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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 07-01-2012 , 2012, and ending 06-30-2013

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

C Name of organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 4936 LaVerna Road
Room/suite
Suite

City or town, state or country, and ZIP + 4
SPRINGFIELD, IL 62707

D Employer identification number
37-1186514

E Telephone number
(217) 523-4747

G Gross receipts $ 11,859,597

F Name and address of principal officer
Daniel McCormack
3215 EXECUTIVE PARK DRIVE
SPRINGFIELD, IL 62703

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

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

H(c) Group exemption number ▶ 0928

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

J Website: ▶ www hshs org

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

L Year of formation 1984

M State of legal domicile IL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDE FINANCIAL SUPPORT, THROUGH PHILANTHROPY, TO THE MANY HEALING ENDEAVORS OF THE HOSPITAL SISTERS OF ST FRANCIS

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	8
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	0
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	10,189,571	7,727,078
9	Program service revenue (Part VIII, line 2g)	0	0
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,758,090	3,269,953
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	318,518	626,215
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	15,266,179	11,623,246
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	15,947,950	5,885,172
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	2,469,436	2,351,117
16a	Professional fundraising fees (Part IX, column (A), line 11e)	240,552	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶2,907,832		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	598,512	1,257,179
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	19,256,450	9,493,468
19	Revenue less expenses Subtract line 18 from line 12	-3,990,271	2,129,778

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	92,219,990	98,250,767
21	Total liabilities (Part X, line 26)	1,748,218	2,062,222
22	Net assets or fund balances Subtract line 21 from line 20	90,471,772	96,188,545

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** 2014-03-18
Signature of officer Date

Daniel McCormack CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶ KPMG LLP			Firm's EIN ▶	
Firm's address ▶ 191 West Nationwide Blvd Ste 500 Columbus, OH 432152568			Phone no (614) 249-2300	

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

SEEK, INVITE, WELCOME AND INVOLVE ALL THOSE WHO WISH TO SHARE, BY THEIR GIFT OF TIME, TALENT AND PURSE IN THE HEALING MISSION OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS PROVIDE FINANCIAL SUPPORT, THROUGH PHILANTHROPY, TO THE MANY HEALING ENDEAVORS OF THE HOSPITAL SISTERS OF ST FRANCIS

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 $ 5,885,172 including grants of $ 5,885,172) (Revenue $)

TO AID PERSONS WHO ARE UNABLE TO PROVIDE COMPLETELY FOR THEMSELVES IN OBTAINING HEALTH CARE SERVICES, SUPPLEMENT AND ENHANCE PROGRAMS IN HEALTH SERVICES WITH SPECIAL DEFERENCE TO PROGRAMS OF HOSPITALS SPONSORED BY THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST FRANCIS, AMERICAN PROVINCE, PROVIDE FINANCIAL ASSISTANCE IN DEVELOPING, MAINTAINING AND IMPROVING VARIOUS TYPES OF HEALTH SERVICES INCLUDING EDUCATION AND RESEARCH

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

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

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 5,885,172

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	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	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		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19	Yes	
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? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	0		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b			
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a		Yes	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		Yes	
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			No
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			No
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 13		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 8		
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**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request ☐ 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 ▶MICHAEL COTTRELL 4936 LAVERNA ROAD SPRINGFIELD, IL (217) 523-4747

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) GARY D LEACH SECRETARY	1 0	X		X				0	64,655	46,036
(2) SISTER MARYBETH CULNAN OSF VICE CHAIRPERSON	1 0 59 0	X		X				0	0	0
(3) LAWRENCE SCHUMACHER BOARD MEMBER	1 0 59 0	X						0	958,737	168,542
(4) RICK MCGRAW CHAIRPERSON	1 0	X		X				0	0	0
(5) JOHN LUBS BOARD MEMBER	1 0	X						0	0	0
(6) DANIEL MCCORMACK PRESIDENT & CEO	60 0	X		X				0	243,091	73,275
(7) MICHAEL W COTTRELL TREASURER	2 5 57 5	X						0	620,195	120,098
(8) JAMES COLLER BOARD MEMBER	1 0	X						0	0	0
(9) MARY STARMANN-HARRISON BOARD MEMBER	1 0 59 0	X						0	1,115,981	225,048
(10) P MICHAEL SCHUETTE BOARD MEMBER	1 0	X						0	0	0
(11) DR KRISHNA J ROCHA-SINGH BOARD MEMBER	1 0	X						0	0	0
(12) SARAH PHALEN BOARD MEMBER	1 0	X						0	0	0
(13) KEVIN BREHENY BOARD MEMBER	1 0	X						0	0	0
(14) STEPHANIE MCCUTCHEON FORMER VICE CHAIRPERSON							X	0	731,191	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								0	3,733,850	632,999

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 ▶0

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

Section B. Independent Contractors

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

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

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶0

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	330,858			
	d	Related organizations . . .	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	7,396,220			
	g	Noncash contributions included in lines 1a-1f $		82,954			
	h	**Total.** Add lines 1a-1f . . . . . ▶		7,727,078			
Program Service Revenue			Business Code				
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		0			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		1,167,304			1,167,304
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	0	0			
	d	Net rental income or (loss) . . . . . ▶		0			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	2,102,649				
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)	2,102,649				
	d	Net gain or (loss) . . . . . ▶		2,102,649			2,102,649
Other Revenue	8a	Gross income from fundraising events (not including $ 330,858 of contributions reported on line 1c) See Part IV, line 18 . .	a 809,991				
	b	Less direct expenses . . .	b 220,092				
	c	Net income or (loss) from fundraising events . . ▶		589,899			589,899
	9a	Gross income from gaming activities See Part IV, line 19 . . .	a 52,575				
	b	Less direct expenses . . .	b 16,259				
	c	Net income or (loss) from gaming activities . . ▶		36,316			36,316
	10a	Gross sales of inventory, less returns and allowances .	a				
	b	Less cost of goods sold . .	b				
	c	Net income or (loss) from sales of inventory . . ▶		0		0	
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		0			
	12	**Total revenue.** See Instructions . . . . . ▶		11,623,246		0	3,896,168

