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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012

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

C Name of organization
GEORGETOWN HEALTHCARE SYSTEM

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
2425 WILLIAMS DRIVE NO 101

City or town, state or country, and ZIP + 4
GEORGETOWN, TX 78628

D Employer identification number
74-2427148

E Telephone number
(512)931-2221

G Gross receipts $ 4,012,747

F Name and address of principal officer
SCOTT ALARCON
2425 WILLIAMS DRIVE NO 101
GEORGETOWN,TX 78628

H(a) Is this a group return for affiliates? [ ] Yes [x] No

H(b) Are all affiliates included? [ ] Yes [ ] No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

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

J Website: ▶ N/A

K Form of organization [x] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation 1985

M State of legal domicile TX

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE ORGANIZATION IS A NOT-FOR-PROFIT ORGANIZATION, DEDICATED TO THE PROMOTION OF QUALITY, ACCESSIBLE HEALTH CARE FOR ALL PERSONS IN THE GEORGETOWN AND THE SURROUNDING AREA AS A PARTNER IN ST DAVID'S HEALTH CARE PARTNERSHIP, WE PROVIDE HEALTHCARE TO THE PUBLIC THROUGH THE OPERATION OF FOUR HOSPITALS IN THE CENTRAL TEXAS AREA ADDITIONALLY, IN THE GEORGETOWN AREA, WE SERVE AS A CATALYST TO FACILITATE THE EXPANSION AND ENHANCEMENT OF HEALTH AND WELLNESS TO A DIVERSE AND GROWING POPULATION THROUGH EFFECTIVE COLLABORATION AND APPROPRIATE FINANCIAL SUPPORT FOR COMMUNITY PARTNERS WHO EXIST TO MEET THESE NEEDS

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	26
6	Total number of volunteers (estimate if necessary)	**6**	147
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	0	196,677
	9 Program service revenue (Part VIII, line 2g)	2,849,608	3,044,296
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	351,750	672,525
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	110,547	66,865
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,311,905	3,980,363
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	823,450	788,284
	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)	1,387,220	1,459,688
	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)	733,910	647,516
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	2,944,580	2,895,488
	19 Revenue less expenses Subtract line 18 from line 12	367,325	1,084,875

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	34,829,409	36,185,439
	21 Total liabilities (Part X, line 26)	503,347	528,177
	22 Net assets or fund balances Subtract line 21 from line 20	34,326,062	35,657,262

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

****** | 2013-11-15
Signature of officer | Date

SCOTT ALARCON CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
SEAN HOLCOMB		2013-11-15		P01249221

Firm's name ▶ MAXWELL LOCKE & RITTER LLP | Firm's EIN ▶ 74-2900215

Firm's address ▶ 401 CONGRESS AVENUE SUITE 1100
AUSTIN, TX 787019682 | Phone no (512) 370-3200

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

TO PROMOTE AND FACILITATE THE ADVANCEMENT OF AFFORDABLE HEALTH CARE TO THE COMMUNITY OF GEORGETOWN AND THE SURROUNDING AREA

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 $ 1,042,795 including grants of $) (Revenue $ 982,615)

THE REPORTING ORGANIZATION OPERATES A HOME HEALTH AGENCY WHICH PROVIDED 6,888 PATIENT VISITS TO OVER 310 PATIENTS IN AND AROUND THE GEORGETOWN, TEXAS AREA IN THIS REPORTING PERIOD THE PRIMARY PAYOR TYPE FOR THE AGENCY IS MEDICARE

4b (Code) (Expenses $ 788,284 including grants of $ 788,284) (Revenue $)

THE REPORTING ORGANIZATION PROVIDES GRANTS TO COMMUNITY ORGANIZATIONS THAT PROMOTE IMPROVED ACCESS TO, OR DIRECTLY PROVIDE HEALTHCARE TO THE CITIZENS OF THE GEORGETOWN, TEXAS AREA REGARDLESS OF THEIR ABILITY TO PAY FOR SUCH SERVICES

4c (Code) (Expenses $ including grants of $) (Revenue $ 2,128,546)

THE REPORTING ORGANIZATION IS A PARTNER IN THE ST DAVID'S HEALTHCARE PARTNERSHIP, LP, LLP WHICH IS DEDICATED TO SERVING CENTRAL TEXAS UNDER THE COMMUNITY BENEFIT STANDARD THE PARTNERSHIP INCLUDES FOUR ACUTE CARE HOSPITALS AND ONE REHABILITATION HOSPITAL IN 2012, 65,018 PATIENTS WERE ADMITTED AND THERE WERE 302,588 EMERGENCY ROOM VISITS

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses ▶** 1,831,079

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c	Yes	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	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, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	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 lines 24b through 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, highest 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 employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	50		
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			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	26		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
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, securities account, or other financial 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 as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 14		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	**10a**		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	**10b**		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	**11a**	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**	Yes	

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 ☐ Other (explain in Schedule O)

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 during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶RICHARD SCHULTZ CFO 2425 WILLIAMS DRIVE NO 101 GEORGETOWN, TX (512)931-2221

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BARBARA H BRIGHTWELL CHAIR	2 00	X						0	0	0
(2) DOAK FLING CHAIR-ELECT	1 50	X						0	0	0
(3) STEPHEN D SCHAEFER OD PAST CHAIR	1 50	X						0	0	0
(4) DALE ILLIG SECRETARY	1 50	X						0	0	0
(5) KAREN COLE EXECUTIVE COMMITTEE	1 50	X						0	0	0
(6) ALMA GUZMAN EXECUTIVE COMMITTEE	1 50	X						0	0	0
(7) DARRICK MCGILL EXECUTIVE COMMITTEE	1 50	X						0	0	0
(8) AUSTIN BRYAN BOARD MEMBER	1 00	X						0	0	0
(9) KAREN CROSBY BOARD MEMBER	1 00	X						0	0	0
(10) LARRY J HEMENES BOARD MEMBER	1 00	X						0	0	0
(11) JOAN MAIER BOARD MEMBER	1 00	X						0	0	0
(12) LINDA MEIGS BOARD MEMBER	1 00	X						0	0	0
(13) RICHARD PEARCE MD BOARD MEMBER	1 00	X						0	0	0
(14) JAKE SCHRUM BOARD MEMBER	1 00	X						0	0	0
(15) M SCOTT ALARCON CEO	40 00			X				227,717	0	32,472
(16) RICHARD SCHULTZ CFO	40 00			X				167,217	0	21,386

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								394,934	0	53,858

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 ▶ 2

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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 ▶ 0

Part VIII Statement of Revenue

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

				(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				
	d	Related organizations . . .	1d	196,327			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	350			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		196,677			
Program Service Revenue			Business Code				
	2a	ST DAVID'S HEALTHCARE	621990	2,128,546	2,128,546		
	b	GEORGETOWN HOME HEALTH	621610	915,750	915,750		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		3,044,296			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		271			271
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	8,059				
	b	Less rental expenses	0				
	c	Rental income or (loss)	8,059				
	d	Net rental income or (loss) . . . . . ▶		8,059	8,059		
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	672,254				
	b	Less cost or other basis and sales expenses	0				
	c	Gain or (loss)	672,254				
	d	Net gain or (loss) . . . . . ▶		672,254			672,254
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	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	58,665				
	b	Less cost of goods sold . . b	32,384				
	c	Net income or (loss) from sales of inventory . . ▶		26,281	26,281		
		Miscellaneous Revenue	Business Code				
	11a	OTHER INCOME	900099	28,409	28,409		
	b	AUXILIARY	900099	4,116	4,116		
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		32,525			
	12	**Total revenue.** See Instructions . . . . . ▶		3,980,363	3,111,161	0	672,525

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)

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	788,284	788,284		
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	448,792		448,792	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	802,969	582,540	220,429	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	32,597	15,955	16,642	
9 Other employee benefits	77,048	59,811	17,237	
10 Payroll taxes	98,282	51,006	47,276	
11 Fees for services (non-employees)				
a Management				
b Legal	21,835		21,835	
c Accounting	28,653		28,653	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	76,370		76,370	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	89,215	67,507	21,708	
12 Advertising and promotion	3,164	3,164		
13 Office expenses	86,138	50,567	35,571	
14 Information technology	11,192	3,390	7,802	
15 Royalties . .				
16 Occupancy	136,241	83,957	52,284	
17 Travel	80,990	46,530	34,460	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	65,902	53,161	12,741	
23 Insurance	21,036	11,991	9,045	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a SUPPLIES	12,511	12,511		
b MISCELLANEOUS EXPENSES	9,617	620	8,997	
c DUES & SUBSCRIPTIONS	4,652	85	4,567	
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	2,895,488	1,831,079	1,064,409	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		722,672	2	509,560
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		89,321	4	66,824
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		23,946	8	23,437
	9	Prepaid expenses and deferred charges		10,632	9	21,731
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 3,114,215			
	b	Less accumulated depreciation	10b 710,057	2,439,103	10c	2,404,158
	11	Investments—publicly traded securities		8,782,631	11	11,254,954
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		12,571,850	13	12,571,850
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		10,189,254	15	9,332,925
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		34,829,409	16	36,185,439
Liabilities	17	Accounts payable and accrued expenses		48,530	17	179,219
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		454,817	25	348,958
	26	**Total liabilities.** Add lines 17 through 25		503,347	26	528,177
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		34,326,062	27	35,657,262
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		34,326,062	33	35,657,262
	34	Total liabilities and net assets/fund balances		34,829,409	34	36,185,439

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,980,363
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,895,488
3	Revenue less expenses Subtract line 2 from line 1	3	1,084,875
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	34,326,062
5	Net unrealized gains (losses) on investments	5	246,325
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	35,657,262

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

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

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

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

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

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

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

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

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

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

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

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

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

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

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

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

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

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

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(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 monetary support
			Yes	No	Yes	No	Yes	No	
Total									

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
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 2012 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2011 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2012.** 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—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2012.** 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—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 2012 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2012.** 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—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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.**

OMB No 1545-0047

2012

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, Part V, line 35c (Proxy Tax), then

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

Name of the organization	**Employer identification number**
GEORGETOWN HEALTHCARE SYSTEM	74-2427148

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 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		
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-		

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

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? ☐ Yes ☐ 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable 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)).

