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Part III

Statement of Program Service Accomplishments

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

☐

1

Briefly describe the organization's mission

SEE SCHEDULE O

2

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

☐ Yes ☒ No

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

3

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

☒ Yes ☐ No

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 \$ 265,513,727 including grants of \$ 270,820) (Revenue \$ 280,836,088)

UNITED BLOOD SERVICES BLOOD BANKING - SEE SCHEDULE O

4b

(Code) (Expenses \$ 146,333,526 including grants of \$ 0) (Revenue \$ 156,508,837)

BIOCARE BIOLOGICALS - SEE SCHEDULE O

4c

(Code) (Expenses \$ 14,954,977 including grants of \$ 0) (Revenue \$ 11,168,117)

BLOOD SYSTEMS RESEARCH INSTITUTE - SEE SCHEDULE O

4d

Other program services (Describe in Schedule O)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 30,135,537)

4e

Total program service expenses

426,802,230

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 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 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, 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	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI 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 Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the 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	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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	667			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	3,611			
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	Yes			
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	Yes			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	Yes			
b	If "Yes," enter the name of the foreign country: CJ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a				No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible 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	Yes			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c				No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8				
9	Sponsoring organizations maintaining donor advised funds.					
a	Did the organization make any taxable distributions under section 4966?	9a				
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				
10	Section 501(c)(7) organizations. Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b				
11	Section 501(c)(12) organizations. Enter					
a	Gross income from members or shareholders.	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b				
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a				
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13	Section 501(c)(29) qualified nonprofit health insurance issuers.					
a	Is the organization licensed to issue qualified health plans in more than one state? Note. 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	16	
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	16	
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	Yes
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review 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	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	AZ , CA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request ☐ 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	SUSAN BARNES 6210 E OAK STREET SCOTTSDALE, AZ (480) 675-5696

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

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 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

[illegible]

Part VII

(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)							9,797,293	0	688,811	

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 ►151

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MAK SYSTEMS , 2720 RIVER ROAD SUITE 225 DES PLAINES IL 60018	CONSULTANT	3,039,535
3RP , 7047 E GREENWAY PARKWAY SUITE 300 SCOTTSDALE AZ 85254	CONSULTANT	2,627,808
CORNERSTONE CONSULTING GROUP , 3217 E SHEA BLVD SUITE 170 PHOENIX AZ 85028	CONSULTANT	304,959
LEWIS ROCA , 40 N CENTRAL AVENUE PHOENIX AZ 850044429	ATTORNEYS	249,665
ERNST AND YOUNG , BANK OF AMERICA LA LOS ANGELES CA 900748594	AUDITORS	242,038

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 ►8

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	17,184					
	b	Membership dues	1b						
	c	Fundraising events	1c						
	d	Related organizations	1d	1,075,000					
	e	Government grants (contributions)	1e						
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	8,634,955					
	g	Noncash contributions included in lines 1a-1f \$		7,960,238					
	h	Total. Add lines 1a-1f						9,727,139	
Program Service Revenue	2a	BLOOD AND COMPONENTS SERVICE FEES	Business Code	541900	280,836,088	280,836,088			
	b	BIOCARE		446110	156,508,837	156,276,398	232,439		
	c	LABORATORY SERVICES		621500	14,666,090	14,666,090			
	d	PLASMA FOR FRACTIONATION		541990	11,646,280	11,646,280			
	e	RESEARCH CONTRACTS		541700	11,168,117	11,168,117			
	f	All other program service revenue			3,823,167	3,823,167			
	g	Total. Add lines 2a-2f			478,648,579				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		3,959,630			3,959,630	
4		Income from investment of tax-exempt bond proceeds . .		0					
5		Royalties		27,900			27,900		
6a		Gross rents	(i) Real	(ii) Personal					
		b	Less rental expenses						
		c	Rental income or (loss)	0					0
		d	Net rental income or (loss)						0
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
		b	Less cost or other basis and sales expenses						
		c	Gain or (loss)	965,467					2,425,022
		d	Net gain or (loss)						3,390,489
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a		0				
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		0				
b		Less direct expenses	b						
c		Net income or (loss) from gaming activities . . .							
10a		Gross sales of inventory, less returns and allowances . .	a		0				
		b	Less cost of goods sold	b					
		c	Net income or (loss) from sales of inventory . . .						
	Miscellaneous Revenue		Business Code	6,000,000					6,000,000
11a	CTS - DISTRIBUTION OF EARNINGS								
b	LIFESTREAM - COLLABORATION AGREEMENT								
c									
d	All other revenue								
e	Total. Add lines 11a-11d				5,428,354				
12	Total revenue. See Instructions			501,182,091	483,844,494	232,439	7,378,019		