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	5,885,172	5,885,172		
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	0			
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	2,020,498		448,202	1,572,296
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	330,619		97,679	232,940
10 Payroll taxes	0			
11 Fees for services (non-employees)				
a Management	0			
b Legal	0			
c Accounting	0			
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,038,891		152,172	886,719
12 Advertising and promotion	0			
13 Office expenses	0			
14 Information technology	0			
15 Royalties . .	0			
16 Occupancy	0			
17 Travel	0			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	22,897			22,897
23 Insurance	0			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a SUPPLIES	40,507		2,411	38,096
b OTHER	154,884			154,884
c				
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	9,493,468	5,885,172	700,464	2,907,832
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	0	1	0
	2	Savings and temporary cash investments	1,791,235	2	2,716,769
	3	Pledges and grants receivable, net	7,585,626	3	6,684,951
	4	Accounts receivable, net	0	4	0
	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	0	7	0
	8	Inventories for sale or use	0	8	0
	9	Prepaid expenses and deferred charges	0	9	0
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a: 334,305			
	b	Less accumulated depreciation — 10b:	334,055	10c	334,305
	11	Investments—publicly traded securities	81,982,536	11	87,930,646
	12	Investments—other securities See Part IV, line 11	0	12	0
	13	Investments—program-related See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	0
	15	Other assets See Part IV, line 11	526,538	15	584,096
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	92,219,990	16	98,250,767
Liabilities	17	Accounts payable and accrued expenses	1,727,318	17	2,041,322
	18	Grants payable	0	18	0
	19	Deferred revenue	0	19	0
	20	Tax-exempt bond liabilities	0	20	0
	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	0	23	0
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	20,900	25	20,900
	26	**Total liabilities.** Add lines 17 through 25	1,748,218	26	2,062,222
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	47,362,453	27	48,092,137
	28	Temporarily restricted net assets	20,358,156	28	25,024,550
	29	Permanently restricted net assets	22,751,163	29	23,071,858
		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	90,471,772	33	96,188,545
	34	Total liabilities and net assets/fund balances	92,219,990	34	98,250,767

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	11,623,246
2	Total expenses (must equal Part IX, column (A), line 25)	2	9,493,468
3	Revenue less expenses Subtract line 2 from line 1	3	2,129,778
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	90,471,772
5	Net unrealized gains (losses) on investments	5	3,586,995
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	96,188,545

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) **14**

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

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

17a **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	0	0	0	10,189,571	7,727,078	17,916,649
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 **Total.** Add lines 1 through 5	0	0	0	10,189,571	7,727,078	17,916,649
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)						17,916,649

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	0	0	0	10,189,571	7,727,078	17,916,649
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources				1,589,363	1,167,304	2,756,667
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b				1,589,363	1,167,304	2,756,667
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
13 **Total support.** (Add lines 9, 10c, 11, and 12)	0	0	0	11,778,934	8,894,382	20,673,316

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	86 666 %
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	86 507 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	13 334 %
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	13 493 %

19a **33 1/3% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

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

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	30,325,726	30,346,237	25,816,918	25,227,613	24,647,995
b	Contributions	329,402	392,039	1,333,506	318,281	3,257,009
c	Net investment earnings, gains, and losses	2,065,737	485,636	3,834,791	2,127,674	-1,464,709
d	Grants or scholarships	652,456	898,186	638,978	1,856,650	1,212,682
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	32,068,409	30,325,726	30,346,237	25,816,918	25,227,613

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

- a Board designated or quasi-endowment ▶ 28 100 %
- b Permanent endowment ▶ 70 900 %
- c Temporarily restricted endowment ▶ 1 000 %

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

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

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		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		334,055		334,055
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				334,055

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

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

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
TRUST OBLIGATIONS	20,900
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	20,900

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

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

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

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

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

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
INTENDED USE OF ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	THE FOUNDATION INTENDS TO USE ALL ENDOWMENT FUNDS TO SUPPORT NURSING SCHOOLS AND SPECIFIC OPERATIONS OF THE HOSPITAL SISTERS HEALTH SYSTEM FUNDS WHOSE USE HAS BEEN RESTRICTED BY A DONOR WILL BE SET ASIDE FOR SUCH PURPOSE UNTIL THE TERMS OF THE RESTRICTION HAVE BEEN MET, IF APPLICABLE ALL OTHER FUNDS SHALL BE DISBURSED IN ACCORDANCE WITH THE PROGRAM TRANSFER PROCEDURE DISCUSSED IN SCHEDULE O
ASC SUBTOPIC 740-10	SCHEDULE D, PART X, LINE 2	ON JULY 1, 2007, HSHS ADOPTED ASC SUBTOPIC 740-10, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES - AN INTERPRETATION OF FASB STATEMENT NO 109 ASC SUBTOPIC 740-10 ADDRESSES THE DETERMINATION OF HOW TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS UNDER ASC SUBTOPIC 740-10, HSHS MUST RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY THE TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION THE TAX BENEFITS RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT ASC SUBTOPIC 740-10 ALSO PROVIDES GUIDANCE ON DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON INCOME TAXES, ACCOUNTING IN INTERIM PERIODS AND REQUIRES INCREASED DISCLOSURES AS OF JUNE 30, 2013 AND 2012, HSHS DOES NOT HAVE AN ASSET OR LIABILITY FOR UNRECOGNIZED TAX BENEFITS

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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

