This payment system is referred to as the inpatient prospective payment system (IPPS). Under the IPPS, each case is categorized into a diagnosis related group (DRG). Each DRG has a payment weight assigned to it based on the average resources used to treat Medicare patients in that DRG. Outpatient services are paid under the outpatient prospective payment system. These services are classified into groups called ambulatory payment classifications (APC). A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC for an encounter. If the Hospital treats a high percentage of low-income patients, a percentage add-on payment is received. This add-on known as the disproportionate share hospital (DSH) adjustment is applied to the DRG adjusted base payment rate. The DSH adjustment, along with other cost reimbursable items, is paid at an interim rate with the final settlement determined after the Hospital's submission, and subsequent audit by the Medicare fiscal intermediary, of the annual cost report. The Hospital's Medicare fiscal intermediary has audited their Medicare cost reports through October 31, 2009. Estimated third party cost report settlements receivable totaled \$10,528,425 and \$10,955,727 at October 31, 2012 and 2011, respectively. The Hospital recognized income of \$6,586,894 during 2012 related to changes in estimates on prior year cost reports based upon tentative or final settlements received, due primarily to finalization of the SSI% by CMS for cost report years 2009 through 2011. This amount is reflected as a component of net patient service revenue in the accompanying statements of operations.

Medi-Cal - Inpatient services rendered to Medi-Cal program beneficiaries are reimbursed under a contracted per-diem rate. Outpatient services are reimbursed under a fixed fee schedule. The Hospital also qualifies to participate in the Medi-Cal Disproportionate Share Hospital program, which entitles it to supplemental payment adjustments.

Managed care - Inpatient and outpatient services rendered to subscribers covered by a managed care organization are reimbursed at either a prospectively determined per diem rate and/or a percentage of charges. The rate methodology is based on the rate structure contained in the applicable managed care contract. These managed care contracts are not subject to retroactive adjustments. The managed care contracts references above pertain to commercial, Medicare and Medi-Cal beneficiaries covered by a health maintenance organization, preferred provider organization, exclusive provider organization or point of service.

Self-pay patients - The Hospital recognizes contractual adjustments on patient revenue when a contractual arrangement is entered into between the Hospital and the patient. The remaining balance after patient payments are written off as a bad debt.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 14 - The California Hospital Fee Program

In November 2009, the California Hospital Fee Program (the Program) was signed into California state law. The Program provides supplemental Medi-Cal payments to certain California hospitals. The Program is funded by a quality assurance fee (the Fee) paid by participating hospitals and by matching federal funds. Hospitals receive supplemental payments from either DHS, managed care plans or a combination of both. The Program has been administered in three parts. The first part (Part One), created by Assembly Bill 1653 (signed into law in September 2010), covered the period beginning April 1, 2009 through December 31, 2010 and became effective in fiscal year 2011 after approval by the Centers for Medicare and Medicaid Services (CMS). The second part (Part Two), created by Senate Bill 90 (signed into law in March 2011), covered the period beginning January 1, 2011 through June 30, 2011 and was approved by CMS on December 29, 2011. The third part (Part Three), created by Senate Bill 335 (signed into law in September 2011), covered the period beginning July 1, 2011 through December 31, 2013 and received final approval by CMS in August 2012 for the fee-for-service supplemental payment methodology only. Approval for the managed care plan payment methodology is still pending.

The Hospital recorded the following related to this Program for the years ended October 31:

	2012	2011
Supplemental payments recognized as net patient service revenue	\$ 61,549,806	\$ 47,566,337
Supplemental payments received, recorded as deferred income	15,494,241	
Prepaid expense - quality assurance fee	-	7,019,575
Hospital fee receivable	18,949,303	-
Quality assurance fee	31,797,010	20,777,188
Quality assurance fee payable, included in accounts payable and accrued expenses	6,909,874	-

Additionally, the California Hospital Association (CHA) created a private program, the California Health Foundation and Trust (CHFT), established for several purposes, including aggregating and distributing financial resources to support charitable activities at various hospital and health systems in California. In connection with Part One of the Program, a pledge agreement was executed during the fiscal year ended October 31, 2010 between the Hospital and CHFT whereby the Hospital paid \$1,884,488 during fiscal 2010 into a grant fund established by CHFT. This amount was recognized as contribution expense in fiscal 2011, upon approval of the legislation. In connection with Parts Two and Three of the Program, the Hospital pledged contributions to CHA of \$267,623 and \$1,677,138, respectively. Contribution expense recognized during fiscal 2012 and 2011 totaled \$267,623 and \$1,513,148, respectively, with the remaining pledge amounts included in prepaid expenses.