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) 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?			
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?	Yes		18
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		1,362
j	Total Add lines 1c through 1i			1,380
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible 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, Part II-A (affiliated group list), Part II-A, line 2, 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 SCHEDULE K-1 FROM ST DAVID'S HEALTHCARE PARTNERSHIP, LP, LLP INCLUDED $1,362 OF LOBBYING EXPENDITURES WHICH CONSTITUTED THE PORTION OF THE ORGANIZATION'S ANNUAL ASSOCIATION DUES DEDICATED TO LOBBYING ACTIVITIES
PART IV, SUPPLEMENTAL INFORMATION		IN ADDITION TO AMOUNTS REPORTED ON THE ABOVE-MENTIONED SCHEDULE K-1, THE REPORTING ORGANIZATION PARTICIPATED IN DIRECT CONTACT WITH LOCAL LEGISLATORS DAVID HUFFSTUTLER, CEO OF THE PARTNERSHIP, SPENT 1 5 HOURS ON LOBBYING ACTIVITIES DURING 2012 THE AMOUNT REPORTED ON LINE 1G ABOVE REFLECTS THE COSTS OF THESE ACTIVITIES BASED UPON HOURLY RATES OF COMPENSATION AND ALLOCABLE OVERHEAD FOR THE OFFICER INVOLVED

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

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

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

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

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

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

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

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

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

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

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 XIII and complete the following table

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

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

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

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

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

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

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

4 Describe in Part XIII 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		1,662,191		1,662,191
b Buildings		1,374,880	664,683	710,197
c Leasehold improvements				
d Equipment		77,144	45,374	31,770
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				2,404,158

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) must 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
(1) ST DAVIDS PARTNERSHIP LP	12,571,850	C
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶	12,571,850	

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

(a) Description	(b) Book value
(1) INVESTMENTS HELD FOR DEFERRED EMPLOYEE BENEFITS	293,096
(2) DUE FROM AFFILIATED ENTITIES (NET)	8,843,502
(3) OTHER LONG TERM ASSETS - CSV	196,327
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	9,332,925

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
DEFERRED EMPLOYEE BENEFITS	293,096
GEORGETOWN HOME HEALTH	55,862
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	348,958

2. Fin 48 (ASC 740) Footnote In Part XIII, 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) Check here if the text of the footnote has been provided in Part XIII ☐

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

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

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

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

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
		THE ORGANIZATION IS A NOT-FOR-PROFIT ORGANIZATION THAT IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, EXCEPT FOR ANY UNRELATED BUSINESS ACTIVITIES NO EXPENSE HAS BEEN PROVIDED FOR INCOME TAX IN THE ACCOMPANYING FINANCIAL STATEMENTS, HOWEVER, THERE MAY BE IMMATERIAL TAXES DUE TO DEBT FINANCED PRIVATE PURPOSE ACTIVITIES THAT MANAGEMENT HAS ELECTED NOT TO RECORD AS A LIABILITY

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 50000 0000000000 %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			631,590	7,197	624,393	4 420 %
b Medicaid (from Worksheet 3, column a)			1,136,879	1,274,160	-137,281	0 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			1,768,469	1,281,357	487,112	4 420 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			114,815	0	114,815	0 810 %
f Health professions education (from Worksheet 5)			47,826	0	47,826	0 340 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			764,880		764,880	5 410 %
j **Total.** Other Benefits			927,521		927,521	6 560 %
k **Total.** Add lines 7d and 7j			2,695,990	1,281,357	1,414,633	10 980 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			154,270	3,859	150,411	1 060 %
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**			154,270	3,859	150,411	1 060 %

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2 134,170		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3 0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	3,919,191
6	Enter Medicare allowable costs of care relating to payments on line 5	6	3,776,584
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	142,607
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures** (owned 10% or more by officers, directors, trustees, key employees, and physicians—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 1 ST DAVID'S	THE ORGANIZATION OWNS A	1 000 %	0 %	0 %
2 2 HEALTHCARE	1% PARTNERSHIP INTEREST			
3 3 PARTNERSHIP LP LLP	IN ST DAVID'S HEALTHCARE			
4 4	PARTNERSHIP WHICH			
5 5	OPERATES FOUR ACUTE			
6 6	CARE HOSPITALS			
7 7	IN CENTRAL TEXAS			
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
4

	Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	ST DAVID'S MEDICAL CENTER 919 E 32ND STREET AUSTIN,TX 78705	X	X					X			A
2	ST DAVID'S NORTH AUSTIN MEDICAL CENTER 12221 N MOPAC EXPWY AUSTIN,TX 78758	X	X					X			A
3	ST DAVID'S SOUTH AUSTIN MEDICAL CENTER 901 W BEN WHITE BLVD AUSTIN,TX 78704	X	X					X			A
4	ST DAVID'S ROUND ROCK MEDICAL CENTER 2400 ROUND ROCK AVE ROUND ROCK,TX 78681	X	X					X			A

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

FACILITY REPORTING GROUP - A

Name of hospital facility or facility reporting group _____

For single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A) _____

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1		
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 ___			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5	Did the hospital facility make its CHNA report widely available to the public?	5		
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☐ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $_____			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 500 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☑ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 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?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 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?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- **a** ☑ Notified individuals of the financial assistance policy on admission
- **b** ☑ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- **d** ☑ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 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?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 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)			
21 During the tax year, did the hospital facility charge any FAP-eligible individuals 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?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year?
3

	Name and address	Type of Facility (describe)
1	GEORGETOWN HOME HEALTH 2120 SCENIC DRIVE GEORGETOWN,TX 78626	HOME HEALTH CARE AGENCY
2	BAILEY SQUARE SURGERY CENTER 1111 W 34TH ST 400 AUSTIN,TX 78705	AMBULATORY SURGERY CENTER
3	SOUTH AUSTIN SURGERY CENTER 4207 JAMES CASEY ST 203 AUSTIN,TX 78745	AMBULATORY SURGERY CENTER
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, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