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

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

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

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

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

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

IL, WI

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 Elizabethan (event type)	(b) Event #2 TOAST OF TOWN (event type)	(c) Other events 17 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	212,605	117,120	811,124	1,140,849
	2 Less Contributions	72,230	19,650	238,978	330,858
	3 Gross income (line 1 minus line 2)	140,375	97,470	572,146	809,991
Direct Expenses	4 Cash prizes			1,466	1,466
	5 Noncash prizes			4,735	4,735
	6 Rent/facility costs		2,500	33,620	36,120
	7 Food and beverages	7,247		82,909	90,156
	8 Entertainment	1,300		20,753	22,053
	9 Other direct expenses	1,327	2,359	61,877	65,563
	10 Direct expense summary Add lines 4 through 9 in column (d)				(220,093)
	11 Net income summary Combine line 3, column (d), and line 10				589,898

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue			52,575	52,575
Direct Expenses	2 Cash prizes			14,650	14,650
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses			1,609	1,609
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☑ Yes 90.000 % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d)				16,259
	8 Net gaming income summary Combine lines 1 and 7 in column (d)				36,316

9 Enter the state(s) in which the organization operates gaming activities IL, WI

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

b If "No," explain

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

b If "Yes," explain

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

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

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	100 000 %
b	An outside facility	13b	

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

Name ▶ ----------

Address ▶ ----------

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

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

c If "Yes," enter name and address of the third party

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ NA ----------

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

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

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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
(1) ST ELIZABETH'S HOSPITAL 211 SOUTH THIRD STREET BELLEVILLE,IL 622201998	37-0663567	501(c)(3)	177,476				HOSPITAL ACTIVITIES
(2) ST JOSEPH'S HOSPITAL 9515 HOLY CROSS LANE BREESE,IL 62230	37-1208459	501(c)(3)	8,900				HOSPITAL ACTIVITIES
(3) ST MARY'S HOSPITAL 1800 E LAKE SHORE DRIVE DECATUR,IL 625213883	37-0661244	501(c)(3)	80,762				HOSPITAL ACTIVITIES
(4) ST ANTHONY'S HOSPITAL 503 N MAPLE STREET EFFINGHAM,IL 62401	37-0661233	501(c)(3)	275,000				HOSPITAL ACTIVITIES
(5) ST JOSEPH'S HOSPITAL 1515 MAIN STREET HIGHLAND,IL 62249	37-0663568	501(c)(3)	115,282				HOSPITAL ACTIVITIES
(6) ST JOHN'S HOSPITAL 500 EAST CARPENTER STREET SPRINGFIELD,IL 62769	37-0661238	501(c)(3)	1,965,539				HOSPITAL ACTIVITIES
(7) ST MARY'S HOSPITAL 111 SPRING STREET STREATOR,IL 61364	37-2169181	501(c)(3)	66,409				HOSPITAL ACTIVITIES
(8) ST JOSEPH'S HOSPITAL 2661 COUNTY HIGHWAY 1 CHIPPEWA FALLS,WI 547291498	39-0810545	501(c)(3)	512,026				HOSPITAL ACTIVITIES
(9) SACRED HEART HOSPITAL 900 WEST CLAIREMONT EAU CLAIRE,WI 54701	39-0807060	501(c)(3)	733,791				HOSPITAL ACTIVITIES
(10) ST MARY'S HOSPITAL 1726 SHAWANO AVENUE GREEN BAY,WI 543033282	39-0818682	501(c)(3)	494,039				HOSPITAL ACTIVITIES
(11) ST VINCENT'S HOSPITAL 835 S VAN BUREN GREEN BAY,WI 543073508	39-0817529	501(c)(3)	554,886				HOSPITAL ACTIVITIES
(12) ST NICHOLAS HOSPITAL 3100 SUPERIOR AVENUE SHEBOYGAN,WI 53081	39-0808480	501(c)(3)	899,344	1,719 FMV		EQUIPMENT	HOSPITAL ACTIVITIES

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. 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
Schedule I, Part I, Line 2		HOSPITALS SUBMIT COMPLETED PROGRAM TRANSFER REQUEST FORMS AND SUPPORTING DOCUMENTATION BY THE 25TH DAY OF EACH MONTH THE PHILANTHROPY DEPARTMENT ADMINISTRATIVE ASSISTANT REVIEWS EACH PROGRAM TRANSFER REQUEST FOR COMPLETENESS AND ACCURACY, AND VERIFIES THAT THE REQUEST HAS BEEN SIGNED BY THE HOSPITAL CEO THE PHILANTHROPY DEPARTMENT ADMINISTRATIVE ASSISTANT THEN ENTERS THE TITLE AND AMOUNT OF EACH PROGRAM TRANSFER ON THE CORRESPONDING HOSPITAL'S MONTHLY PROGRAM TRANSFER TOTALS SPREADSHEET BY CATEGORY THE VICE PRESIDENT OF PHILANTHROPY REVIEWS EACH PROGRAM TRANSFER REQUEST PROGRAM TRANSFERS UP TO $50,000 ARE SIGNED BY THE PRESIDENT AND/OR TREASURER OF HOSPITAL SISTERS OF ST FRANCIS FOUNDATION ("HSSF"), GRANTS UP TO $100,000 ARE SIGNED BY THE CHAIRPERSON OF HSSF, PROGRAM TRANSFERS OVER $100,000 ARE SUBMITTED TO THE FOUNDATION BOARD OF DIRECTORS FOR APPROVAL UPON APPROVAL BY THE FOUNDATION BOARD, THE TREASURER OF THE FOUNDATION SIGNS THE PROGRAM TRANSFER REQUEST AFTER ALL APPROPRIATE SIGNATURES, THE FOUNDATION ACCOUNTANT REVIEWS EACH PROGRAM TRANSFER REQUEST TO DETERMINE THAT THE EXPENSES HAVE BEEN INCURRED, THE SUPPORTING DOCUMENTATION IS VALID, AND THE RECEIPTS TOTAL THE AMOUNT BEING REQUESTED FOR EACH PROGRAM TRANSFER THE ACCOUNTANT ALSO REVIEWS EACH HOSPITAL'S MONTHLY PROGRAM TRANSFER TOTALS SPREADSHEET FOR ACCURACY OF PROGRAM TRANSFER TITLE, CATEGORY AND AMOUNT THE PHILANTHROPY ADMINISTRATIVE ASSISTANT PREPARES A PROGRAM TRANSFER SHEET FOR EACH HOSPITAL WITH THE MONTH AND AMOUNT FOR TREASURY TO POST THE FOUNDATION TREASURER REVIEWS AND SIGNS PROGRAM TRANSFER SHEETS FOR TREASURY THE PROGRAM TRANSFER SHEETS ARE SUBMITTED TO THE TREASURY DEPARTMENT FOR POSTING BY THE LAST DAY OF THE MONTH EACH MONTHLY PROGRAM TRANSFER TOTALS SPREADSHEET IS SENT TO THE RESPECTIVE HOSPITAL FOR ITS RECORDS THE PROGRAM TRANSFER TOTALS SHEETS ARE PRESENTED TO THE FOUNDATION BOARD OF DIRECTORS AT EACH QUARTERLY FOUNDATION BOARD MEETING AND REVIEWED AT EACH MEETING