VALLEY PRESBYTERIAN HOSPITAL

NOTES TO FINANCIAL STATEMENTS

Note 15 - Charity Care

The estimated costs for services and supplies furnished under the Hospital's charity care policy aggregated \$2,731,563 and \$2,366,330 in 2012 and 2011, respectively. Charity care is given based upon the applications received each year.

Note 16 - Employee Benefit Plans

Employee retirement plan - The Hospital has a defined contribution plan that provides benefits for employees who have completed one year of service with a minimum of 1,000 hours. The amount of the defined contribution each year is equal to three and one-half percent of the eligible employee's earnings for that plan year. Total retirement plan expense for the years ended October 31, 2012 and 2011 were \$3,176,360 and \$2,586,672, respectively.

Deferred compensation - The Hospital has a deferred compensation plan provided to certain executives of the Hospital. The Hospital records a deferred compensation liability for amounts due these individuals which includes the earnings from the invested assets. The liability is funded as required by the plan, based on the anniversary date of each participant. Payments relating to these plans representing the Hospital's funded contribution totaled \$418,365 and \$357,045 for the years ended October 31, 2012 and 2011, respectively.

Note 17 - Self-Insurance

Workers' compensation - The Hospital is self-insured for the first \$750,000 per occurrence for workers' compensation risks with a \$10,000,000 per occurrence limit and no aggregate limit. Provisions for claims, including losses incurred but not reported, of \$6,532,506 and \$5,245,677 at October 31, 2012 and 2011, respectively, are included in "Self-Insurance Reserves" for claims in the accompanying balance sheets.

Medical malpractice - The Hospital is self-insured for the first \$1,000,000 per claim for medical malpractice risks with a \$15,000,000 total maximum policy limitation. Provisions for claims, including losses incurred but not reported, of \$3,394,798 and \$3,817,784 at October 31, 2012 and 2011, respectively, are included in "Self-Insurance Reserves" for claims in the accompanying balance sheets.

Employee health insurance - Beginning January 1, 2007, the Hospital became self-insured for the first \$175,000 per claim for employee health insurance. Provisions for self-insured employee health insurance were calculated internally by the Hospital for the fiscal years ended October 31, 2012 and 2011. Provisions for claims, including losses incurred but not reported, of \$2,115,270 and \$3,131,436 at October 31, 2012 and 2011, respectively are included in "Self-Insurance" for employee health insurance claims in the accompanying balance sheets.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 17 - Self-Insurance (continued)

Amounts recorded for workers' compensation and medical malpractice include a reserve for claims based upon an actuarial study conducted by an independent third party, together with other direct costs. The employee health insurance is internally calculated by the Hospital. Amounts estimated to be paid within the next year are classified as current liabilities. Any difference between the estimated reserves and actual expenditures are recognized in the period in which such differences are identified. Such differences were not material during the years ended October 31, 2012 and 2011.

Note 18 - Commitments and Contingencies

Operating leases - The Hospital leases various facilities and equipment under operating leases expiring at various dates through fiscal year ending October 31, 2013. Total rental expense for the years ended October 31, 2012 and 2011 totaled \$1,049,084 and \$1,686,486, respectively. Future minimum rentals to be paid under the leases at October 31, 2012 total \$138,863.

Health care industry - The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or asserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, and government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in exclusion from government health care program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While the Hospital is subject to similar regulatory review, there are no reviews currently underway and management believes that the outcome of any potential regulatory review will not have a material adverse effect on the Hospital's financial position.

Management believes that the Hospital is in compliance with government laws and regulations related to fraud and abuse and other applicable areas. While no material regulatory inquiries have been made, compliance with such laws and regulations can be subject to future governmental review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Litigation - The Hospital is aware of certain asserted and unasserted legal claims. While the outcome cannot be determined at this time, it is management's opinion that the liability, if any, from these actions will not have a material adverse effect on the Hospital's financial position.