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.	270,820	270,820		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4	Benefits paid to or for members.	0			
5	Compensation of current officers, directors, trustees, and key employees.	9,797,293		9,797,293	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
7	Other salaries and wages.	119,616,591	96,950,440	22,666,151	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	15,046,383	9,687,935	5,358,448	
9	Other employee benefits.	21,493,065	19,829,391	1,663,674	
10	Payroll taxes.	10,325,240	8,476,644	1,848,596	
11	Fees for services (non-employees):				
a	Management.	0			
b	Legal.	577,239		577,239	
c	Accounting.	558,256		558,256	
d	Lobbying.	0			
e	Professional fundraising services. See Part IV, line 17.	0			
f	Investment management fees.	186,062		186,062	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	3,826,605	3,428,638	397,967	
12	Advertising and promotion.	1,443,943	1,443,943		
13	Office expenses.	15,553,947	7,294,801	8,259,146	
14	Information technology.	0			
15	Royalties.	0			
16	Occupancy.	13,065,714	11,850,602	1,215,112	
17	Travel.	12,527,851	7,942,657	4,585,194	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	0			
20	Interest.	1,566,671		1,566,671	
21	Payments to affiliates.	0			
22	Depreciation, depletion, and amortization.	15,584,620	10,794,973	4,789,647	
23	Insurance.	1,640,705	1,442,180	198,525	
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	PHARM. PRODUCTS PURCH.	146,123,234	146,123,234		
b	OPERATING & TESTING SUPPLIES	81,922,175	81,922,175		
c	DONOR RECOGNITION & PROMO	12,459,248	12,459,248		
d	BLOOD & COMPONENTS PRODUCTS	6,884,549	6,884,549		
e	All other expenses.	-1,456,358		-1,456,358	
25	Total functional expenses. Add lines 1 through 24e.	489,013,853	426,802,230	62,211,623	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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		0	1	0
	2	Savings and temporary cash investments		101,341,766	2	106,889,236
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		55,350,614	4	70,596,701
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	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		0	6	0
	7	Notes and loans receivable, net		21,166,355	7	3,530,143
	8	Inventories for sale or use		35,130,521	8	41,328,778
	9	Prepaid expenses and deferred charges		3,299,797	9	3,536,703
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a213,379,569			
	b	Less accumulated depreciation	10b135,728,189	76,871,323	10c	77,651,380
	11	Investments—publicly traded securities		36,108,883	11	45,476,890
	12	Investments—other securities See Part IV, line 11		12,025,000	12	12,025,000
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		840,000	14	720,000
	15	Other assets See Part IV, line 11		1,063,143	15	996,057
	16	Total assets. Add lines 1 through 15 (must equal line 34)		343,197,402	16	362,750,888
Liabilities	17	Accounts payable and accrued expenses		107,517,108	17	108,987,215
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		38,337,968	20	35,718,604
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	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		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		4,075,783	23	3,284,688
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	0
	26	Total liabilities. Add lines 17 through 25		149,930,859	26	147,990,507
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		193,266,543	27	214,760,381
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
	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		193,266,543	33	214,760,381
	34	Total liabilities and net assets/fund balances		343,197,402	34	362,750,888

Part XI Reconciliation 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	501,182,091
2	Total expenses (must equal Part IX, column (A), line 25)	2	489,013,853
3	Revenue less expenses Subtract line 2 from line 1	3	12,168,238
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	193,266,543
5	Net unrealized gains (losses) on investments	5	9,497,882
6	Donated services and use of facilities	6	434,447
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-606,729
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	214,760,381

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? 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		No
2b	Were the organization's financial statements audited by an independent accountant? 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	Yes	
2c	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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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?	Yes	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

Additional Data

Software ID:

Software Version:

EIN: 86-0098929

Name: BLOOD SYSTEMS INC

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

(A) Name and Title	(B) Average hours per week (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			
HEATHER ALLEN MD TRUSTEE	3 0	X						23,750	0	0
JAMES R ALLEN MD TRUSTEE	3 0	X						21,750	0	0
LINDA BLESSING PHD TRUSTEE	3 0	X						30,250	0	0
WILLIAM A DITTMAN MD TRUSTEE	2 0 1 0	X						19,000	0	0
LISA FANNIN MD TRUSTEE (THRU APRIL 2012)	2 0	X						2,000	0	0
ARMANDO B FLORES TRUSTEE/CHAIR	5 0	X		X				36,250	0	0
WILLIAM G GREEN TRUSTEE	2 0 1 0	X						23,000	0	0
F LEONARD JOHNSON MD TRUSTEE	2 0	X						21,000	0	0
JOHN LEWIS TRUSTEE/VICE CHAIR	3 0 1 0	X		X				25,250	0	0
PIERRE NOEL MD TRUSTEE	2 0	X						23,250	0	0
KATHLEEN S PUSHOR TRUSTEE	2 0	X						20,750	0	0
MELVYN C ROTHMAN MD TRUSTEE	3 0 1 0	X						24,500	0	0
MARK T SCHIEBLE TRUSTEE	2 0	X						18,000	0	0
STEVEN L SEILER TRUSTEE	3 0 1 0	X						34,250	0	0
PAUL E STANDER MD TRUSTEE	2 0	X						18,000	0	0
RON WAECKERLIN MD TRUSTEE/SECRETARY/TREASURER	3 0	X		X				23,000	0	0
GARY K WILDE TRUSTEE	3 0 1 0	X						28,750	0	0
J DANIEL CONNOR PRESIDENT/CEO	38 0 2 0			X				1,770,750	0	44,074
SUSAN BARNES EVP/CHIEF FINANCIAL OFFICER	30 0 10 0			X				346,650	0	19,236
SALLY CAGLIOTI PRES/CREATIVE TESTING SOLUTION	0 0 40 0			X				379,874	0	16,031
PATRICK MCEVOY PRES/BLOOD CENTER DIVISION	40 0			X				451,787	0	38,750
PETER TOMASULO MD EVP/CHIEF MEDICAL OFFICER	40 0			X				517,721	0	43,366
SCOTT NELSON EVP/GENERAL COUNSEL	30 0 10 0			X				322,916	0	43,203
PATRICK HOLT EVP/BUSINESS SERVICES	40 0				X			367,830	0	14,159
MICHAEL BUSCH MD VP RESEARCH & SCIENTIFIC PROGS	40 0				X			481,767	0	37,808

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (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			
ROBERT HARTMANN VP INFORMATION TECHNOLOGY	40 0				X			180,128	0	10,739
DENNIS HARPOOL SVP MANUFACTURING SYSTEMS	40 0				X			255,300	0	27,998
MICHAEL HAYWARD DISTRICT VP OF OPERATIONS	40 0				X			257,624	0	35,458
HANY KAMEL MD VP CORPORATE MEDICAL DIRECTOR	40 0				X			384,502	0	45,470
LINDA MATTHEWS VP BIOCARE	40 0				X			289,353	0	32,179
FRANK NIZZI MD VP CLINICAL SERVICES	40 0				X			396,029	0	28,476
LARRY REESE SVP HUMAN RESOURCES	40 0				X			367,526	0	19,336
EUGENE ROBERTSON VP CREATIVE TESTING SOLUTIONS	0 0 40 0				X			286,894	0	26,226
TOM CHOI VP SHARED SERVICES	40 0				X			173,770	0	10,959
MARY BETH BASSETT EVP QUALITY	40 0				X			349,135	0	16,192
PAULA VILLALOBOS DISTRICT VP OF OPERATIONS	40 0				X			239,916	0	14,592
LEON SU MD SR MEDICAL DIRECTOR	40 0					X		339,658	0	35,814
MARY TOWNSEND MD CHIEF MEDICAL OFFICER	40 0					X		363,368	0	33,476
MEHRABOON IRANI MD SR MEDICAL DIRECTOR	40 0					X		304,488	0	25,078
BEATA KWIATKOWSKA SR MEDICAL DIRECTOR	40 0					X		279,646	0	43,853
KEVIN LAND MD SR MEDICAL DIRECTOR	40 0					X		297,911	0	26,338

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2012

Open to Public Inspection

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.

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I

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

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

- 1

☐

A church, convention of churches, or association of churches 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?

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)
- | | Yes | No |
|----------|-----|----|
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |
- | (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions)) | (iv) Is the organization in col (i) listed in your governing document? | | (v) Did you notify the organization in col (i) of your support? | | (vi) Is the organization in col (i) organized in the U S ? | | (vii) Amount of monetary support |
|------------------------------------|----------|--|--|----|---|----|--|----|----------------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |
- For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990EZ.

Cat No 11285F

Schedule A (Form 990 or 990-EZ) 2012

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.")	9,535,312	8,438,927	6,472,851	7,850,022	8,648,333	40,945,445
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	555,905,891	573,865,076	475,276,578	486,014,403	485,491,140	2,576,553,088
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 Total. Add lines 1 through 5	565,441,203	582,304,003	481,749,429	493,864,425	494,139,473	2,617,498,533
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 Public support (Subtract line 7c from line 6.)						2,617,498,533

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	565,441,203	582,304,003	481,749,429	493,864,425	494,139,473	2,617,498,533
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,388,810	3,173,514	2,848,970	4,163,810	3,987,530	17,562,634
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975				41,192	232,439	273,631
c Add lines 10a and 10b	3,388,810	3,173,514	2,848,970	4,205,002	4,219,969	17,836,265
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0
13 Total support. (Add lines 9, 10c, 11, and 12.)	568,830,013	585,477,517	484,598,399	498,069,427	498,359,442	2,635,334,798
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	99 323 %	
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	99 200 %	