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 37-1186514
Name: HOSPITAL SISTERS OF ST FRANCIS FOUNDATION 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
ST ELIZABETH'S HOSPITAL 211 SOUTH THIRD STREET BELLEVILLE,IL 622201998	37-0663567	501(c)(3)	177,476				HOSPITAL ACTIVITIES
ST JOSEPH'S HOSPITAL 9515 HOLY CROSS LANE BREESE,IL 62230	37-1208459	501(c)(3)	8,900				HOSPITAL ACTIVITIES

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
ST MARY'S HOSPITAL1800 E LAKE SHORE DRIVE DECATUR,IL 625213883	37-0661244	501(c)(3)	80,762				HOSPITAL ACTIVITIES
ST ANTHONY'S HOSPITAL 503 N MAPLE STREET EFFINGHAM,IL 62401	37-0661233	501(c)(3)	275,000				HOSPITAL ACTIVITIES

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
ST JOSEPH'S HOSPITAL 1515 MAIN STREET HIGHLAND,IL 62249	37-0663568	501(c)(3)	115,282				HOSPITAL ACTIVITIES
ST JOHN'S HOSPITAL500 EAST CARPENTER STREET SPRINGFIELD,IL 62769	37-0661238	501(c)(3)	1,965,539				HOSPITAL ACTIVITIES

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
ST MARY'S HOSPITAL111 SPRING STREET STREATOR,IL 61364	37-2169181	501(c)(3)	66,409				HOSPITAL ACTIVITIES
ST JOSEPH'S HOSPITAL 2661 COUNTY HIGHWAY 1 CHIPPEWA FALLS,WI 547291498	39-0810545	501(c)(3)	512,026				HOSPITAL ACTIVITIES

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
SACRED HEART HOSPITAL 900 WEST CLAIREMONT EAU CLAIRE,WI 54701	39-0807060	501(c)(3)	733,791				HOSPITAL ACTIVITIES
ST MARY'S HOSPITAL1726 SHAWANO AVENUE GREEN BAY,WI 543033282	39-0818682	501(c)(3)	494,039				HOSPITAL ACTIVITIES

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
ST VINCENT'S HOSPITAL 835 S VAN BUREN GREEN BAY, WI 543073508	39-0817529	501(c)(3)	554,886				HOSPITAL ACTIVITIES
ST NICHOLAS HOSPITAL 3100 SUPERIOR AVENUE SHEBOYGAN, WI 53081	39-0808480	501(c)(3)	899,344	1,719	FMV	EQUIPMENT	HOSPITAL ACTIVITIES

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)STEPHANIE MCCUTCHEON FORMER VICE CHAIRPERSON	(i)	0	0	0	0	0	0	0
	(ii)	0	0	731,191	0	0	731,191	0
(2)LAWRENCE SCHUMACHER BOARD MEMBER	(i)	0	0	0	0	0	0	0
	(ii)	647,266	259,077	52,394	152,700	16,735	1,128,172	0
(3)DANIEL MCCORMACK PRESIDENT & CEO	(i)	0	0	0	0	0	0	0
	(ii)	208,416	25,127	9,548	47,666	26,502	317,259	0
(4)MICHAEL W COTTRELL TREASURER	(i)	0	0	0	0	0	0	0
	(ii)	492,349	91,403	36,443	92,874	28,117	741,186	0
(5)MARY STARMANN-HARRISON BOARD MEMBER	(i)	0	0	0	0	0	0	0
	(ii)	872,738	183,216	60,027	198,743	27,198	1,341,922	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
TRAVEL FOR COMPANIONS	SCHEDULE J, PART I, LINE 4A	Lawrence Schumacher received $550 for companion travel The fair value of this travel was included in his annual report income Tax Indemnification and gross-up payments Schedule J, Part I, Line 1a Tax gross-ups were paid by HSHS to Lawrence Schumacher for $11 during the year The fair value of these were included in his annual reported income Health or social club dues Schedule J, Part I, Line 1a Social club dues were paid by HSHS on behalf of Lawrence Schumacher during the year The fair value of the dues were included in his annual reported income STEPHANIE MCCUTCHEON'S SEVERANCE PACKAGE SCHEDULE J, PART I, LINE 4A STEPHANIE MCCUTCHEON RECEIVED A SEVERANCE PACKAGE DURING THE YEAR IN THE AMOUNT OF $731,191 FOR HER SERVICES AS PRESIDENT AND CEO OF HOSPITAL SISTERS HEALTH SYSTEM
MICHAEL W COTTRELL	SCHEDULE J, PART I, LINE 4B	MICHAEL W COTTRELL PARTICIPATED IN A SERP PLAN DURING THE YEAR IN THE AMOUNT OF $60,989
DANIEL MCCORMACK	SCHEDULE J, PART I, LINE 4B	DANIEL MCCORMACK PARTICIPATED IN A SERP PLAN DURING THE YEAR IN THE AMOUNT OF $24,107
LARRY SCHUMACHER	SCHEDULE J, PART I, LINE 4B	LARRY SCHUMACHER PARTICIPATED IN A SERP PLAN DURING THE YEAR IN THE AMOUNT OF $129,818
MARY STARMANN-HARRSION	SCHEDULE J, PART I, LINE 4B	MARY STARMANN-HARRSION PARTICIPATED IN A SERP PLAN DURING THE YEAR IN THE AMOUNT OF $162,176