VALLEY PRESBYTERIAN HOSPITAL

NOTES TO FINANCIAL STATEMENTS

Note 19 - Retrofit and Replacement Project

The Hospital is subject to California Senate Bill 1953 (SB 1953), the Hospital Facilities Seismic Safety Act, which was passed in 1994. This legislation established deadlines applicable to all acute-care inpatient hospitals. Amendments to the bill permitted certain extensions providing the Hospital until January 1, 2013 to meet specific requirements so as not to pose a risk of collapsing in major seismic activity. In addition, by January 1, 2030, the Hospital must be in substantial compliance with the Hospital Seismic Safety Act.

The Hospital's seismic evaluation and compliance plan revealed that the West, Main, East and South Towers, which housed the majority of the Hospital's inpatient beds, may not meet the new seismic requirements which became effective January 1, 2013. The Hospital completed construction of a new patient tower to replace patient housing in the West, East, and South Towers, which was part of its long-range seismic retrofit and replacement project in the year ended October 31, 2004.

FEMA, under the Seismic Hazard Mitigation grant Program for Hospitals (SHMPH), originally provided a grant in the amount of \$51,074,371 for construction of a new tower and upgrading the three existing towers. The grant represented ninety percent of the original estimated cost of \$56,749,301 with a ten percent matching requirement to be expended from the Hospital funds.

Due to financial constraints, the Hospital had not completed all the required SHMPH phases for upgrading the three towers nor had it expended its required ten percent matching share. Upon closing out the SHMPH grant program, FEMA recalculated the ninety percent Federal share to be only \$46,867,439. Since the Hospital has already received \$49,507,900 from FEMA/Cal-EMA, there was an overpayment of \$2,640,641. Cal-EMA demanded repayment and placed a lien on the Hospital property.

The Hospital negotiated a repayment agreement with Cal-EMA on June 17, 2011. The balance due at October 31, 2011, included in accounts payable and accrued expenses, totaled \$1,886,043. The Hospital fulfilled its repayment obligation to Cal-EMA on August 1, 2012 and the lien was released on October 1, 2012.

Furthermore, the Hospital has completed and submitted to OSHPD a Hazards United States (HAZUS) Study. The Hospital received approval for the Service building to be reclassified as seismically compliant until January 1, 2030. Voluntary Seismic Improvement (VSI) plans for the towers were submitted to OSHPD in September 2011. The Hospital received conditional approval to begin the VSI construction for both the Main Building (East, South, West, Elevator Towers) and South Tower. The Hospital expects to complete VSI retrofit by October 31, 2013. In addition, the Hospital has submitted for extension allowed under Senate Bill 90 to maintain non-compliant buildings until Voluntary Seismic Improvement is completed.

VALLEY PRESBYTERIAN HOSPITAL
NOTES TO FINANCIAL STATEMENTS

Note 20 - Functional Expenses

The Hospital provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	2012	2011
Health care services	\$ 196,002,534	\$ 180,152,305
General and administrative	<u>113,245,875</u>	<u>94,105,838</u>
	<u>\$ 309,248,409</u>	<u>\$ 274,258,143</u>

Note 21 - Subsequent Events

The Hospital has evaluated subsequent events through February 28, 2013, which is the date the financial statements are available for issuance, and concluded that there were no additional events or transactions that need to be disclosed.

Additional Data

Software ID:
Software Version:
EIN: 95-1945832
Name: VALLEY PRESBYTERIAN HOSPITAL

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Or director	Individual trustee	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	
WILLIAM ALLEN SECRETARY	40	X		X				0	0
JAMES PORTER TREASURER	40	X		X				0	0
IRA FRIEDMAN MD DIRECTOR	40	X						0	0
DAVID FLEMING CHAIRMAN	40	X		X				0	0
RICHARD KATZ DIRECTOR	40	X						0	0
STUART SOLOMON DIRECTOR	40	X						0	0
GREG KAY MD DIRECTOR	40	X						0	0
PEGI MATSUDA DIRECTOR	40	X						0	0
TRACY Rafter DIRECTOR	40	X						0	0
PATRICK WALSH MD DIRECTOR	40	X						0	0
NICHOLAS DI DOMENICO MD DIRECTOR	40	X						0	0
ALEX GUERRERO DIRECTOR	40	X						0	0
JOSHUA ROKAW DIRECTOR	40	X						0	0
SRIDHAR RAMACHANDRAN MD DIRECTOR	40	X						0	0
LEROY CHASE DIRECTOR	40	X						0	0
SUKSHMA SREEPATHI MD DIRECTOR	40	X						0	0
KAMRAN MALEK MD DIRECTOR	40	X						0	0
SUMAN PATEL MD DIRECTOR	40	X						0	0
GUSTAVO VALDESPINO PRESIDENT & CEO	40 00			X			809,615	0	191,224
JEAN O'KEEFE RICO SR VP QUALITY	40 00			X			377,837	0	93,896
NORMA RESNEDER SR VP HR & ORG DEVELOPMENT	40 00			X			312,822	0	75,354
JULIE REBACK VP BUS DEVELOPMENT	40 00			X			270,214	0	51,219
RAY MOSS VP & CHIEF INFORMATION OFF	40 00			X			268,448	0	67,361
GAYATHRI JITH VP OPERATIONS	40 00			X			254,484	0	60,665
JENNIFER CASTALDO VP SERVICE EXCELLENCE	40 00			X			229,102	0	10,064