Section D. Computation of Investment Income Percentage			
17	Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	0 677 %
18	Investment income percentage from 2011 Schedule A, Part III, line 17	18	0 800 %
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

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization BLOOD SYSTEMS INC	Employer identification number 86-0098929
---	--

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

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▶\$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2012

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
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part 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	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance	22,565,598	18,441,846	17,069,458	14,678,984
b	Contributions		4,060,473		
c	Net investment earnings, gains, and losses	2,769,261	68,277	2,237,130	3,303,258
d	Grants or scholarships				
e	Other expenditures for facilities and programs	1,044,881	0	861,440	906,012
f	Administrative expenses	9,187	4,998	3,302	6,772
g	End of year balance	24,280,791	22,565,598	18,441,846	17,069,458

2

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

a

Board designated or quasi-endowment

100 000 %

b

Permanent endowment

0 %

c

Temporarily restricted endowment

0 %

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

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		6,802,117		6,802,117
b Buildings		60,717,761	32,076,942	28,640,819
c Leasehold improvements		14,528,374	11,394,025	3,134,349
d Equipment		71,365,021	56,297,557	15,067,464
e Other		59,966,296	35,959,665	24,006,631
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				77,651,380

Schedule D (Form 990) 2012

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
BLOOD SYSTEMS BOARD RESTRICTED ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	THE BLOOD SYSTEMS BOARD RESTRICTED ENDOWMENT FUNDS ARE RESERVED FOR THE PURPOSES OF PROVIDING RESEARCH FUNDS TO BLOOD SYSTEMS RESEARCH INSTITUTE TO SUPPORT THE BLOOD TRANSFUSION RESEARCH EFFORTS OF THAT DIVISION
ASC 740 FOOTNOTE	SCHEDULE D, PART X, LINE 2	AT DECEMBER 31, 2012 AND 2011, THE COMPANY EVALUATED WHETHER IT HAD UNCERTAIN TAX POSITIONS THAT SHOULD BE RECOGNIZED OR DERECOGNIZED BASED ON A 'MORE LIKELY THAN NOT' THRESHOLD FOR TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN, INCLUDING THOSE TAX POSITIONS THAT WOULD NOT BE SUSTAINED UPON EXAMINATION IN ACCORDANCE WITH GUIDANCE RELATED TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. THE TAX YEARS FOR THE COMPANY THAT ARE OPEN TO AUDIT BY THE IRS AND STATE DEPARTMENTS OF REVENUE ARE GENERALLY THE TAX YEARS ENDED DECEMBER 31, 2009, THROUGH THE CURRENT TAX YEAR EXCEPT IN CERTAIN STATES WHERE THE OPEN TAX YEARS GENERALLY BEGIN WITH THE TAX YEAR ENDED DECEMBER 31, 2006. AS OF DECEMBER 31, 2012 AND 2011, THE COMPANY HAS NOT IDENTIFIED ANY UNCERTAIN TAX POSITIONS THAT WOULD BE EVALUATED UNDER THIS GUIDANCE, AND THE COMPANY DOES NOT ANTICIPATE A CHANGE IN UNCERTAIN TAX POSITIONS FOR THE 12 MONTHS FOLLOWING THE YEAR ENDED DECEMBER 31, 2012.

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

[illegible]

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

3 Enter total number of other organizations or entities ►

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☒ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*

☐ Yes ☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*

☒ Yes ☐ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*

☐ Yes ☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*

☐ Yes ☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*

☐ Yes ☒ No

Supplemental Information
Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
BLOOD SYSTEMS INC

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

Employer identification number
86-0098929

Part I General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. 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

0

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
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
SPONSORSHIPS AND DONATIONS	SCHEDULE I, PART I, LINE 2	SPONSORSHIPS AND DONATIONS TO OTHER TAX-EXEMPT ENTITIES ARE MADE IN SUPPORT OF THEIR MISSIONS AND ARE MONITORED VIA THE GOVERNANCE PRACTICES OF THOSE ENTITIES

Software ID:

Software Version:

EIN: 86-0098929

Name: BLOOD SYSTEMS INC

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AABB8101 GLENBROOK ROAD BETHESDA, MD 208142748	36-2384118	501(C)(3)	91,700				NATIONAL BLOOD
ALBUQUERQUE PUBLIC SCHOOLS EDUCATION FDN BOX 25704 ALBUQUERQUE,NM 87125	85-0434438	501(C)(3)	7,500				HIGH SCHOOL HERO
LEUKEMIA & LYMPHOMA SOCIETY3877 N 7TH STREET PHOENIX,AZ 85014	13-5644916	501(C)(3)	9,000				SOCIETY BALL EVENT
COACHELLA VALLEY ECONOMIC PARTNERSHIP 3111 TAHQUITZ CANYON PALM SPRINGS,CA 92262	33-0642485	501(C)(3)	32,000				2012 SCHOLARSHIP
COMMUNITY BLOOD BANK FOUNDATION70-025 HIGHWAY 111 RANCHO MIRAGE,CA 92270	95-6377019	501(C)(3)	6,000				COMMUNITY RELATIONS
FLIGHT FOR LIFEPO BOX 26485 PHOENIX,AZ 85068	74-2453899	501(C)(3)	12,000				SUPPORT VOLUNTEER
FOUNDATION FOR AMERICAS BLOOD CENTERS725 15TH STREET NW WASHINGTON,DC 20005	86-6052376	501(C)(3)	50,000				AMERICAS BLOOD
FOUNDATION FOR BLIND CHILDREN1235 E HARMONT DRIVE PHOENIX,AZ 85020	86-0129981	501(C)(3)	8,000				SPONSOR TABLE NIGHT
JUVENILE DIABETES RESEARCH FOUNDATION 4343 E CAMELBACK RD PHOENIX,AZ 85018	23-1907729	501(C)(3)	15,000				SAPPHIRE SPONSOR
JUNIOR ACHIEVEMENT636 WEST SOUTHERN AVE TEMPE,AZ 852824538	86-0184349	501(C)(3)	8,200				OPEN 4 BUSINESS
MARCH OF DIMES7007 WYOMING NE SUITE C2 ALBUQUERQUE,NM 87109	13-1846366	501(C)(3)	5,420				SPONSORSHIP EVENT
MISSION OF MERCY1741 E MORTEN AVE PHOENIX,AZ 85020	84-1087689	501(C)(3)	10,000				MERCY IN THE
SOUTH CENTRAL ASSOCIATION OF BLOOD BANKS2901 RICHMOND RD LEXINGTON,KY 40509	75-0897961	501(C)(3)	6,000				ANNUAL MEETING

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
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I	Questions Regarding Compensation		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ 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 ☒ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		No
b	Any related organization?	5b		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		No
b	Any related organization?	6b		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		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				
See Additional Data Table								

Part IIISupplemental 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
NON-FIXED PAYMENTS	SCHEDULE J, PART I, LINE 7	BLOOD SYSTEMS HAS AN INCENTIVE BONUS PLAN FOR MANAGEMENT AND EXECUTIVES. AWARDS UNDER THE PROGRAM ARE AT THE DISCRETION OF THE BOARD OF TRUSTEES. THE PLAN MEASURES PERFORMANCE AGAINST MULTIPLE METRICS WHICH CARRY VARIOUS WEIGHTINGS, THE MOST HEAVILY WEIGHTED BEING QUALITY, SAFETY AND CUSTOMER SERVICE. TO ASSURE FINANCIAL STABILITY OF THE COMPANY, ONE OF THE METRICS IS ALSO A MEASUREMENT OF NET MARGIN FINANCIAL PERFORMANCE AS A PERCENT OF REVENUES.
SUPPLEMENTAL COMPENSATION INFORMATION	SCHEDULE J, PART I, LINE 4B	J. DANIEL CONNOR AND LARRY REESE RECEIVED DISTRIBUTIONS FROM THE SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN DURING 2012 AS FOLLOWS: CONNOR \$1,071,562 (RESULTING FROM ALMOST 18 YEARS OF SERVICE); REESE \$ 78,521 (RESULTING FROM ALMOST 26 YEARS OF SERVICE). THESE AMOUNTS WERE INCLUDED IN SCHEDULE J, PART II, COLUMN B(III) AND ALSO IN COLUMN F. THIS PLAN WAS FROZEN AS OF DECEMBER 31, 2011.

Software ID:

Software Version:

EIN: 86-0098929

Name: BLOOD SYSTEMS INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
J DANIEL CONNOR	(i) (ii)	560,288 0	127,200 0	1,083,262 0	26,178 0	17,896 0	1,814,824 0	1,071,561 0
SUSAN BARNES	(i) (ii)	271,520 0	64,430 0	10,700 0	13,039 0	6,197 0	365,886 0	0 0
SALLY CAGLIOTI	(i) (ii)	294,374 0	74,800 0	10,700 0	9,880 0	6,151 0	395,905 0	0 0
PATRICK MCEVOY	(i) (ii)	359,817 0	81,270 0	10,700 0	27,000 0	11,750 0	490,537 0	0 0
PETER TOMASULO MD	(i) (ii)	413,831 0	93,190 0	10,700 0	27,000 0	16,366 0	561,087 0	0 0
SCOTT NELSON	(i) (ii)	255,076 0	57,140 0	10,700 0	27,000 0	16,203 0	366,119 0	0 0
PATRICK HOLT	(i) (ii)	286,760 0	70,370 0	10,700 0	3,461 0	10,698 0	381,989 0	0 0
MICHAEL BUSCH MD	(i) (ii)	378,567 0	93,600 0	9,600 0	27,000 0	10,808 0	519,575 0	0 0
ROBERT HARTMANN	(i) (ii)	157,743 0	15,000 0	7,385 0	4,707 0	6,032 0	190,867 0	0 0
DENNIS HARPOOL	(i) (ii)	200,580 0	45,120 0	9,600 0	9,593 0	18,405 0	283,298 0	0 0
MICHAEL HAYWARD	(i) (ii)	200,234 0	47,790 0	9,600 0	9,695 0	25,763 0	293,082 0	0 0
HANY KAMEL MD	(i) (ii)	305,432 0	69,470 0	9,600 0	27,000 0	18,470 0	429,972 0	0 0
LINDA MATTHEWS	(i) (ii)	227,193 0	52,560 0	9,600 0	26,029 0	6,150 0	321,532 0	0 0
FRANK NIZZI MD	(i) (ii)	310,679 0	75,750 0	9,600 0	10,000 0	18,476 0	424,505 0	0 0
LARRY REESE	(i) (ii)	227,405 0	52,000 0	88,121 0	7,640 0	11,696 0	386,862 0	78,521 0
EUGENE ROBERTSON	(i) (ii)	222,034 0	55,160 0	9,700 0	10,000 0	16,226 0	313,120 0	0 0
TOM CHOI	(i) (ii)	152,710 0	11,460 0	9,600 0	5,061 0	5,898 0	184,729 0	0 0
MARY BETH BASSETT	(i) (ii)	274,602 0	63,960 0	10,573 0	10,000 0	6,192 0	365,327 0	0 0
PAULA VILLALOBOS	(i) (ii)	189,196 0	41,120 0	9,600 0	4,645 0	9,947 0	254,508 0	0 0
LEON SU MD	(i) (ii)	286,515 0	46,220 0	6,923 0	10,000 0	25,814 0	375,472 0	0 0
MARY TOWNSEND MD	(i) (ii)	344,138 0	19,230 0	0 0	7,677 0	25,799 0	396,844 0	0 0
MEHRABOON IRANI MD	(i) (ii)	280,838 0	23,650 0	0 0	8,851 0	16,227 0	329,566 0	0 0
BEATA KWIATKOWSKA	(i) (ii)	264,326 0	15,320 0	0 0	27,000 0	16,853 0	323,499 0	0 0
KEVIN LAND MD	(i) (ii)	285,961 0	11,950 0	0 0	10,000 0	16,338 0	324,249 0	0 0

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI. ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2012
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	Name of the organization BLOOD SYSTEMS INC	Employer identification number 86-0098929
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Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A ARIZONA HEALTH FACILITIES AUTHORITY	86-0453292	040507FG5	12-23-2004	54,833,136	SEE PART VI		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	0							
2	Amount of bonds legally defeased	0							
3	Total proceeds of issue	54,883,136							
4	Gross proceeds in reserve funds	4,513,809							
5	Capitalized interest from proceeds	0							
6	Proceeds in refunding escrows	0							
7	Issuance costs from proceeds	1,100,963							
8	Credit enhancement from proceeds	0							
9	Working capital expenditures from proceeds	0							
10	Capital expenditures from proceeds	33,634,272							
11	Other spent proceeds	17,510,999							
12	Other unspent proceeds	0							
13	Year of substantial completion	2005							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?	X							
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X						
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 00000%							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0%							
6	Total of lines 4 and 5	0%							
7	Does the bond issue meet the private security or payment test?	X							
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X						
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?								
b	Exception to rebate?	X							
c	No rebate due?								
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X						
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								

Part IV Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b	Name of provider	0							
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?								

Part V Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X							

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Identifier	Return Reference	Explanation
DESCRIPTION OF BOND PURPOSE	SCHEDULE K, PART I, COLUMN (F)	PURCHASE LAND, CONSTRUCT AND EQUIP 11 BLOOD CENTERS IN VARIOUS STATES FOR THE PURPOSE OF RECRUITING, COLLECTING, PROCESSING AND DISTRIBUTING BLOOD PRODUCTS REFUNDING OF ABAG 2002 BOND ISSUE USED TO CONSTRUCT A BLOOD CENTER IN SAN FRANCISCO, CA, REFUNDING OF AHFA 1995 VARIABLE RATE BOND ISSUE USED TO CONSTRUCT AND EQUIP A NATIONAL BLOOD TESTING LABORATORY IN TEMPE, ARIZONA
SCHEDULE K, PART II, LINE 11	0	OTHER SPENT PROCEEDS INCLUDE \$5,714,864 PAYOFF OF DEBENTURES AND \$11,796,135 REFUND OF PRIOR BONDS