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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
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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	X	26	81,235	FMV
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 ▶ (Gifts in Kind)	X	2	1,719	FMV
26	Other ▶( )				
27	Other ▶( )				
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

			Yes	No
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		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
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

Identifier	Return Reference	Explanation
RIGHTS OF MEMBERS TO ELECT GOVERNING BODY	FORM 990, PART VI, LINES 6 & 7A	THE SENIOR GOVERNING BODY OF HOSPITAL SISTERS OF ST FRANCIS FOUNDATION, INC (THE "CORPORATION") IS THE MEMBER OF THE CORPORATION, WHICH IS HOSPITAL SISTERS Health System ("HSHS"), AN ILLINOIS NOT FOR PROFIT CORPORATION EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE PURSUANT TO SECTION 2 3 OF THE CORPORATION'S BYLAWS, HSHS HAS THE RIGHT TO APPOINT AND REMOVE THE CORPORATION'S BOARD OF DIRECTORS, CHAIRPERSON OF THE BOARD, AND PRESIDENT

Identifier	Return Reference	Explanation
MEMBERS RESERVED POWERS	FORM 990, PART VI, LINE 7B	RESPONSIBILITY FOR THE POLICY AND OPERATIONS OF HOSPITAL SISTERS OF ST FRANCIS FOUNDATION, INC (THE "CORPORATION") IS VESTED IN ITS BOARD OF DIRECTORS, EXCEPT WITH RESPECT TO SPECIFIC POWERS RESERVED IN THE CORPORATION'S BYLAWS TO THE CORPORATION'S MEMBER, HOSPITAL SISTERS Health System ("HSHS"), AN ILLINOIS NOT FOR PROFIT CORPORATION EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE THE MEMBERS OF HSHS ARE THE INDIVIDUAL SISTERS WHO FROM TIME TO TIME ARE THE DULY ELECTED PROVINCIAL SUPERIOR AND PROVINCIAL COUNCILORS, RESPECTIVELY OF THE AMERICAN PROVINCE OF THE HOSPITAL SISTERS OF ST FRANCIS ("AMERICAN PROVINCE") THE AMERICAN PROVINCE IS THE UNITED STATES ORGANIZATION OF THE CONGREGATION OF THE HOSPITAL SISTERS OF THE THIRD ORDER REGULAR OF ST FRANCIS, A RELIGIOUS INSTITUTE OF THE ROMAN CATHOLIC CHURCH THE GOVERNANCE AND OPERATIONS OF THE CORPORATION ARE SUBJECT TO HSHS'S RIGHT TO EXERCISE THESE RESERVED POWERS WITH RESPECT TO THE CORPORATION AND ORGANIZATIONS OF WHICH THE CORPORATION IS EITHER, DIRECTLY OR INDIRECTLY, A CONTROLLING MEMBER OR A CONTROLLING SHAREHOLDER ("AFFILIATES") THE RESERVED POWERS INCLUDE ALL RIGHTS GRANTED TO HSHS BY LAW AND THE RIGHT TO (A) ADOPT, APPROVE AMENDMENTS TO, OR AMEND ANY STATEMENT OF PHILOSOPHY, MISSION, MISSION INTEGRATION OR VALUES OR ANY NAME, LOGO, OR MARK OF THE CORPORATION OR OF ANY AFFILIATE, (B) ADOPT, APPROVE AMENDMENTS TO, OR AMEND THE ARTICLES OF INCORPORATION OF THE CORPORATION OR OF ANY AFFILIATE, (C) ADOPT, APPROVE AMENDMENTS TO, OR AMEND THE BYLAWS OF THE CORPORATION OR OF ANY AFFILIATE, (D) APPOINT AND REMOVE THE BOARD OF DIRECTORS, ANY ONE OR MORE OF THE DIRECTORS OF THE CORPORATION OR OF ANY AFFILIATE, AND THE CHAIRPERSON AND PRESIDENT OF THE CORPORATION OR OF ANY AFFILIATE, (E) APPROVE THE RECOMMENDATION OF THE BOARD OF DIRECTORS TO APPOINT OR REMOVE THE BOARD OF DIRECTORS, ANY ONE OR MORE DIRECTORS OF THE CORPORATION OR OF ANY AFFILIATE, OR THE CHAIRPERSON AND PRESIDENT OF THE CORPORATION OR OF ANY AFFILIATE (F) WITH RESPECT TO THE CORPORATION OR ANY AFFILIATE, APPROVE THE PURCHASE, SALE, ALIENATION, EXCHANGE, LEASE OR ENCUMBRANCE OF ANY REAL PROPERTY OF THE CORPORATION OR OF ANY AFFILIATE, WHICH PROPERTY HAS A VALUE IN EXCESS OF LIMITS SET FROM TIME TO TIME BY HSHS, (G) APPROVE THE OPERATING AND CAPITAL BUDGETS OF THE CORPORATION OR OF ANY AFFILIATE, AND ANY DEVIATIONS BY THE CORPORATION OR OF ANY AFFILIATE FROM SUCH BUDGETS IN AN AMOUNT OR PERCENTAGE SPECIFIED BY HSHS FROM TIME TO TIME, (H) APPROVE THE STRATEGIC PLAN AND GOALS OF THE CORPORATION OR OF ANY AFFILIATE, (I) APPROVE THE SALE OF SUBSTANTIALLY ALL OF THE ASSETS OF THE CORPORATION OR OF ANY AFFILIATE, (J) APPROVE THE MERGER OR DISSOLUTION OF THE CORPORATION OR OF ANY AFFILIATE, (K) ADOPT OR AMEND THE PLAN FOR MINISTRY EDUCATION AND GOVERNANCE FOR THE CORPORATION AND ITS AFFILIATES, (L) APPROVE THE CORPORATION'S MISSION ACCOUNTABILITY REPORTS AND THOSE OF ANY AFFILIATE, (M) APPROVE THE FINANCIAL POLICIES AND PROCEDURES OF THE CORPORATION OR OF ANY AFFILIATE AND APPROVE ANY DEVIATIONS FROM SUCH POLICIES AND PROCEDURES BY THE CORPORATION OR ANY AFFILIATE, AND (N) ADOPT POLICIES TO IMPLEMENT THE RESERVED POWERS OF HSHS