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

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
		PART I, LINE 3C IN COMPLIANCE WITH IRC SECTION 501 (R), THE HOSPITALS PROVIDE 100% FINANCIAL ASSISTANCE (CHARITY CARE) FOR ELIGIBLE PATIENTS WITH INCOME EQUAL TO OR LESS THAN 200% OF THE FEDERAL POVERTY GUIDELINES (FPG) FOR ELIGIBLE PATIENTS WITH INCOME OVER 200% FPG AND EQUAL TO 500% OR LESS THAN FPG, DISCOUNTS ARE PROVIDED ON A SLIDING SCALE ELIGIBILITY IS DETERMINED USING VARIOUS SOURCES OF DOCUMENTATION AND INCOME VERIFICATION THE ACCOUNTS FOR INDIVIDUALS WITHOUT ANY HEALTH INSURANCE WHO LIVE IN LOW INCOME ZIP CODES AND WHO FAIL TO RESPOND TO COLLECTION EFFORTS ARE REMOVED FROM ACCOUNTS RECEIVABLE AND TREATED AS CHARITY CARE ALL COLLECTIONS EFFORTS CEASE ON THESE ACCOUNTS ONCE THEY ARE CLASSIFIED AS CHARITY CARE
		PART I, LINE 7 THE HOSPITALS UTILIZE THE COST TO CHARGE RATIO FROM THE AUDITED FINANCIAL STATEMENTS PART I, LINE 7 COL(F) BAD DEBTS ARE EXCLUDED FROM THE CALCULATION OF TOTAL EXPENSES PART II ALL OF THE HOSPITALS ARE ACTIVE IN THE COMMUNITY PROMOTING HEALTH OF CENTRAL TEXANS THE ORGANIZATION ALSO PROVIDES A BUILDING WITH OFFICE SPACE TO MISSION ALIGNED LOCAL CHARITABLE ORGANIZATIONS AT A SUBSTANTIALLY DISCOUNTED RATE THE GOAL IS TO PROMOTE COLLABORATION AMONG THE TENANT AGENCIES PROVIDING SERVICES TO THE LOCAL COMMUNITY PART III, LINE 4 THE ORGANIZATION'S PROPORTIONATE SHARE OF BAD DEBT EXPENSE FROM ITS OWNERSHIP INTEREST IN ST DAVID'S HEALTHCARE PARTNERSHIP, LP, LLP (THE "PARTNERSHIP") IS REPORTED ON SCHEDULE H, PART III, LINE 2 FOLLOWING IS THE FOOTNOTE TO THE PARTNERSHIP'S AUDITED FINANCIAL STATEMENTS WHICH DESCRIBES BAD DEBT EXPENSE "ESTIMATED PROVISIONS FOR DOUBTFUL ACCOUNTS ARE RECORDED TO THE EXTENT IT IS PROBABLE THAT A PORTION OR ALL OF A PARTICULAR ACCOUNT WILL NOT BE COLLECTED THE PARTNERSHIP CONSIDERS A NUMBER OF FACTORS IN EVALUATING THE COLLECTIBILITY OF ACCOUNTS RECEIVABLE INCLUDING THE AGE OF THE ACCOUNTS, CHANGES IN COLLECTION PATTERNS AND OTHER CURRENT CONDITIONS, AND THE COMPOSITION OF PATIENT ACCOUNTS BY PAYOR TYPE "PART III, LINE 8 THE ORGANIZATION HAS USED THE HOSPITALS' PROPORTIONATE SHARE OF THE SHORTFALL ON MEDICARE USING THE MEDICARE COST REPORTS PART III, LINE 9B THE ORGANIZATION WRITES OFF ALL CHARITY CARE AND IN COMPLIANCE WITH IRC SECTION 501(R) DOES NOT PURSUE COLLECTION ON THOSE THAT QUALIFY FOR CHARITY CARE PART I, LINE 7B, COLUMN (D) OFFSETTING REVENUE IN COLUMN (D) REFLECTS THE DIFFERENCE BETWEEN MEDICARE AND MEDICAID REIMBURSEMENT RATES EVEN THE HIGHER MEDICARE REIMBURSEMENT RATE DOES NOT COVER THE COST OF SERVICES PART I, LINE 7B, COLUMN (F) IN ACCORDANCE WITH FORM 990 INSTRUCTIONS, THE PERCENT OF TOTAL EXPENSE FOR LINE 7B, UNREIMBURSED MEDICAID, IS REPORTED AS ZERO THE ACTUAL AMOUNT OF LINE 7B, COLUMN (F) IS -1 14% LINES 7D AND 7K, COLUMN (F), WOULD BE 3 28% AND 9 84%, RESPECTIVELY PARTS I AND II THE TOTAL COMMUNITY BENEFIT FOR THE REPORTING ORGANIZATION IS $1,565,044, AND THE COMBINED PERCENTAGE IS 10 90%, WHICH IS THE SUM OF PART I, LINE 7K, COLUMN (F) PERCENTAGE OF 9 84% (AS ADJUSTED FOR UNREIMBURSED MEDICAID AS FURTHER EXPLAINED ABOVE) AND THE PART II, LINE 10, COLUMN (F) PERCENTAGE OF 1 06% PART III, LINE 1 HOSPITALS CONTROLLED BY THE ORGANIZATION DETERMINE BAD DEBT AND CHARITY CARE IN ACCORDANCE WITH GAAP AND WITH IRC SECTION 501(R) WHETHER BAD DEBT IS DETERMINED IN ACCORDANCE WITH STATEMENT 15 REQUIREMENTS IS A MORE DIFFICULT ISSUE STATEMENT 15 REQUIRES HOSPITALS TO RECOGNIZE REVENUE ONLY WHEN COLLECTIONS ARE REASONABLY ASSURED AND FOR AN AMOUNT THAT IS DETERMINABLE MOST HOSPITALS, INCLUDING THOSE CONTROLLED BY THE ORGANIZATION, USE MATHEMATICAL MODELS BASED ON PRIOR HISTORY TO DETERMINE THE PERCENTAGE OF PATIENT BILLINGS THAT IS LIKELY TO RESULT IN BAD DEBT FOR THIS REASON, AND OUT OF AN ABUNDANCE OF CAUTION, THE ORGANIZATION HAS ANSWERED "NO" TO WHETHER STATEMENT 15 IS FOLLOWED DESPITE THE BEST EFFORTS OF HMFA TO ASSIST HOSPITALS IN DETERMINING THE DIFFERENCE BETWEEN PATIENTS WHO HAVE THE CAPACITY TO PAY FOR THEIR CARE BUT WON'T PAY AND PATIENTS WHO LACK THE CAPACITY TO PAY, THE DETERMINATION ALWAYS INVOLVES JUDGMENT HOWEVER, THE HOSPITALS CONTROLLED BY THE ORGANIZATION DETERMINE CHARITY CARE ON THE CORE PRINCIPLES SET FORTH IN STATEMENT 15, INCLUDING SPECIFIC CRITERIA FOR CHARITY CARE, A SPECIFIC TIME OF DETERMINATION, RECORD KEEPING, DISCLOSURE OF THE CHARITY CARE POLICY AND VALUATION OF CHARITY CARE AT COST
		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 $ 56
	FORM 990, SCHEDULE H, PART VI	LINE 2 THE HOSPITAL PARTNERSHIP STRATEGIC PLANNING PROCESS CONTINUALLY ASSESSES AND ADDRESSES THE NEEDS OF THE COMMUNITY THE ORGANIZATION ITSELF ASSESSES THE NEEDS OF THE COMMUNITY OF GEORGETOWN AND THE SURROUNDING COMMUNITY MORE SPECIFICALLY THROUGH ITS GRANT MAKING PROCESS PART VI, LINE 3 EACH HOSPITAL POSTS A SUMMARY OF ITS CHARITY CARE POLICY IN ADMISSION AREAS, EMERGENCY ROOMS, AND OTHER AREAS WHERE ELIGIBLE PATIENTS ARE LIKELY TO BE PRESENT THE HOSPITALS CONDITION OF ADMISSION CONSENT INFORMS THE PATIENTS THAT THEY MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE OR CHARITY CARE AND THEY MAY REQUEST INFORMATION ABOUT THESE PROGRAMS A SUMMARY OF THE FINANCIAL ASSISTANCE PROGRAM IS PROVIDED TO THE PATIENT DURING THE INTAKE AND DISCHARGE PROCESSES PATIENTS ARE INFORMED, WHERE APPLICABLE, OF AVAILABILITY OF VARIOUS GOVERNMENT BENEFITS, SUCH AS MEDICAID, AND ASSISTS THE PATIENTS WITH THE QUALIFICATION FOR SUCH PROGRAMS, WHERE APPLICABLE PART VI, LINE 4 THE HOSPITALS ARE LOCATED IN TRAVIS AND WILLIAMSON COUNTIES THE PATIENTS ARE PREDOMINATELY FROM TRAVIS, WILLIAMSON AND HAYS COUNTIES THE ORGANIZATION'S GRANT RECIPIENTS ALIGN WITH DEMOGRAPHICS SERVED AT THE HOSPITALS PART VI, LINE 5 THE HOSPITALS IN ST DAVID'S HEALTHCARE PARTNERSHIP OPERATE AS EXEMPT HOSPITALS THEY EACH HAVE OPEN EMERGENCY ROOMS AND AN OPEN MEDICAL STAFF THE REPORTING ORGANIZATION USES ITS SHARE OF EARNINGS FROM THE HOSPITALS FOR PROGRAMS IN THE LOCAL COMMUNITY THAT INCREASE ACCESS TO HEALTHCARE PART VI, LINE 6 THE REPORTING ORGANIZATION IS A PARTNER IN ST DAVID'S HEALTHCARE, A HOSPITAL SYSTEM THAT MEETS THE COMMUNITY BENEFIT STANDARD AND THE REQUIREMENTS OF THE AFFORDABLE CARE ACT IN DELIVERING HOSPITAL CARE TO CENTRAL TEXAS IN ADDITION, THE REPORTING ORGANIZATION HAS ASSESSED THE UNMET HEALTHCARE NEEDS OF GEORGETOWN, TEXAS AND THE SURROUNDING COMMUNITIES AND USES ITS FUNDS TO COLLABORATE WITH SEVERAL TAX EXEMPT ORGANIZATIONS TO INCREASE ACCESS TO CARE FOR THE INDIGENT POPULATION PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT TX
PART V, LINE 8 FACILITY REPORTING GROUP A		SEE BELOW
FACILITY 1 -- ST DAVID'S MEDICAL CENTER	PART V, SECTION B, LINE 10	IN COMPLIANCE WITH IRC SECTION 501(R), THE HOSPITALS PROVIDE 100% FINANCIAL ASSISTANCE (CHARITY CARE) FOR ELIGIBLE PATIENTS WITH INCOME EQUAL TO OR LESS THAN 200% OF THE FEDERAL POVERTY GUIDELINES (FPG) ELIGIBILITY IS DETERMINED USING VARIOUS SOURCES OF DOCUMENTATION AND INCOME VERIFICATION THE ACCOUNTS FOR INDIVIDUALS WITHOUT ANY HEALTH INSURANCE WHO LIVE IN LOW INCOME ZIP CODES AND WHO FAIL TO RESPOND TO COLLECTIONS EFFORTS ARE REMOVED FROM ACCOUNTS RECEIVABLE AND TREATED AS CHARITY CARE ALL COLLECTIONS EFFORTS CEASE ON THESE ACCOUNTS ONCE CLASSIFIED AS CHARITY CARE
FACILITY 1 -- ST DAVID'S MEDICAL CENTER	PART V, SECTION B, LINE 11	FOR ELIGIBLE PATIENTS WITH INCOME OVER 200% FPG AND EQUAL TO 500% OR LESS THAN FPG, DISCOUNTS ARE PROVIDED ON A SLIDING SCALE ELIGIBILITY IS DETERMINED USING VARIOUS SOURCES OF DOCUMENTATION AND INCOME VERIFICATION
FACILITY 1 -- ST DAVID'S MEDICAL CENTER	PART V, SECTION B, LINE 12H	THE FOLLOWING IS A SUMMARY OF THE CHARITY CARE POLICY ADOPTED BY ST DAVID'S MEDICAL CENTER ST DAVID'S MEDICAL CENTER ACTIVELY SEEKS COMPLETION OF ANAPPLICATION, WHICH FACILITATES COLLECTION OF APPROPRIATE INFORMATION,INCLUDING *VERIFICATION OF FAMILY MEMBERS IN THE HOUSEHOLD - FOR ADULT PATIENTS,PATIENT SPOUSE AND ANY DEPENDENTS, FOR MINORS, MOTHER AND FATHER, ANDDEPENDENTS OF BOTH *INCOME CALCULATION - FOR ADULTS, SUM OF THE TOTAL YEARLY GROSS INCOME OFTHE PATIENT AND THE PATIENT'S SPOUSE, FOR MINORS, TOTAL YEARLY GROSSINCOME OF THE PATIENT, AND THE PATIENT'S MOTHER AND FATHER *DOCUMENTATION - VARIOUS OFFICIAL INCOME REPORTING DOCUMENTATION IS SOUGHT(E G W-2, WAGE AND TAX STATEMENT, PAY CHECK REMITTANCE AND OTHERS) DOCUMENTATION ASSOCIATED WITH THE PARTICIPATION IN A PUBLIC BENEFITPROGRAM CAN BE PROVIDED IN LIEU OF INCOME DOCUMENTATION (PROOF OFPARTICIPATION INDICATES THE PATIENT HAS BEEN DEEMED FINANCIALLY INDIGENTAND THEREFORE IS NOT REQUIRED TO PROVIDE INCOME INFORMATION) THERE ISALSO A VERIFICATION PROCESS IN PLACE FOR PATIENTS THAT DO NOT HAVEAPPROPRIATE DOCUMENTATION *CHARITY ELIGIBILITY CLASSIFICATIONS - FOR FINANCIALLY INDIGENT PATIENTS,THE AMOUNT OWED BY THE PATIENT AFTER PAYMENT BY ALL THIRD-PARTY PAYORSMUST EXCEED TEN PERCENT OF THE PATIENT'S YEARLY INCOME AND THE PATIENTMUST BE UNABLE TO PAY THE REMAINING BILL ACCEPTANCE BY ST DAVID'S SOUTHAUSTIN MEDICAL CENTER IS BASED ON MEETING ONE OF TWO CRITERIA YEARLYINCOME MUST BE GREATER THAN 200%, BUT LESS THAN OR EQUAL TO 500% OF THEFEDERAL POVERTY GUIDELINES
FACILITY 1 -- ST DAVID'S MEDICAL CENTER	PART V, SECTION B, LINE 19D	
FACILITY 1 -- ST DAVID'S MEDICAL CENTER	PART V, SECTION B, LINE 20D	THE HOSPITAL UTILIZED A SLIDING FEE SCALE FOR PATIENTS BETWEEN 200% AND 500% OF FEDERAL POVERTY GUIDELINES THAT IS LOWER THAN THE AVERAGE OF THE THREE LOWEST NEGOTIATED COMMERCIAL INSURANCE RATES
FACILITY 2 -- ST DAVID'S NORTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 11	
FACILITY 2 -- ST DAVID'S NORTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 12H	THE FOLLOWING IS A SUMMARY OF THE CHARITY CARE POLICY ADOPTED BY ST DAVID'S NORTH AUSTIN MEDICAL CENTER ST DAVID'S NORTH AUSTIN MEDICAL CENTER ACTIVELY SEEKS COMPLETION OF ANAPPLICATION, WHICH FACILITATES COLLECTION OF APPROPRIATE INFORMATION,INCLUDING *VERIFICATION OF FAMILY MEMBERS IN THE HOUSEHOLD - FOR ADULT PATIENTS,PATIENT SPOUSE AND ANY DEPENDENTS, FOR MINORS, MOTHER AND FATHER, ANDDEPENDENTS OF BOTH *INCOME CALCULATION - FOR ADULTS, SUM OF THE TOTAL YEARLY GROSS INCOME OFTHE PATIENT AND THE PATIENT'S SPOUSE, FOR MINORS, TOTAL YEARLY GROSSINCOME OF THE PATIENT, AND THE PATIENT'S MOTHER AND FATHER *DOCUMENTATION - VARIOUS OFFICIAL INCOME REPORTING DOCUMENTATION IS SOUGHT(E G W-2, WAGE AND TAX STATEMENT, PAY CHECK REMITTANCE AND OTHERS) DOCUMENTATION ASSOCIATED WITH THE PARTICIPATION IN A PUBLIC BENEFITPROGRAM CAN BE PROVIDED IN LIEU OF INCOME DOCUMENTATION (PROOF OFPARTICIPATION INDICATES THE PATIENT HAS BEEN DEEMED FINANCIALLY INDIGENTAND THEREFORE IS NOT REQUIRED TO PROVIDE INCOME INFORMATION) THERE ISALSO A VERIFICATION PROCESS IN PLACE FOR PATIENTS THAT DO NOT HAVEAPPROPRIATE DOCUMENTATION *CHARITY ELIGIBILITY CLASSIFICATIONS - FOR FINANCIALLY INDIGENT PATIENTS,THE AMOUNT OWED BY THE PATIENT AFTER PAYMENT BY ALL THIRD-PARTY PAYORSMUST EXCEED TEN PERCENT OF THE PATIENT'S YEARLY INCOME AND THE PATIENTMUST BE UNABLE TO PAY THE REMAINING BILL ACCEPTANCE BY ST DAVID'S NORTHAUSTIN MEDICAL CENTER IS BASED ON MEETING ONE OF TWO CRITERIA YEARLYINCOME MUST BE GREATER THAN 200%, BUT LESS THAN OR EQUAL TO 500% OF THEFEDERAL POVERTY GUIDELINES
FACILITY 2 -- ST DAVID'S NORTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 19D	
FACILITY 2 -- ST DAVID'S NORTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 20D	THE HOSPITAL UTILIZED A SLIDING FEE SCALE FOR PATIENTS BETWEEN 200% AND 500% OF FEDERAL POVERTY GUIDELINES THAT IS LOWER THAN THE AVERAGE OF THE THREE LOWEST NEGOTIATED COMMERCIAL INSURANCE RATES
FACILITY 3 -- ST DAVID'S SOUTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 11	
FACILITY 3 -- ST DAVID'S SOUTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 12H	THE FOLLOWING IS A SUMMARY OF THE CHARITY CARE POLICY ADOPTED BY ST DAVID'S SOUTH AUSTIN MEDICAL CENTER ST DAVID'S SOUTH AUSTIN MEDICAL CENTER ACTIVELY SEEKS COMPLETION OF ANAPPLICATION, WHICH FACILITATES COLLECTION OF APPROPRIATE INFORMATION,INCLUDING *VERIFICATION OF FAMILY MEMBERS IN THE HOUSEHOLD - FOR ADULT PATIENTS,PATIENT SPOUSE AND ANY DEPENDENTS, FOR MINORS, MOTHER AND FATHER, ANDDEPENDENTS OF BOTH *INCOME CALCULATION - FOR ADULTS, SUM OF THE TOTAL YEARLY GROSS INCOME OFTHE PATIENT AND THE PATIENT'S SPOUSE, FOR MINORS, TOTAL YEARLY GROSSINCOME OF THE PATIENT, AND THE PATIENT'S MOTHER AND FATHER *DOCUMENTATION - VARIOUS OFFICIAL INCOME REPORTING DOCUMENTATION IS SOUGHT(E G W-2, WAGE AND TAX STATEMENT, PAY CHECK REMITTANCE AND OTHERS) DOCUMENTATION ASSOCIATED WITH THE PARTICIPATION IN A PUBLIC BENEFITPROGRAM CAN BE PROVIDED IN LIEU OF INCOME DOCUMENTATION (PROOF OFPARTICIPATION INDICATES THE PATIENT HAS BEEN DEEMED FINANCIALLY INDIGENTAND THEREFORE IS NOT REQUIRED TO PROVIDE INCOME INFORMATION) THERE ISALSO A VERIFICATION PROCESS IN PLACE FOR PATIENTS THAT DO NOT HAVEAPPROPRIATE DOCUMENTATION *CHARITY ELIGIBILITY CLASSIFICATIONS - FOR FINANCIALLY INDIGENT PATIENTS,THE AMOUNT OWED BY THE PATIENT AFTER PAYMENT BY ALL THIRD-PARTY PAYORSMUST EXCEED TEN PERCENT OF THE PATIENT'S YEARLY INCOME AND THE PATIENTMUST BE UNABLE TO PAY THE REMAINING BILL ACCEPTANCE BY ST DAVID'S ROUNDROCK MEDICAL CENTER IS BASED ON MEETING ONE OF TWO CRITERIA YEARLY INCOMEMUST BE GREATER THAN 200%, BUT LESS THAN OR EQUAL TO 500% OF THE FEDERALPOVERTY GUIDELINES
FACILITY 3 -- ST DAVID'S SOUTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 19D	
FACILITY 3 -- ST DAVID'S SOUTH AUSTIN MEDICAL CENTER	PART V, SECTION B, LINE 20D	THE HOSPITAL UTILIZED A SLIDING FEE SCALE FOR PATIENTS BETWEEN 200% AND 500% OF FEDERAL POVERTY GUIDELINES THAT IS LOWER THAN THE AVERAGE OF THE THREE LOWEST NEGOTIATED COMMERCIAL INSURANCE RATES
FACILITY 4 -- ST DAVID'S ROUND ROCK MEDICAL CENTER	PART V, SECTION B, LINE 12H	THE FOLLOWING IS A SUMMARY OF THE CHARITY CARE POLICY ADOPTED BY ST DAVID'S ROUND ROCK MEDICAL CENTER ST DAVID'S ROUND ROCK MEDICAL CENTER ACTIVELY SEEKS COMPLETION OF AN APPLICATION, WHICH FACILITATES COLLECTION OF APPROPRIATE INFORMATION, INCLUDING *VERIFICATION OF FAMILY MEMBERS IN THE HOUSEHOLD - FOR ADULT PATIENTS,PATIENT SPOUSE AND ANY DEPENDENTS, FOR MINORS, MOTHER AND FATHER, AND DEPENDENTS OF BOTH *INCOME CALCULATION - FOR ADULTS, SUM OF THE TOTAL YEARLY GROSS INCOME OF THE PATIENT AND THE PATIENT'S SPOUSE, FOR MINORS, TOTAL YEARLY GROSS INCOME OF THE PATIENT, AND THE PATIENT'S MOTHER AND FATHER *DOCUMENTATION - VARIOUS OFFICIAL INCOME REPORTING DOCUMENTATION IS SOUGHT (E G W-2, WAGE AND TAX STATEMENT, PAY CHECK REMITTANCE AND OTHERS) DOCUMENTATION ASSOCIATED WITH THE PARTICIPATION IN A PUBLIC BENEFIT PROGRAM CAN BE PROVIDED IN LIEU OF INCOME DOCUMENTATION (PROOF OF PARTICIPATION INDICATES THE PATIENT HAS BEEN DEEMED FINANCIALLY INDIGENTAND THEREFORE IS NOT REQUIRED TO PROVIDE INCOME INFORMATION) THERE IS ALSO A VERIFICATION PROCESS IN PLACE FOR PATIENTS THAT DO NOT HAVE APPROPRIATE DOCUMENTATION *CHARITY ELIGIBILITY CLASSIFICATIONS - FOR FINANCIALLY INDIGENT PATIENTS, THE AMOUNT OWED BY THE PATIENT AFTER PAYMENT BY ALL THIRD-PARTY PAYORS MUST EXCEED TEN PERCENT OF THE PATIENT'S YEARLY INCOME AND THE PATIENTMUST BE UNABLE TO PAY THE REMAINING BILL ACCEPTANCE BY ST DAVID'S MEDICAL CENTER IS BASED ON MEETING ONE OF TWO CRITERIA YEARLY INCOME MUST BE GREATER THAN 200%, BUT LESS THAN OR EQUAL TO 500% OF THE FEDERAL POVERTY GUIDELINES
FACILITY 4 -- ST DAVID'S ROUND ROCK MEDICAL CENTER	PART V, SECTION B, LINE 20D	THE HOSPITAL UTILIZED A SLIDING FEE SCALE FOR PATIENTS BETWEEN 200% AND 500% OF FEDERAL POVERTY GUIDELINES THAT IS LOWER THAN THE AVERAGE OF THE THREE LOWEST NEGOTIATED COMMERCIAL INSURANCE RATES