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047
2012
Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I

Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 ▶ \$

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

Part II

Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

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

Part III

Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) ORRIN H CAMP	SPOUSE OF OFFICER	165,356	COMPENSATION - BSI EMPLOYEE		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
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SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
BLOOD SYSTEMS INC

Employer identification number
86-0098929

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (<u>VOUCHERS</u>)	X	37	7,921,994	COST/SELLING PRICE
26 Other ► (<u>ICE CREAM</u>)	X	2	33,144	COST/SELLING PRICE
GIFT				
27 Other ► (<u>BASKET</u>)	X	1	5,100	COST/SELLING PRICE
28 Other ► (_____)				

29

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

29

0

30a

During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a

No

b

If "Yes," describe in Part II

33

If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. 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
BLOOD SYSTEMS INC**Employer identification number**

86-0098929

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

Identifier	Return Reference	Explanation
COLLABORATION AGREEMENT	FORM 990, PART III, LINE 3	EFFECTIVE JUNE 1, 2012, BSI ENTERED INTO A COLLABORATION AGREEMENT WITH BLOOD BANK OF SAN BERNARDINO AND RIVERSIDE COUNTIES, DBA LIFESTREAM, TO PROVIDE BLOOD BANKING SERVICES TO DONORS AND HOSPITALS IN THE COACHELLA VALLEY , CALIFORNIA, AREA UNDER THE NAME OF DESERT BLOOD SERVICES ("DBS") THE AGREEMENT CONSOLIDATED THE BSI AND LIFESTREAM OPERATIONS IN THE COACHELLA VALLEY INTO ONE OPERATION OWNED AND OPERATED BY LIFESTREAM BSI LEASES ITS EMPLOYEES AND CERTAIN EQUIPMENT TO DBS AND SHARES OPERATING RESULTS EQUALLY WITH LIFESTREAM

Identifier	Return Reference	Explanation
PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PART III, LINES 4A-D	4A) UNITED BLOOD SERVICES - BLOOD BANKING THE BLOOD BANKING DIVISION OPERATES UNDER THE NAME UNITED BLOOD SERVICES (UBS) THE PRIMARY PURPOSE OF UBS IS TO PROVIDE A SAFE AND STABLE SUPPLY OF BLOOD AND BLOOD COMPONENTS TO HOSPITALS AND MEDICAL FACILITIES THE STRENGTH OF UBS IS THAT IT OPERATES AS LOCAL BLOOD CENTERS THAT ARE PART OF THE COMMUNITY AND YET HAS ACCESS TO A LARGE NETWORKED ORGANIZATION WITH ALL THE ADVANTAGES AND EFFICIENCIES THAT ARE REALIZED THROUGH STANDARDIZATION AND ECONOMIES OF SCALE UBS COLLECTS BLOOD FROM VOLUNTEER DONORS, PERFORMS SCREENING AND TESTING ON THE DONATED BLOOD, AND PROCESSES THE WHOLE BLOOD INTO BLOOD COMPONENTS SUCH AS RED CELLS, PLATELETS AND PLASMA BLOOD AND BLOOD COMPONENTS ARE THEN STORED AND DISTRIBUTED TO HOSPITALS AND OTHER HEALTH CARE PROVIDERS 4B) BIOCare - BIOLOGICAL THE BIOCare DIVISION PROVIDES BIOLOGICAL PRODUCTS, PRIMARILY HUMAN-PLASMA DERIVED PRODUCTS, THAT SERVE AS ADJUNCT THERAPIES IN TRANSFUSION MEDICINE AND HEALTHCARE PLASMA DERIVATIVES ARE BASICALLY PROTEIN THERAPIES PROVIDED FROM PLASMA LEFT OVER FROM WHOLE BLOOD DONATIONS EXAMPLES OF SUCH PLASMA DERIVATIVES INCLUDE INTRAVENOUS IMMUNE GLOBULINS, COAGULATION FACTORS, ALBUMIN AND FIBRIN SEALANTS THESE PRODUCTS ARE USED AS THERAPIES FOR IMMUNE SYSTEM DISORDERS, BLEEDING DISORDERS AND WOUND MANAGEMENT 4C) BLOOD SYSTEMS RESEARCH INSTITUTE BLOOD SYSTEMS RESEARCH INSTITUTE ("BSRI") FACILITATES RESEARCH PRIMARILY FUNDED BY EXTRAMURAL GRANTS (NIH AND OTHERS) THE RESEARCH IS IN TRANSFUSION MEDICINE EPIDEMIOLOGY, HEALTH POLICY, VIROLOGY, VIRAL DISCOVERY, THE IMMUNE REACTION TO TRANSFUSION AND TO TRANSFUSION-TRANSMITTED INFECTIOUS AGENTS, CELL THERAPY AND GENETIC EPIDEMIOLOGY AREAS STUDIED INCLUDE IMPLICATIONS OF RECEIVING COMPONENTS AT DIFFERENT STORAGE AGES, MECHANISM OF VIRUS ENTRY INTO CELLS, HOW TRANSFUSION TRANSMITTED VIRUSES CAUSE SYMPTOMS, THE USE OF COMMERCIALLY AVAILABLE OR LOCALLY-DEVELOPED DONOR TESTS, THE FACTORS LEADING TO CHIMERISM, ETC BSRI SUPPORTS TRAINING PROGRAMS FOR SPECIALISTS IN TRANSFUSION MEDICINE AND THE DEVELOPMENT OF EPIDEMIOLOGY RESEARCH SCIENTISTS BSRI INVESTIGATORS PUBLISH MORE THAN 45 PAPERS EACH YEAR IN THE PEER-REVIEWED SCIENTIFIC LITERATURE THE RESEARCH FACILITY IS STAFFED WITH 5 INVESTIGATORS, 24 RESEARCH ASSOCIATES, 14 STAFF SCIENTISTS AND VARIOUS OTHER POSITIONS AS WELL AS ADMINISTRATIVE SUPPORT 4D) OTHER PROGRAM SERVICES CONSIST OF LABORATORY SERVICES AND OTHER PROGRAM ACTIVITIES