Identifier	Return Reference	Explanation
REVIEW PROCESS OF FORM 990	FORM 990, PART VI, LINE 11B	THE ORGANIZATION EMPLOYS KPMG TO ASSIST IN THE OVERALL REVIEW AND ELECTRONIC SUBMISSION OF ITS FORM 990 KPMG PROVIDES GUIDANCE IN IDENTIFYING CRITICAL ERRORS IN THE RETURN SUBMISSION AND FEEDBACK ON QUANTITATIVE AND QUALITATIVE RESPONSES ADDITIONALLY, THE organization's CFO PERFORMS A THOROUGH REVIEW OF THE RETURN AND REVIEWS IT WITH THE organization's CEO AND/OR SENIOR LEADERS BEFORE PRESENTING IT IN ITS ENTIRETY TO THE BOARD FOR QUESTIONING AND REVIEW PRIOR TO THE RETURN'S SIGNING AND SUBMISSION TO THE IRS

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, LINE 12C	A REVISED CORPORATE COMPLIANCE PROGRAM AND CONFLICT OF INTEREST POLICY HAS BEEN USED SINCE JANUARY, 2009 TO ESTABLISH THE PRACTICE OF MANAGING CONFLICTS OF INTEREST USING A SYSTEM- WIDE PROTOCOL FOR DISCLOSURE STATEMENTS IN ACCORDANCE WITH OUR CONFLICT OF INTEREST POLIC Y ALL COVERED PERSONS HAVE A DUTY TO COMPLY WITH THE CONFLICT OF INTEREST POLICY FOR ANY C ONTRACT, TRANSACTION, RELATIONSHIP OR ACTIVITY CONTEMPLATED, ENTERED INTO OR CONDUCTED AT HSHS THE POLICY DEFINES COVERED PERSONS AS BOARD MEMBERS, BOARD COMMITTEE MEMBERS, OFFICE RS, BOARD DESIGNEES, SENIOR MANAGEMENT, MEMBERS OF ANY COMMITTEE THAT OVERSEES THE APPROVA L OF PHARMACEUTICALS AND MEDICAL DEVICES, ANY OTHER INDIVIDUAL WHO HOLDS A POSITION OF TRU ST ON AN ANNUAL BASIS HSHS DISCLOSES A COPY OF THE CONFLICT OF INTEREST POLICY, (AND ALL CORRESPONDING PROCEDURES, GUIDELINES, FORMS AND TOOLS), TO ALL COVERED PERSONS AND ADVISES ALL COVERED PERSONS IN WRITING OF ANY SUBSTANTIVE CHANGES TO THIS POLICY AND SUCH RELATED MATERIALS THE COVERED PERSONS ARE REQUIRED TO REVIEW AND COMPLETE THE CORRESPONDING CONF LICT OF INTEREST STATEMENT THE SYSTEM OFFICE VICE PRESIDENT, SYSTEM RESPONSIBILITY OR MEM BERS OF THE AUDIT AND INTEGRITY COMMITTEE (''COMMITTEE'') ARE AVAILABLE TO ANSWER ANY QUESTI ONS A COVERED PERSON MAY HAVE IN ADDITION, IF, AT ANY TIME AFTER SUBMITTING AN ANNUAL CON FLICT OF INTEREST STATEMENT, A COVERED PERSON BECOMES AWARE OF AN INTEREST THAT HE OR SHE WOULD HAVE HAD TO DISCLOSE AT THE ANNUAL INTERVAL, THE COVERED PERSON SHALL PROMPTLY DISCL OSE THE INTEREST TO THE COMMITTEE USING THE HSHS CONFLICT OF INTEREST DISCLOSURE STATEMENT COMPLETED CONFLICT OF INTEREST STATEMENTS ARE SUBMITTED TO THE COMMITTEE OF HSHS WHICH I S RESPONSIBLE FOR IDENTIFYING, ASSESSING, AND MANAGING CONFLICTS OF INTEREST THAT ARISE IN THE COURSE OF CONDUCTING THE AFFAIRS OF HSHS IF THE COMMITTEE DETERMINES THAT A CONFLICT OF INTEREST EXISTS, HSHS SHALL NOT ENGAGE IN OR ENTER INTO A PROPOSED CONTRACT, TRANSACTI ON, RELATIONSHIP, ARRANGEMENT, OR ACTIVITY UNLESS THE COMMITTEE OR, WHERE NECESSARY, THE B OARD OF DIRECTORS (ACTING THROUGH ITS DISINTERESTED MEMBERS), HAS INVESTIGATED ALTERNATIVE S TO THE PROPOSED CONTRACT, TRANSACTION, RELATIONSHIP, ARRANGEMENT OR ACTIVITY AND, IN THE ABSENCE OF ALTERNATIVES THAT ARE IN THE BEST INTERESTS OF HSHS, HAS DETERMINED 1 THAT, REGARDLESS OF WHETHER THE COVERED PERSON PARTICIPATES IN THE IMPLEMENTATION OF THE PROPOSE D CONTRACT, TRANSACTION, RELATIONSHIP, ARRANGEMENT, OR