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
MICHELLE QUIGLEY VP & CNO	40 00			X			251,240	0	35,123
LORI CARDLE VP FINANCE	40 00			X			212,146	0	2,683
LAUREN LEBARON ASSISTANT CFO	40 00			X			195,603	0	13,488
SOHEILA RAHMAN-ATAR REGISTERED NURSE	40 00				X		215,153	0	11,861
HASMIG ANANIAN REGISTERED NURSE	40 00				X		214,738	0	12,052
SYLVIA SONG REGISTERED NURSE	40 00				X		201,556	0	11,648
DOMINADOR CRUZ REGISTERED NURSE	40 00				X		192,956	0	18,567
JUNG KIM REGISTERED NURSE	40 00				X		193,082	0	13,549

Software ID:**Software Version:****EIN:** 95-1945832**Name:** VALLEY PRESBYTERIAN HOSPITAL**Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CALIFORNIA HEALTH FOUNDATION AND TRUST 1215 K STREET STE 800 SACRAMENTO, CA 95814	94- 1498697	501(C)(3)	1,778,771				CA HOSPITAL PROVIDER PROGRAM
LOS ANGELES COUNTY BUSINESS FEDERATION 1000 N ALAMEDA ST STE 240 LOS ANGELES, CA 90012	26- 0295348	501(C)(6)	30,000				LOS ANGELES COUNTY BUSINESS DEVELOPMENT

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BOYS & GIRLS CLUB OF THE SAN FERNANDO VALLEY 11251 GLENOAKS BLVD PACOIMA, CA 91331	95-2468448	501(C)(3)	25,000				COMMUNITY SUPPORT
CSUN FOUNDATION 18111 NORDHOFF STREET NORTHRIDGE, CA 91330	95-6196006	501(C)(3)	10,000				PERFORMING ARTS CENTER DONATION

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PARTNERS IN CARE FOUNDATION 732 MOTT ST STE 150 SAN FERNANDO, CA 91340	95-3954057	501(C)(3)	8,200				DEVELOP SOLUTIONS THAT IMPROVE HEALTH & SOCIAL SERVICES FOR INDIVIDUALS, FAMILIES, AND THEIR COMMUNITIES
LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION 444 S FLOWER ST 37TH FL LOS ANGELES, CA 90071	95-3643339	501(C)(3)	5,000				SUPPORT FOR LA COUNTY ECONOMIC DEVELOPMENT EFFORTS

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LOS ANGELES FIRE DEPARTMENT FOUNDATION 1875 CENTURY PARK EAST STE 200 LOS ANGELES, CA 90067	27-2007326		5,000				PROVIDE ESSENTIAL EQUIPMENT, TECHNOLOGY AND TRAINING TO THE LA FIRE DEPARTMENT
ARTHRITIS FOUNDATION 800 W 6TH ST STE 1250 LOS ANGELES, CA 90017	95-1885447	501(C)(3)	5,000				FUND ARTHRITIS RESEARCH AND EDUCATION PROGRAMS

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BARLOW FOUNDATION 2000 STADIUM WAY LOS ANGELES, CA 90026	95-4560787	501(C)(3)	5,000				FUND PROGRAMS, SERVICES AND MEDICAL TECHNOLOGY OF BARLOW RESPIRATORY HOSPITAL
NATIONAL HEALTH FOUNDATION 515 S FIGUEROA ST STE 1300 LOS ANGELES, CA 90071	23-7314808	501(C)(3)	5,000				SUPPORT MORE EFFECTIVE HEALTHCARE DELIVERY OF THE UNDERSERVED