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

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

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

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

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	FORM 990, PART XI, LINE 9	PENSION EXPENSES OTHER THAN PERIODIC COST \$ (606,729)

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
BLOOD SYSTEMS INC

Employer identification number
86-0098929

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	No
(1) BLOOD CENTERS OF THE PACIFIC 270 MASONIC AVENUE SAN FRANCISCO, CA 94118 94-1156555	BLOOD BANKING	CA	501(C)(3)	9	BSI	Yes	
(2) INLAND NORTHWEST BLOOD CENTER 210 W CATALDO AVENUE SPOKANE, WA 99201 91-0499130	BLOOD BANKING	WA	501(C)(3)	9	BSI	Yes	
(3) CREATIVE TESTING SOLUTIONS 6210 EAST OAK STREET SCOTTSDALE, AZ 85257 27-1120123	SAFETY TEST	AZ	501(C)(3)	10	BSI	Yes	

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(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
(1) CANYON STATE INSURANCE COMPANY WEST BAY ROAD GRAND CAYMAN CJ	INVESTMENT	CJ	BSI	FOREIGN			100.000 %	Yes	

Part V

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

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

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

Lease of facilities, equipment, or other assets to related organization(s)

k

Lease of facilities, equipment, or other assets from related organization(s)

l

Performance of services or membership or fundraising solicitations for related organization(s)

m

Performance of services or membership or fundraising solicitations by related organization(s)

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

Other transfer of cash or property to related organization(s)

s

Other transfer of cash or property from related organization(s)

	Yes	No
1a	Yes	
1b		No
1c	Yes	
1d		No
1e		No
1f		No
1g	Yes	
1h		No
1i		No
1j	Yes	
1k	Yes	
1l	Yes	
1m	Yes	
1n		No
1o		No
1p		No
1q	Yes	
1r	Yes	
1s	Yes	

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
See Additional Data Table			

Schedule R (Form 990) 2012

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.

[illegible]

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Software ID:

Software Version:

EIN: 86-0098929

Name: BLOOD SYSTEMS INC

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
BLOOD CENTERS OF THE PACIFIC	K	1,267,262	ACCRUAL
BLOOD CENTERS OF THE PACIFIC	L	4,347,081	ACCRUAL
BLOOD CENTERS OF THE PACIFIC	S	308,447	ACCRUAL
BLOOD CENTERS OF THE PACIFIC	G	11,220,694	ACCRUAL
CANYON STATE INSURANCE COMPANY	R	3,178,413	ACCRUAL
CREATIVE TESTING SOLUTIONS	M	35,147,066	ACCRUAL
CREATIVE TESTING SOLUTIONS	A	1,116,914	ACCRUAL
CREATIVE TESTING SOLUTIONS	J	2,544,514	ACCRUAL
CREATIVE TESTING SOLUTIONS	Q	24,479,114	ACCRUAL
CREATIVE TESTING SOLUTIONS	C	1,075,000	ACCRUAL
CREATIVE TESTING SOLUTIONS	S	339,706	ACCRUAL
INLAND NORTHWEST BLOOD CENTER	L	1,092,636	ACCRUAL