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated 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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 13

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated 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, Part III, column (b), 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 THE ORGANIZATION MONITORS THE USE OF GRANT FUNDS BY REQUIRING ANY GRANTEES RECEIVING IN EXCESS OF $10,000 TO PROVIDE QUARTERLY REPORTS, WITHIN 30 DAYS OF THE CLOSE OF THE CALENDAR QUARTER, WHICH IDENTIFY PROGRAM GOALS AND OUTCOME MEASUREMENTS, AND CLIENT SATISFACTION SURVEYS GRANTEES RECEIVING IN EXCESS OF $10,000 ARE FURTHER REQUIRED TO SUBMIT ANNUAL REPORTS WITHIN 90 DAYS OF THE CLOSE OF THEIR FISCAL YEARS, WHICH PROVIDE AGGREGATED RESULTS OF THE MOST RECENT 4 QUARTERS OF DATA, ALONG WITH THE ENTITY FINANCIAL STATEMENTS

Additional Data Return to Form

Software ID:
Software Version:
EIN: 74-2427148
Name: GEORGETOWN HEALTHCARE SYSTEM

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
LONE STAR CIRCLE OF CARE1500 W UNIVERSITY GEORGETOWN,TX 78628	74-3001674	501(C)(3)	524,000				PROVIDE FUNDING FOR INDIGENT CARE AND INCREASING HEALTHCARE ACCESS
BOYS & GIRLS CLUB OF GEORGETOWN210 W 18TH STREET BLDG B GEORGETOWN,TX 78626	26-2916822	501(C)(3)	51,000				TO BENEFIT THE CHILDREN OF GEORGETOWN
THE CARING PLACEPO BOX 1215 GEORGETOWN,TX 78627	74-2386902	501(C)(3)	37,600				EXPAND HEALTH SERVICES
THE GEORGETOWN PROJECTPO BOX 957 GEORGETOWN,TX 78628	74-2807713	501(C)(3)	35,000				HEALTH INITIATIVES GRANT
CAPITAL INVESTING IN DEVELOPMENT AND EMPLOYMENT OF ADULTS INCPO BOX 1784 AUSTIN,TX 78767	74-2893041	501(C)(3)	25,000				EXPAND HEALTH SERVICES
WILLIAMSON COUNTY CHILDREN'S ADVOCACY CENTER406 W UNIVERSITY GEORGETOWN,TX 78626	74-2834639	501(C)(3)	25,000				TO BENEFIT THE CHILDREN OF GEORGETOWN
CHISHOLM TRAIL COMMUNITIES FOUND DBA THE GEORGETOWN AREA COMMUNITY FOUND116 WEST 8TH STREET GEORGETOWN,TX 78626	74-2786718	501(C)(3)	21,000				EXPAND HEALTH SERVICES
ST DAVID'S COMMUNITY HEALTH FOUNDATION LEADERSHIP811 BARTON SPRINGS RD STE 600 AUSTIN,TX 78704	74-2898888	501(C)(3)	8,000				EXPAND HEALTH SERVICES
RIDE ON CENTER FOR KIDS PO BOX 2422 GEORGETOWN,TX 78627	74-2917659	501(C)(3)	7,000				TO BENEFIT THE CHILDREN OF GEORGETOWN
GEORGETOWN PARTNERS IN EDUCATION FOUNDATION2211 NORTH AUSTIN AVE GEORGETOWN,TX 78626	74-2843114	501(C)(3)	5,000				SUPPORT FOR COMMUNITY HEALTH AWARENESS