ACTIVITY, 2 THE CONTRACT, TRANSACT ION, ARRANGEMENT OR ACTIVITY IS IN THE BEST INTEREST OF HSHS, 3 THE CONTRACT, TRANSACTION , ARRANGEMENT OR ACTIVITY IS FAIR AND REASONABLE FROM THE PERSPECTIVE OF HSHS, AND 4 HSHS CANNOT OBTAIN A MORE ADVANTAGEOUS CONTRACT, TRANSACTION, ARRANGEMENT OR ACTIVITY WITH REA SONABLE EFFORTS UNDER THE CIRCUMSTANCES IN DETERMINING WHETHER A CONTRACT, TRANSACTION OR ARRANGEMENT IS FAIR AND REASONABLE TO HSHS, THE COMMITTEE SHALL CONSIDER, WHERE APPLICABL E 1 APPRAISALS OR OTHER INDEPENDENT VALUATIONS OF THE FAIR MARKET VALUE OF THE CONTRACT, TRANSACTION OR ARRANGEMENT, 2 INFORMATION REGARDING COMPARABLE CONTRACTS, TRANSACTIONS O R ARRANGEMENTS BETWEEN UNRELATED PARTIES, 3 OFFERS FROM COMPARABLE COMPETING ENTITIES, AN D/OR 4 STUDIES OF COMPARABLE COMPENSATION ARRANGEMENTS IN ANY CASE IN WHICH THE COMMITTE E FINDS, AFTER TAKING THE STEPS DESCRIBED ABOVE, THAT HSHS SHOULD PARTICIPATE IN A PROPOSE D TRANSACTION OR ARRANGEMENT DESPITE THE EXISTENCE OF A CONFLICT OF INTEREST, THE COMMITTE E SHALL DEVELOP, IMPLEMENT, MONITOR, AND ENFORCE COMPLIANCE WITH, A CONFLICT MANAGEMENT PL AN FOR MANAGING THE CONFLICT OF INTEREST AS IT CONSIDERS NECESSARY FOR SUCH FINDINGS TO RE MAIN VALID THROUGHOUT THE LIFE OF THE CONTRACT, TRANSACTION, RELATIONSHIP, ARRANGEMENT OR ACTIVITY ALL CONFLICT MANAGEMENT PLANS SHALL 1 STATE THAT THE COMMITTEE WILL OVERSEE, M ONITOR AND ENFORCE COMPLIANCE WITH THE PLAN THROUGHOUT THE COURSE OF THE STUDY AND SPECIFY MEANS FOR DOING SO, INCLUDING, WITHOUT LIMITATION, THAT THE APPROPRIATE INDIVIDUALS MUST PROVIDE THE COMMITTEE WITH WRITTEN REPORTS PERTAINING TO COMPLIANCE WITH THE CONFLICT MANA GEMENT PLAN, THAT THE COMMITTEE SHALL HAVE THE RIGHT TO AUDIT THE STUDY FOR SUCH COMPLIANC E AND THE RIGHT TO IMPOSE SANCTIONS FOR NON-COMPLIANCE, 2 STATE THAT THE PLAN MUST BE SHA RED WITH COVERED PERSON WHOSE INTERESTS IT WAS DEVELOPED TO MANAGE, 3 STATE THAT THE PLAN MUST BE SHARED WITH, AND PERIODIC REPORTS ON COMPLIANCE WITH THE PLAN MUST BE PROVIDED TO , THE BOARD, SENIOR MANAGEMENT AND/OR GOVERNMENT AGENCIES, AND 4 PROVIDE FOR SUCH OTHER M ANAGEMENT STEPS AND MECHANISMS THE COMMITTEE CONSIDERS NECESSARY AND APPROPRIATE IN ADDIT ION TO THE COMMITTEE, THE SYSTEM OFFICE VICE PRESIDENTS OF SYSTEM RESPONSIBILITY AND RISK & COMPLIANCE MAY RETAIN SUCH INDEPENDENT ADVISORS OR EXPERTS AS DEEMED NECESSARY TO ASSIST IN MAKING ITS DETERMINATIONS AND DECISIONS IF THE COMMITTEE DETERMINES THAT THE CONTEMPL ATED TRANSACTION, RELATIONSHIP ARRANGEMENT OR ACTI

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, LINE 12C	VITY CANNOT PROCEED DUE TO A CONFLICT OF INTEREST, THE COMMITTEE SHALL INFORM THE APPLICAB LE COVERED PERSON OR DECISION-MAKING BODY OF SUCH DETERMINATION WITHIN ONE WEEK OF THE COM MITTEE MEETING AT WHICH THE CONTEMPLATED TRANSACTION WAS DISCUSSED THE COMMITTEE SHALL DO CUMENT ITS REJECTION OF THE CONTEMPLATED TRANSACTION IN THE COMMITTEE'S MEETING MINUTES

Identifier	Return Reference	Explanation
WHISTLEBLOWER POLICY	FORM 990, PART VI, LINE 13	PROVISIONS WITHIN THE CORPORATE COMPLIANCE PROGRAM AND CONFLICT OF INTEREST POLICY PROVIDE PROTECTIONS FOR WHISTLEBLOWER TYPE ACTIVITIES