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
AMERICAN HEART ASSOCIATION INC7272 GREENVILLE AVE DALLAS,TX 75231	13-5613797	501(C)(3)	5,000				EXPAND HEALTH SERVICES
WILLIAMSON BURNET COUNTY OPPORTUNITIES INC604 HIGH TECH DRIVE GEORGETOWN,TX 78626	74-6075213	501(C)(3)	5,000				TO FUND A PORTION OF MEALS ON WHEELS PROGRAM
GEORGETOWN COMMUNITY RESOURCE CENTER805 W UNIVERSITY GEORGETOWN,TX 78626	01-0717158	501(C)(3)		154,270	FMV	LEASE ASSISTANCE	EXPAND HEALTH SERVICES

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)M SCOTT ALARCON CEO	(i)	227,717	0	0	9,109	23,363	260,189	0
	(ii)	0	0	0	0	0	0	0
(2)RICHARD SCHULTZ CFO	(i)	167,217	0	0	6,689	14,697	188,603	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

Identifier	Return Reference	Explanation
	FORM 990, PART I, LINE 5, NUMBER OF EMPLOYEES - USE OF PEO	THE ORGANIZATION'S EMPLOYEES ARE CONTRACTED THROUGH A PROFESSIONAL EMPLOYMENT ORGANIZATION (PEO) THERE ARE APPROXIMATELY 26 EMPLOYEES, INCLUDING OFFICERS LISTED IN PART VII, SECTION A AND SCHEDULE J, FOR WHICH THE PEO HANDLES THE PAYROLL DUTIES, INCLUDING THE REQUIRED FEDERAL AND STATE REPORTING AND WITHHOLDING OBLIGATIONS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE ORGANIZATION'S TAX RETURN IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM AN INITIAL DRAFT OF THE FORM 990 IS REVIEWED BY THE BOARD OF DIRECTORS, MANAGEMENT, AND A THIRD PARTY TAX CONSULTANT PRIOR TO FINALIZATION AFTER ANY CHANGES RESULTING FROM REVIEW BY THE BOARD HAVE BEEN MADE, THE FINAL VERSION OF FORM 990 IS FILED AND A COPY OF THE FILED FORM IS DISTRIBUTED TO THE BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION'S BOARD OF DIRECTORS AND KEY EMPLOYEES REVIEW THE CONFLICT OF INTEREST POLICY ANNUALLY EACH INDIVIDUAL IS REQUIRED TO COMPLETE AND SIGN A DOCUMENT PROVIDED BY THE ORGANIZATION DISCLOSING ANY INTEREST THEY MAY HAVE WHICH COULD GIVE RISE TO A CONFLICT OF INTEREST THE ORGANIZATION COMPILES A LIST OF ALL DISCLOSURES AND REPORTS IT TO ALL MEMBERS OF THE BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE COMPENSATION COMMITTEE OF THE BOARD DRAFTED AN EXECUTIVE COMPENSATION PHILOSOPHY TO BE USED WHEN DETERMINING EXECUTIVE COMPENSATION FOR THE ORGANIZATION THIS PHILOSOPHY WILL BE UTILIZED TO DETERMINE THE ANNUAL COMPENSATION OF THE CHIEF EXECUTIVE OFFICER (CEO) AND THE CHIEF FINANCIAL OFFICER (CFO) AS PART OF THIS PROCESS, THE COMPENSATION COMMITTEE CONTRACTED WITH RODEGHERO AND ASSOCIATES TO ASSIST IN THE DEVELOPMENT OF FAIR MARKET VALUE EXECUTIVE COMPENSATION DR JAMES RODEGHERO, A COMPENSATION AND BENEFIT EXPERT, CREATED AN EXECUTIVE COMPENSATION GUIDELINE FOR THE CEO AND CFO USING COMPARISON DATA FROM MULTIPLE PUBLIC INFORMATION SECTORS THOSE SOURCES INCLUDED ERI FOUNDATIONS (ASSETS) BASE, ERI COMMUNITY FOUNDATIONS (FTE'S) BASE, ERI COMMUNITY FOUNDATIONS (BUDGET) BASE, CHRONICLE OF PHILANTHROPY (REGRESSED TO THE ORGANIZATION ASSETS) BASE, CHRONICLE OF PHILANTHROPY (NORMS, ALL) (ASSETS) BASE, ERI PROPERTY MANAGEMENT (REVENUE) BASE, AS WELL AS PUBLICLY AVAILABLE 990 FILINGS FOR NONPROFIT ORGANIZATIONS OF A SIMILAR SIZE AND TYPE MARKET SALARY AVERAGES FOR BOTH THE CEO AND CFO WERE ESTABLISHED USING THIS DATA THE COMPENSATION COMMITTEE'S RECOMMENDATIONS FOR THE CEO AND CFO WERE RATIFIED BY THE FULL BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE REPORTING ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
THE ORGANIZATION INCURS THE MAJORITY OF THE MANAGEMENT AND GENERAL EXPENSES	FORM 990, PART IX, COLUMN (C) MANAGEMENT AND GENERAL EXPENSES	FOR ITS RELATED ORGANIZATIONS LISTED ON SCHEDULE R, PART II OF THIS FORM AS A RESULT, ITS MANAGEMENT AND GENERAL EXPENSES, AS A PERCENTAGE OF TOTAL EXPENSES, ARE HIGHER THAN WOULD OTHERWISE BE THE CASE STATEMENTS WERE AUDITED BY AN INDEPENDENT ACCOUTING FIRM AS PART OF CONSOLIDATED FINANCIAL STATEMENTS THE CONSOLIDATED FINANCIAL STATEMENTS INCLUDED GEORGETOWN HEALTHCARE SYSTEM, GEORGETOWN HEALTHCARE COMMUNITY SERVICES, GEORGETOWN HEALTHCARE FOUNDATION AND GEORGETOWN HEALTHCARE SPECIAL ASSET FOUNDATION

Identifier	Return Reference	Explanation
ITS PROCESS FOR SELECTION OF AN INDEPENDENT ACCOUNTANT DID NOT CHANGE	FORM 990, PART XII, LINE 2C THE ORGANIZATION'S OVERSIGHT PROCESS AND	DURING THE TAX YEAR

Identifier	Return Reference	Explanation
	COMMUNITY BENEFIT REPORT 2012	GEORGETOWN HEALTHCARE SYSTEM, THROUGH ITS GOVERNANCE AND PARTICIPATION IN THE ST DAVID'S HEALTHCARE PARTNERSHIP, WILL ENSURE THAT HOSPITAL AND HEALTHCARE SERVICES ARE AVAILABLE IN THE GEORGETOWN AREA, REGARDLESS OF THE ABILITY OF THE PATIENT TO PAY FOR SUCH SERVICES A DDITIONALLY, GEORGETOWN HEALTHCARE SYSTEM'S CURRENT ACTIVITIES INCLUDE INVOLVEMENT WITH OT HER COMMUNITY NON-PROFIT ORGANIZATIONS THAT OPERATE COMMUNITY HEALTH CENTERS AND OTHER FAC ILITIES THAT BENEFIT THE PUBLIC, AND MEET THE HEALTH RELATED NEEDS OF THE GEORGETOWN TEXAS COMMUNITY AND THE RESIDENTS OF CENTRAL TEXAS HOSPITAL SERVICES THE ST DAVID'S HEALTHCAR E PARTNERSHIP PROVIDES A SUBSTANTIAL AMOUNT OF CHARITY CARE TO THE ELDERLY, INDIGENT, AND ECONOMICALLY DISADVANTAGED IN CENTRAL TEXAS ALL PATIENTS ARE ADMITTED TO EMERGENCY ROOMS REGARDLESS OF THEIR ABILITY TO PAY IF FURTHER ACUTE INPATIENT CARE IS REQUIRED, PATIENTS FROM THE EMERGENCY DEPARTMENT ARE ADMITTED TO THE HOSPITAL, ALSO WITHOUT REGARD TO THEIR A BILITY TO PAY THE PARTNERSHIP PROVIDED FOR THE CARE OF THOUSANDS OF CENTRAL TEXANS IN 201 2 IN MANY DIFFERENT WAYS SOME OF THOSE WERE IN THE FORM OF HOSPITAL ADMISSIONS - 65,018 EMERGENCY ROOM VISITS - 302,588 THE REPORTING ORGANIZATION ALSO PROVIDES THE FOLLOWING DIR ECT HEALTHCARE SERVICES HOME HEALTH SERVICES GEORGETOWN HEALTHCARE SYSTEM (GHS) OPERATES GEORGETOWN HOME HEALTH (GHH), A LOCAL HOME HEALTH AGENCY GEORGETOWN HOME HEALTH ACCEPTS P ATIENTS REGARDLESS OF THEIR ABILITY TO PAY DURING 2012, GHH PROVIDED 6,888 HOME HEALTH VI SITS TO 310 PATIENTS IN AND AROUND THE GEORGETOWN, TX AREA THE PRIMARY PATIENT TYPE FOR T HE AGENCY IS MEDICARE ALCOHOL AND DRUG REHABILITATION GHS THROUGH ITS AFFILIATE GEORGETOW N HEALTHCARE COMMUNITY SERVICES (GHCS), OPERATES AN INPATIENT SUBSTANCE ABUSE FACILITY IN COORDINATION WITH THE RUSK COUNTY TEXAS DEPARTMENT OF CRIMINAL JUSTICE THE PROGRAM IS A D IVERSION PROGRAM FOR NON-VIOLENT SUBSTANCE ABUSERS REFERRED THROUGH THE CRIMINAL JUSTICE S YSTEM THE CENTER PROVIDED 24,463 PATIENT DAYS OF CARE ITS AVERAGE DAILY CENSUS WAS JUST OVER 67 PATIENTS PER DAY COMMUNITY COLLABORATIONS GEORGETOWN HEALTHCARE SYSTEM (GHS) INVE STS ITS SHARE OF THE EARNINGS FROM THE ST DAVID'S HEALTHCARE PARTNERSHIP INTO PROGRAMS AN D SERVICES THAT PROVIDE A BENEFIT TO THE LOCAL COMMUNITY DURING 2012, GHS PROVIDED DIRECT FINANCIAL SUPPORT OR IN-KIND DONATIONS TO THE FOLLOWING NOT-FOR-PROFIT ORGANIZATIONS AND/ OR FUNCTIONS LONE STAR CIRCLE OF CARE LONE STAR CIRCLE OF CARE (LSCC) IS A FEDERALLY QUA LIFIED HEALTH CENTER (FQHC) BASED IN GEORGETOWN, TX THAT PROVIDES HEALTHCARE SERVICES TO P ATIENTS REGARDLESS OF THEIR ABILITY TO PAY IN 2012, LSCC PROVIDED OVER 339,000 VISITS TO 84,211 PATIENTS IT PROVIDED OVER $14,000,000 IN UNCOMPENSATED CARE (STATED AT COST) GHS PROVIDED BOTH DIRECT AND INDIRECT FINANCIAL SUPPORT TO LSCC DURING THIS REPORTING PERIOD DURING THIS REPORTING PERIOD, GHS CONTRIBUTED $524,000 TO HELP OFFSET LONE STAR'S UNCOMPEN SATED CARE GHS STAFF ALSO DONATED MANAGEMENT SERVICES ASSISTANCE TO LSCC TO FURTHER DEVEL OP AND IMPLEMENT THEIR KEY INITIATIVES IN 2012 BOTH ORGANIZATIONS SHARE THE PURSUIT OF PR OVIDING QUALITY, ACCESSIBLE AND SUSTAINABLE PRIMARY HEALTHCARE FOR WILLIAMSON COUNTY RESID ENTS, FOCUSING ON THE UNINSURED AND UNDERSERVED BOYS & GIRLS CLUB OF GEORGETOWN THE BOYS AND GIRLS CLUB OF GEORGETOWN PROVIDES AFTER SCHOOL AND SUMMER PROGRAMS TO THE YOUTH OF THE COMMUNITY NO CHILD IS EXCLUDED FROM MEMBERSHIP REGARDLESS OF THEIR ABILITY TO PAY MEMBER SHIP FEES THEY OFFER CHILDREN AGES 6 - 18 PROGRAMS RANGING FROM CHARACTER & LEADERSHIP TR AINING, CAREER & EDUCATION COUNSELING, HEALTH & LIFE SKILLS, THE ARTS, AND SPORTS FITNESS & RECREATION RIDE ON CENTER FOR KIDS RIDE ON CENTER FOR KIDS (ROCK) IS THE LARGEST PROVID ER OF EQUINE ASSISTED ACTIVITIES AND THERAPY IN CENTRAL TEXAS THEY ARE A PREMIER ACCREDIT ED NARHA CENTER THAT PROVIDES PHYSICAL THERAPY AND OCCUPATIONAL THERAPY THE REPORTING ORG ANIZATIONS SUPPORT ENABLED ROCK TO CONTINUE TO DEVELOP AND EXPAND PROGRAMS ASSOCIATED WITH THEIR STRATEGIC PLAN WILLIAMSON COUNTY CHILDREN'S ADVOCACY CENTER THE WILLIAMSON COUNTY CHILDREN'S ADVOCACY CENTER EXISTS AS A CHILD-FRIENDLY PLACE TO INTERVIEW ABUSED OR NEGLECT ED CHILDREN AND TEENS, OR YOUTH WHO HAVE WITNESSED A VIOLENT CRIME THE CENTER CONTAINS BO TH MEDICAL FORENSIC EXAMINATION ROOMS AND ROOMS FOR COUNSELING SERVICES THE REPORTING ORG ANIZATIONS SUPPORT ENABLED THE CENTER TO EXPAND THE COUNSELING SERVICES THE GEORGETOWN PR OJECT GHS PROVIDED DIRECT FINANCIAL SUPPORT AND ACTIVELY PARTICIPATED IN THE GEORGETOWN PR OJECT (TGP) ACTIVITIES TGP IS A LOCAL NON-PROFIT ORGANIZATION THAT DEVELOPS INITIATIVES D ESIGNED TO IMPROVE THE LIVES OF GEORGETOWNS CHILDREN, YOUTH, AND FAMILIES THE ORGANIZATIO N SPEARHEADS OTHER PROGRAMS SUCH AS BRIDGES TO GROWTH, THE AFTER SCHOOL ACTION PROGRAM, ST ARS (A DRUG AND ALCOHOL PREVENTION PROGRAM FOR MIDDLE SCHOOL STUDENTS AND THEIR FAMILIES), KID CITY, AND THE COMMUNITY INTERACTION PARTNERSH

Identifier	Return Reference	Explanation
	COMMUNITY BENEFIT REPORT 2012	IP GEORGETOWN PARTNERS IN EDUCATION (PIE) PIE IS A NON-PROFIT ORGANIZATION THAT SEEKS TO ENCOURAGE AND PREPARE GEORGETOWN'S STUDENTS FOR SUCCESS IN SCHOOL, IN THE WORKPLACE, IN TH E COMMUNITY, AND IN THEIR PERSONAL LIVES PIE IS A PARTNERSHIP BETWEEN GEORGETOWN INDEPEND ENT SCHOOL DISTRICT, THE GEORGETOWN CHAMBER OF COMMERCE, SOUTHWESTERN UNIVERSITY, AND MOST IMPORTANTLY, THE GEORGETOWN COMMUNITY SOME OF THE PROGRAMS AND SERVICES PROVIDED BY PIE ARE PROJECT MENTOR, HELPING HAND TUTOR, BUSINESS LINK, SUN CITY PARTNERS IN EDUCATION, E DUCATION FOUNDATION, PARTNERSHIP CONTRIBUTIONS, AND TEACHER GRANTS GEORGETOWN COMMUNITY R ESOURCE CENTER THE GEORGETOWN COMMUNITY RESOURCE CENTER WORKS WITH COMMUNITY MEMBERS TO ID ENTIFY GAPS IN COMMUNITY PROGRAMS AND SERVICES AND ATTEMPTS TO RECRUIT NON-PROFIT AGENCIES INTO THE COMMUNITY TO FILL THIS VOID THE ORGANIZATION PROVIDES A BUILDING WITH OFFICE SP ACE TO THE COMMUNITY RESOURCE CENTER WHICH IN TURN IS PROVIDED TO AGENCIES SERVING THE COM MUNITY THE NON-CASH ASSISTANCE REPRESENTS THE DIFFERENCE BETWEEN THE MARKET VALUE OF THE SPACE PROVIDED AND THE ACTUAL RENT CHARGED VOLUNTEER SERVICES GHS MAINTAINS AN ACTIVE VOL UNTEER SERVICES PROGRAM AT ST DAVIDS GEORGETOWN HOSPITAL THE PROGRAM IS COMPRISED OF APP ROXIMATELY 147 COMMUNITY MEMBERS THAT SERVE IN VARIOUS VOLUNTEER ROLES THROUGHOUT THE HOSP ITAL IN 2012, THE VOLUNTEER SERVICES PROGRAM PROVIDED 17,461 HOURS OF VOLUNTEER SUPPORT T O THE HOSPITAL IN CAPACITIES RANGING FROM PATIENT AND FAMILY ASSISTANCE TO ADMINISTRATIVE/ CLERICAL SUPPORT IN VARIOUS DEPARTMENTS OF THE HOSPITAL A CONSERVATIVE ESTIMATED VALUE OF THIS SERVICE IS APPROXIMATELY $209,532

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
GEORGETOWN HEALTHCARE SYSTEM

Employer identification number
74-2427148

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) GEORGETOWN HEALTHCARE COMMUNITY SERVICES 2425 WILLIAMS DRIVE GEORGETOWN, TX 78628 74-2865171	TO ASSIST GEORGETOWN HEALTHCARE SYSTEM	TX	501(C)(3)	LINE 9	GEORGETOWN HEALTHCARE SYSTEM		No
(2) GEORGETOWN HEALTHCARE FOUNDATION 2425 WILLIAMS DRIVE GEORGETOWN, TX 78628 74-2626552	TO ASSIST GEORGETOWN HEALTHCARE SYSTEM	TX	501(C)(3)	LINE 11A, I	GEORGETOWN HEALTHCARE SYSTEM		No
(3) GEORGETOWN HEALTHCARE SPECIAL ASSET FOUNDATION 2425 WILLIAMS DRIVE GEORGETOWN, TX 78628 74-3023706	TO ASSIST GEORGETOWN HEALTHCARE SYSTEM	TX	501(C)(3)	LINE 11B, II	GEORGETOWN HEALTHCARE SYSTEM		No

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

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

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

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ST DAVID'S HEALTHCARE PARTNERSHIP LP LLP 98 SAN JACINTO BLVD STE 1800AUSTIN, TX 78701 74-2781812	OPERATES HOSPITALS IN CENTRAL TEXAS	TX	RELATED		No	2,128,546	12,571,850		No			No	1 000 %

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 74-2427148
Name: GEORGETOWN HEALTHCARE SYSTEM

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GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

Combined Financial Statements
as of and for the Years Ended
December 31, 2012 and 2011 and
Independent Auditors' Report

MAXWELL & LOCKE & RITTER

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Georgetown Healthcare System, Inc., Georgetown Healthcare Community Services, Inc., Georgetown Healthcare Foundation, Inc., and Georgetown Healthcare Special Asset Foundation, Inc.:

We have audited the accompanying combined financial statements of Georgetown Healthcare System, Inc., Georgetown Healthcare Community Services, Inc., Georgetown Healthcare Foundation, Inc., and Georgetown Healthcare Special Asset Foundation, Inc. (collectively, the "System") which comprise the combined statement of financial position as of December 31, 2012, and the related combined statements of activities and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Georgetown Healthcare System, Inc., Georgetown Healthcare Community Services, Inc., Georgetown Healthcare Foundation, Inc., and Georgetown Healthcare Special Asset Foundation, Inc. as of December 31, 2012, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The combined financial statements of Georgetown Healthcare System, Inc., Georgetown Healthcare Community Services, Inc., Georgetown Healthcare Foundation, Inc., and Georgetown Healthcare Special Asset Foundation, Inc. as of December 31, 2011, were audited by other auditors whose report dated May 15, 2012, expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplemental combining schedules of financial position and activities are presented for purposes of additional analysis of the combined financial statements rather than to present the financial position and changes in net assets of the individual entities and they are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Maxwell Locke + Ritter LLP

July 18, 2013

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS:		
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 2,395,889	$ 1,935,959
Short-Term Investments	10,500,553	8,859,932
Patient Accounts Receivable, Net	58,884	158,598
Other Receivables	112,690	73,191
Inventory of Supplies	23,437	23,946
Prepaid and Other Current Assets	126,617	104,359
Total Current Assets	13,218,070	11,155,985
RESTRICTED CASH	-	155,639
INVESTMENTS HELD FOR DEFERRED EMPLOYEE BENEFITS	293,096	264,453
FIXED ASSETS, Net	20,113,693	20,898,318
INVESTMENT IN PARTNERSHIP	12,571,850	12,571,850
OTHER LONG-TERM ASSETS	302,630	377,675
TOTAL ASSETS	$ 46,499,339	$ 45,423,920
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts Payable	$ 249,818	$ 336,253
Accrued Payroll and Benefits	182,978	224,638
Other Accrued Liabilities	213,426	217,954
Current Portion of Long-Term Debt	324,400	311,794
Total Current Liabilities	970,622	1,090,639
DEFERRED EMPLOYEE BENEFITS	293,096	264,453
LONG-TERM DEBT, Less Current Portion	5,035,511	5,361,999
BUSINESS HELD FOR SALE	15,862	-
PREPAYMENT ON BUSINESS HELD FOR SALE	40,000	-
INTEREST RATE SWAP	393,801	-
Total Liabilities	6,748,892	6,717,091
UNRESTRICTED NET ASSETS	39,750,447	38,706,829
TOTAL LIABILITIES AND NET ASSETS	$ 46,499,339	$ 45,423,920

See notes to combined financial statements.

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
REVENUE, GAINS, AND OTHER SUPPORT:		
Lease Income	$ 2,424,070	$ 2,381,256
Net Patient Service Revenue	2,260,582	2,472,320
Investment Income - St. David's Partnership	2,128,546	1,738,546
Investment Income	721,435	405,533
Other Revenue	91,540	87,833
Total Revenue, Gains, and Other Support	7,626,173	7,085,488
EXPENSES AND LOSSES:		
Salaries and Employee Benefits	2,364,735	2,330,338
Supplies, Utilities, and Other Services	542,221	525,920
Professional Fees and Purchased Services	437,074	464,936
Rental, Repairs, and Maintenance	528,992	279,892
Insurance and Taxes	350,906	365,869
Charitable Contributions	833,284	823,450
Depreciation and Amortization	1,172,181	1,134,253
Bad Debts	56	20
Interest	219,700	245,048
Total Expenses	6,449,149	6,169,726
EXCESS OF REVENUES OVER EXPENSES	1,177,024	915,762
Unrealized Gain/(Loss) on Investments	260,395	(515,581)
Loss on Disposal of Fixed Assets	-	(77,236)
Unrealized Gain/(Loss) on Interest Rate Swap	(393,801)	-
CHANGE IN UNRESTRICTED NET ASSETS	1,043,618	322,945
UNRESTRICTED NET ASSETS, Beginning of Year	38,706,829	38,383,884
UNRESTRICTED NET ASSETS, End of Year	$ 39,750,447	$ 38,706,829

See notes to combined financial statements.

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 1,043,618	$ 322,945
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and Amortization	1,171,557	1,134,253
Unrealized (Gain)/Loss on Investments	(260,395)	515,580
Loss on Disposal of Fixed Assets	-	77,236
Unrealized (Gain)/Loss on Interest Rate Swap	393,801	-
Changes in operating assets and liabilities that provided (used) cash		
Patient Accounts Receivable	99,714	21,947
Other Receivables	(39,499)	15,667
Inventory of Supplies	509	(4,594)
Prepaid and Other Current Assets	(22,258)	(69,610)
Other Long-Term Assets	75,045	(32,444)
Accounts Payable	(153,817)	(29,463)
Accrued Payroll and Benefits	(41,660)	9,463
Other Accrued Liabilities	(4,528)	(30,762)
Deferred Employee Benefits	28,643	(3,803)
Business Held for Sale	15,862	-
Prepayment on Business Held for sale	40,000	-
Net Cash Provided by Operating Activities	2,346,592	1,926,415
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in Restricted Cash	155,639	(155,639)
Net (Purchases) Sales of Investments	(1,408,869)	981,023
Purchase of Fixed Assets	(319,550)	(585,326)
Net Cash (Used in) Provided by Investing Activities	(1,572,780)	240,058
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt	(313,882)	(301,766)
Payments on Notes Payable	-	(1,345,271)
Proceeds from Notes Payable	-	192,102
Net Cash Used in Financing Activities	(313,882)	(1,454,935)
CHANGE IN CASH AND CASH EQUIVALENTS	459,930	711,538
CASH AND CASH EQUIVALENTS, Beginning of Year	1,935,959	1,224,421
CASH AND CASH EQUIVALENTS, End of Year	$ 2,395,889	$ 1,935,959
Supplemental Schedule of Noncash Investing Activities		
Acquisition of Fixed Assets with Accounts Payable	$ 67,382	$ -
Note Receivable for a Construction Buildout	$ -	$ 81,759
Interest Paid	$ 219,700	$ 245,048

See notes to combined financial statements

1. ORGANIZATION AND NATURE OF OPERATIONS

Georgetown Healthcare System, Inc. ("GHS") is a Texas nonprofit corporation located in Georgetown, Texas, created to operate Georgetown Hospital and its related facilities. In 2006, GHS entered into a joint venture relationship with St. David's Healthcare Partnership, LP, LLP (the "Partnership") based in Austin, Texas. GHS contributed its hospital, Georgetown Hospital, to the Partnership in exchange for cash plus an ownership interest in the Partnership. The Partnership is a regional healthcare provider made up of seven hospitals, four ambulatory surgery centers, and various other outpatient sites. GHS continues to be actively engaged in providing collaboration, charity care, and support to local community organizations whose missions include health, wellness, and education.

In 1994, management of GHS created Georgetown Healthcare Foundation, Inc. ("GHF") to raise funds for endowment, expansion, and scholarship. In 1998, management of GHS created Georgetown Healthcare Community Services, Inc. ("GHCS") to separate non-hospital healthcare related operations from GHS. GHCS shares a common vision with GHS to utilize its resources in collaboration with other local charitable organizations who strive to improve the well-being of the Georgetown community. In 2001, management of GHS created the Georgetown Healthcare Special Asset Foundation ("GHSAF") to solicit donations of real estate and other capital assets.

GHS, GHF, GHCS, and GHSAF are each individually exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and these financial statements reflect the combined financial activities of these entities. Each individual organization acts independently and does not receive direct financial support from another. The individual organizations are governed by the same Board of Directors. Based on this common control, combined financial statements are presented herein. The organizations are collectively referred to as the "System" and all material inter-company transactions have been eliminated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board Accounting Standards Codification. Under the accrual basis of accounting, revenue is recognized when earned regardless of when collected, and expenses are recognized when the obligation is incurred regardless of when paid.

Use of Estimates - The preparation of combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Net Asset Classification - The combined financial statements report information regarding the System's combined financial positions and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor restrictions. Accordingly, net assets of the System and changes therein are classified as follows:

Unrestricted net assets - These types of net assets are not subject to donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Temporarily restricted net assets - These types of net assets are subject to donor-imposed stipulations, which limit their use by the System to a specific purpose and/or the passage of time. The System had no temporarily restricted net assets as of December 31, 2012 or 2011.

Permanently restricted net assets - These types of net assets are subject to donor-imposed stipulations, which require them to be maintained permanently by the System. The System has not received any permanently restricted net assets.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three general valuation techniques that may be used to measure fair value, as described below:

A) Market approach - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources;

B) Cost approach - Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and

C) Income approach - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Within the three valuation techniques, fair value accounting requires characterization of the inputs used to determine fair value into a three-level fair value hierarchy as follows:

Level 1 - These inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the System has the ability to access. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - These inputs relate to adjusting information from similar items that are traded in active markets or from identical or similar items in markets that are not active.

Level 3 - These inputs reflect the System's own assumptions about the assumptions market participants would use in pricing the asset or liability.

Cash and Cash Equivalents - The System considers all highly liquid investments with an original maturity of twelve months or less to be cash equivalents, excluding amounts whose use is limited by board designation or other arrangements under trust agreements or with third-party payers.

Investments - Investments are recorded at fair market value based on quoted market prices. Any changes in market value are reported in the combined statements of activities as unrealized gains or losses.

Patient Accounts Receivable - Patient accounts receivable are recorded at the amount the System expected to collect on the outstanding balance. The allowance for estimated uncollectible patient accounts receivable is maintained at a level which in management's judgment is adequate to absorb patient account balance write-offs inherent in the billing process. The amount of the allowance is based on management's evaluation of collectability of patient accounts receivable, including the nature of the accounts, credit concentrations, trends in historical wire-off experience, specific impaired accounts, and economic historical percentage to financial classes within accounts receivable. The allowances are increased by a provision for bad debt expenses and contractual adjustments, and reduced by write-offs, net of recoveries.

Investment in Partnership - The investment in partnership is carried at cost and represents the cost based value of GHS' ownership in the Partnership. Distributions received from the Partnership are recognized as investment income - St. David's partnership in the statement of activities in the period received.

Inventory of Supplies - Inventories consist of supplies and are stated at the lower cost or market using first-in, first-out (FIFO) method.

Fixed Assets - Fixed assets consists of land, buildings, improvements, major moveable equipment, and fixed equipment. Fixed asset additions are recorded at cost if purchased or estimated fair value if donated less accumulated depreciation. The System capitalizes all additions over $1,000 with an estimated useful life over one year and expenses maintenance and repairs that do not improve or extend the useful lives of the respective assets. Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the respective assets. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Once completed, construction in progress is transferred to the appropriate category and depreciation is calculated in accordance with the related useful life. Estimated useful lives are as follows:

Major moveable equipment	3-25 years
Fixed equipment	7-25 years
Buildings and improvements	5-25 years
Land improvements	15-20 years

Business Held for Sale and Prepayment on Business Held for Sale - On October 1, 2012, GHS entered into an asset purchase agreement with a buyer in which the buyer agreed to acquire the assets included in the agreement in order to operate Georgetown Home Health, an agency of GHS. The related assets and liabilities have been classified and reported as business held for sale in the statement of financial position. Fixed assets included in the agreement will no longer be depreciated and are reported at their net value as of December 31, 2012. Liabilities included in the agreement will be recorded at their accrued value at each reporting date. The agreement included a stated purchase price that will be paid to GHS annually until the closing date on October 1, 2015. Amounts received from the buyer prior to the Closing Date are recording as prepayment on business held for sale in the statement of financial position.

Derivative Financial Instruments - The System accounts for the value of the interest rate swap as either an asset or liability at fair value from the date of inception regardless of the purpose or intent for holding the instrument. Subsequent changes in the fair value will be recorded in the current period as an adjustment to unrealized gain/(loss) on interest rate swap in the statement of activities. If the System elects to exercise its option to retire the instrument prior to its maturity, this will result in either interest income or interest expense.

Net Patient Service Revenue - Patient service revenue is reported at net realizable amounts due from clients, third-party payers, and others for services rendered. The System has agreements with third-party payers that provide for payments to the System at amounts different than its established rates. Outpatient services rendered to Medicare program beneficiaries are paid a predetermined base payment. The payment is adjusted for the health condition and care needs of the beneficiary. The System has also entered into payment agreements with commercial insurance carriers, preferred provider organizations, and the State of Texas. The basis for payment under these agreements includes discounts from established charges and prospectively determined daily per diem rates.

Federal Income Taxes - GHS, GHCS, GHF and GHSAF are not-for-profit organizations that are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code except for any unrelated business activities. No expense has been provided for income taxes in the accompanying financial statements; however, there may be immaterial taxes due to debt financed private purpose activities, that management has elected not to record as a liability.

Reclassification - Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. There was no impact on net assets.

3. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the System to credit risk consist of cash and cash equivalents, investments and receivables. The System places its cash and cash equivalents with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits. Management believes no significant risk exists with respect to cash and cash equivalents. Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the combined statement of financial position. The System generally does not maintain collateral for its receivables and does not believe significant risk existed at December 31, 2012 or 2011.

4. INVESTMENTS

Short-term investments and investments held for deferred employee benefits consisted of mutual funds. Short-term investments and investments held for deferred employee benefits were measured at fair value using the market approach and inputs were considered Level 1 under the fair value hierarchy. Investment income (loss) was comprised of the following during the year ended December 31:

	2012	2011
Interest and dividends	$ 279,733	$ 176,902
Realized gain	441,702	228,630
Unrealized gain (loss)	260,395	(515,580)
Investment income (loss)	$ 981,830	$ (110,048)

5. FIXED ASSETS

Fixed assets consisted of the following at December 31:

	2012	2011
Buildings and improvements	$ 23,662,279	$ 23,237,342
Capitalized interest	269,753	269,753
Major moveable equipment	146,710	104,119
Fixed equipment	77,378	79,311
	24,156,120	23,690,525
Accumulated depreciation and amortization	(8,492,386)	(7,339,705)
	15,663,734	16,350,820
Land	4,029,568	4,029,568
Construction in progress	420,391	517,930
Fixed assets, net	$ 20,113,693	$ 20,898,318

6. LEASE INCOME

As of December 31, 2012, five of the properties owned by the System were leased to various businesses under non-cancelable operating leases with lease terms greater than five years. The property held for these leases included land, building and equipment in the statement of financial position as follows:

	2012	2011
Buildings and improvements	$ 21,493,246	$ 21,190,686
Fixed equipment	32,984	32,984
	21,526,230	21,223,670
Accumulated depreciation	(6,841,309)	(5,891,074)
	14,684,921	15,332,596
Land	1,975,172	1,975,172
Construction in progress	420,391	517,931
Net property held for leasing	$ 17,080,484	$ 17,825,699

Future minimum lease receipts of rent and common area maintenance fees under non-cancelable operating leases at December 31, 2012 are as follows:

2013	$ 2,192,102
2014	1,942,390
2015	1,821,783
2016	1,722,439
2017	1,605,991
Thereafter	5,966,600
	$ 15,251,305

7. INVESTMENT IN PARTNERSHIP

The investment in partnership carried at cost was TBLink #VALUE! at December 31, 2012 and 2011. The following is a summary of financial position and results of operations of St. David's Healthcare Partnership, LP, LLP in thousands of dollars:

	2012 Unaudited (in thousands of dollars)	2011 Audited (in thousands of dollars)
Current assets	$ 260,114	$ 269,345
Property, plant and equipment, net	542,072	554,450
Other assets, net	150,095	128,806
Total assets	952,281	952,601
Current liabilities	$ 109,929	$ 121,670
Other long-term liabilities	3,654	1,660
Total liabilities	113,583	123,330
Equity	838,698	829,271
Total liabilities and equity	$ 952,281	$ 952,601
Net patient service revenue	$ 1,258,362	$ 1,256,209
Net income	$ 209,422	$ 194,069

8. DEBT

GHCS has a 3.97% note payable to a bank payable in monthly principal and interest installments of $33,291, secured by LakeAire property. This note has an interest rate swap subject to a floating interest rate spread of 1.95% monthly; however, interest rate over the life of the note is a maximum 3.97%. The maturity date is November 12, 2020 at which time the entire amount of principal and interest is due. The note payable contained certain financial covenants, including requirements for liquidity and conditions on additional indebtedness. Failure to comply with the covenants could result in a re-negotiated interest rate or the debt being called by the lender.

Maturities of the long-term debt as of December 31, 2012 were as follows:

2013	$ 324,400
2014	337,515
2015	351,161
2016	365,359
2017	380,130
Thereafter	3,601,346
	$ 5,359,911

9. INTEREST RATE SWAP

GHCS has an interest rate swap with a bank. The swap hedged exposure to interest rate fluctuations resulting from the variable interest rate payments due on the loan. Under the interest rate swap agreement, the System agreed to exchange a portion of the variable interest payment charged on the note for fixed interest payments at an average rate of 3.97%. The interest rate swap was measured at fair value using the market approach and is categorized as Level 2 under the fair value hierarchy as described on Page 8 of this report. The fair value of the interest rate swap was provided by the bank. The unrealized gain/(loss) from the interest rate swap is disclosed on the statement of activities. The System would realize this gain or loss only if it elects to exercise its option to retire the debt instrument prior to its maturity.

10. NET PATIENT SERVICE REVENUE

Net patient service revenue consisted of the following for the years ended December 31:

	2012	2011
Self-Pay	$ 6,227	$ 3,069
Commercial Insurance	240,476	195,622
Medicare and Medicaid	669,047	912,371
State of Texas TDCJ	1,344,832	1,361,258
Total Net Patient Service Revenue	$ 2,260,582	$ 2,472,320

11. EMPLOYEE BENEFITS

The System has a 401k profit sharing plan covering substantially all employees meeting certain age and service requirements. The plan is funded in annual contributions. Retirement expense charged to operations for the years ended December 31, 2012 and 2011 was $31,506 and $37,694, respectively. In 2012 and 2011, the System continued its practice of contributing a discretionary contribution equal to 2% of gross wages. The System also matched employee contributions at the rate of 1/2% System contribution for every 1% employee contribution, up to a maximum System contribution of 2%. This retirement plan is under the trusteeship of the Texas Hospital Association Retirement Plan, a multi-employer plan and administrator.

GHS assumed the Georgetown Hospital Authority's (the "Authority") liability and assets of the Authority's governmental employee 457 retirement plan, which was previously funded by Authority employee contributions. GHS, as part of the assumption, controls the plan assets and acts as an agent to the third party administrator. The employee selects the investment of their applicable share of the plan's assets within a pool of investments provided by the third party administrator. The plan became frozen when GHS assumed responsibility. IRS regulations enable employers to terminate frozen plans. When a plan is terminated, participants are given the option of transferring their balances to other IRS recognized individual tax deferred plans or to take a distribution. In 2004, GHS initiated the process of terminating this plan. The remaining fair value of the plan assets and the related deferred liability has been recorded on GHS' books. The plan assets are combined in investments held for deferred employee benefits in the statement of financial position and totaled $7,535 at December 31, 2012 and 2011. No retirement expense relating to this plan has been charged to the GHS' operations.

In 2004, the System established qualified 457(b) and 457(f) plans. The System controls the plan assets and acts as the agent to the third party administrator. Eligible participants select the investment of their applicable share of the plan's assets within a pool of investments provided by the third party administrator. The fair value of the plan assets and the related liability has been recorded on the System's books. The plan assets are reported as investments held for deferred employee benefits in the statement of financial position and totaled $285,561 and $256,918 for 2012 and 2011, respectively. No retirement expense relating to this plan has been charged to the System's operations.

12. FUNCTIONAL ALLOCATION OF EXPENSES

Functional expenses consisted of the following for the years ended December 31:

	2012	2011
Program	$ 5,748,948	$ 5,207,941
Management and general	1,094,002	1,039,021
	$ 6,842,950	$ 6,246,962

13. SUBSEQUENT EVENTS

The System has evaluated subsequent events through July 18, 2013 (the date the combined financial statements were available to be issued), and no events have occurred from the combined statement of financial position date through that date that would impact the combined financial statements.

SUPPLEMENTAL SCHEDULE

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

COMBINING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2012

	GHS	GHCS	GHF	GHSAF	Eliminations	Combined
ASSETS						
Cash and Cash Equivalents	$ 1,775,110	353,956	85,375	181,448	-	2,395,889
Short-Term Investments	9,989,404	-	511,149	-	-	10,500,553
Patient Accounts Receivable, Net	-	58,884	-	-	-	58,884
Other Receivables	66,823	45,867	-	-	-	112,690
Inventory of Supplies	23,437	-	-	-	-	23,437
Prepaid and Other Current Assets	21,731	104,886	-	-	-	126,617
Investments Held for Deferred Employee Benefits	293,096	-	-	-	-	293,096
Fixed Assets, Net	2,404,158	17,709,535	-	-	-	20,113,693
Investment in Partnership	12,571,850	-	-	-	-	12,571,850
Other Long-Term Assets	196,327	106,303	-	-	-	302,630
TOTAL ASSETS	$ 27,341,936	18,379,431	596,524	181,448	-	46,499,339
LIABILITIES						
Accounts Payable	$ 43,429	194,858	8,028	3,503	-	249,818
Accrued Payroll and Benefits	107,217	75,761	-	-	-	182,978
Other Accrued Liabilities	28,572	184,854	-	-	-	213,426
Current Portion of Long-Term Debt	-	324,400	-	-	-	324,400
Due (from) to Intercompany	(8,843,502)	12,806,412	(3,962,910)	-	-	-
Deferred Employee Benefits	293,096	-	-	-	-	293,096
Long-Term Debt, Less Current Portion	-	5,035,511	-	-	-	5,035,511
Business Held for Sale	15,862	-	-	-	-	15,862
Prepayment on Business Held for Sale	40,000	-	-	-	-	40,000
Interest Rate Swap	-	393,801	-	-	-	393,801
Total Liabilities	(8,315,326)	19,015,597	(3,954,882)	3,503	-	6,748,892
UNRESTRICTED NET ASSETS (DEFICIT)	35,657,262	(636,166)	4,551,406	177,945	-	39,750,447
TOTAL LIABILITIES AND NET ASSETS	$ 27,341,936	18,379,431	596,524	181,448	-	46,499,339

GEORGETOWN HEALTHCARE SYSTEM, INC. AND AFFILIATES

COMBINING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012

4,012,747.00 +
246,325.00 +
4,259,072.00 *
GHS REVENUE

3,765,227.00 +
393,801.00 -
3,371,426.00 *
GHCS REVENUE

41,843.00 +
14,070.00 =
55,913.00 *
GHF REVENUE

	GHS	GHCS	GHF	GHSAF	Eliminations	Combined
REVENUE, GAINS, AND OTHER SUPPORT						
Lease Income	$ 8,059	2,416,011	-	-	-	2,424,070
Net Patient Service Revenue	915,750	1,344,832	-	-	-	2,260,582
Investment Income - St David's Partnership	2,128,546	-	-	-	-	2,128,546
Investment Income	672,525	4,384	41,843	2,683	-	721,435
Other Revenue	287,867	-	-	-	(196,327)	91,540
Total Revenue, Gains, and Other Support	4,012,747	3,765,227	41,843	2,683	(196,327)	7,626,173
EXPENSES						
Salaries and Employee Benefits	1,459,688	905,047	-	-	-	2,364,735
Supplies, Utilities, and Other Services	211,034	331,187	-	-	-	542,221
Professional Fees and Purchased Services	254,120	170,370	9,274	3,310	-	437,074
Rental, Repairs, and Maintenance	97,162	431,830	-	-	-	528,992
Insurance and Taxes	51,624	280,871	12,411	6,000	-	350,906
Charitable Contributions	788,284	-	196,327	45,000	(196,327)	833,284
Depreciation and Amortization	65,902	1,106,279	-	-	-	1,172,181
Bad Debts	56	-	-	-	-	56
Interest	-	219,700	-	-	-	219,700
Total Expenses	2,927,870	3,445,284	218,012	54,310	(196,327)	6,449,149
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	1,084,877	319,943	(176,169)	(51,627)	-	1,177,024
Unrealized Gain/(Loss) on Investments	246,325	-	14,070	-	-	260,395
Unrealized Gain/(Loss) on Interest Rate Swap	-	(393,801)	-	-	-	(393,801)
CHANGE IN UNRESTRICTED NET ASSETS	1,331,202	(73,858)	(162,099)	(51,627)	-	1,043,618
UNRESTRICTED NET ASSETS (DEFICIT), Beginning of Year	34,326,060	(562,308)	4,713,505	229,572	-	38,706,829
UNRESTRICTED NET ASSETS (DEFICIT), End of Year	$ 35,657,262	(636,166)	4,551,406	177,945	-	39,750,447