Identifier	Return Reference	Explanation
DETERMINATION OF CEO & KEY EMPLOYEE COMPENSATION	FORM 990, PART VI, LINE 15	HOSPITAL SISTERS OF ST FRANCIS FOUNDATION DEFERS TO THE HSHS COMPENSATION POLICY FOR DETERMINATION OF COMPENSATION FOR OFFICERS AND KEY EMPLOYEES HSHS COMPENSATION POLICY IS AS FOLLOWS THE COMPENSATION COMMITTEE (''COMMITTEE'') IS COMPRISED OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS THE COMMITTEE DEVELOPS A COMPENSATION PHILOSOPHY FOR THE SYSTEM AND ALL AFFILIATES THE COMMITTEE SELECTS AND HIRES THE INDEPENDENT COMPENSATION CONSULTANT TO DEVELOP COMPARABILITY DATA AND ADVISE THE COMMITTEE DURING ITS DELIBERATIONS REGARDING ALL ELEMENTS OF TOTAL COMPENSATION FOR ALL DISQUALIFIED INDIVIDUALS INTEGRATED HEALTHCARE STRATEGIES (''IHS''), THE CONSULTANTS UTILIZED BY THE COMMITTEE, USE DATA FROM MULTIPLE TAX-EXEMPT PEER GROUP SOURCES TO DETERMINE SALARY RANGES, INCENTIVE OPPORTUNITY RANGES AND BENEFITS FOR THE DISQUALIFIED INDIVIDUALS IHS THEN ASSISTS THE COMMITTEE IN PREPARING CONTEMPORANEOUS DOCUMENTATION OF ALL ACTIONS EACH COMMITTEE MEETING IS CONDUCTED WITH THE INTENT TO CREATE A REBUTTABLE PRESUMPTION OF REASONABLENESS FOR ALL ELEMENTS OF EXECUTIVE TOTAL COMPENSATION FOR THE DISQUALIFIED INDIVIDUALS THE CHAIRMAN MAKES THIS DECLARATION AND ALSO INQUIRES IF THERE ARE ANY CONFLICTS OF INTEREST BY ANY ATTENDEES ANY CONFLICTS ARE DISCLOSED AND THE COMMITTEE THEN ACTS IN A MANNER TO AVOID ANY CONFLICTED INDIVIDUAL PARTICIPATING IN ANY MANNER WHERE A CONFLICT MIGHT EXIST AT THE END OF THE MEETING, THE COMMITTEE PREPARES CONTEMPORANEOUS MINUTES THAT RECORD ALL ACTIONS TAKEN DURING THE MEETING

Identifier	Return Reference	Explanation
FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC	FORM 990, PART VI, LINE 19	BOARD-APPROVED FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE GENERAL PUBLIC AT THIS TIME

Identifier	Return Reference	Explanation
POOLED INVESTMENT	FORM 990, PART X, LINE 11	THE FOUNDATION'S CASH RESERVES ARE INVESTED IN A POOLED INVESTMENT ACCOUNT MAINTAINED BY HOSPITAL SISTERS HEALTH SYSTEM ("HSHS") PARTICIPATION IN THE POOLED FUND IS LIMITED TO THE 501 (C)(3) HOSPITALS AND RELATED HEALTH SERVICES ORGANIZATIONS SPONSORED BY HOSPITAL SISTERS HEALTH SYSTEM THE POOLED ACCOUNT CONSISTS OF CASH, AND EQUITY AND DEBT SECURITIES THAT ARE PUBLICLY TRADED IN ACCORDANCE WITH THE PROVISIONS OF SFAS NO 124 "ACCOUNTING FOR CERTAIN INVESTMENTS HELD BY NOT-FOR-PROFIT ORGANIZATIONS", INVESTMENTS IN EQUITY SECURITIES WITH READILY DETERMINABLE FAIR VALUES, AND ALL INVESTMENTS IN DEBT SECURITIES, ARE REPORTED AT FAIR VALUE ON THE BALANCE SHEET INCOME, REALIZED AND UNREALIZED GAINS AND LOSSES ARE POOLED AND ALLOCATED TO THE PARTICIPANTS INDIVIDUAL COMPONENTS OF ASSETS AND REVENUE ARE NOT IDENTIFIED TO THE PARTICIPANTS ALL CURRENT RESERVES WILL BE USED TO FURTHER THE TAX-EXEMPT MISSION OF THE ORGANIZATION

Identifier	Return Reference	Explanation
AFFILIATED HEALTH SYSTEM DISCLOSURE		HOSPITAL SISTERS OF ST FRANCIS FOUNDATION is an affiliate of Hospital Sisters Health Syst em (HSHS), a health care ministry that includes 13 hospitals, scores of community-based he alth centers and clinics, and hundreds of physician partners across Illinois and Wisconsin The Mission of HSHS is "to reveal and embody Christ's healing love for all people throug h our high quality Franciscan health care ministry " We live our Mission by providing holi stic healing to all w ho seek our care, as w ell as through Community Benefit Working colla boratively w ith others in the communities w e serve, our Community Benefit initiatives are strategically and successfully expanding access to care, improving the health status of re sidents, and furthering medical education and know ledge In FY2013, our 13 hospitals respo nded to needs identified in each of their Community Health Needs Assessments (CHNAs) compl eted in FY2012 The information gathered from these assessments w as used to develop new an d enhance existing Community Benefit programs and services that best addressed community n eeds Included among the many priority needs identified in our CHNAs w ere chronic disease prevention and management, obesity, adequate food and nutrition, mental health, and access to health care services HSHS hospitals are proactively addressing these and other needs through patient, provider and community education, preventative screenings, self-managemen t classes, and new or enhanced clinical services Across HSHS, w e collectively provided $1 85 6 million in Community Benefit (or 10 2% of total hospital expenses) in FY2013 Include d in this amount w as $45 9 million provided for Financial Assistance (i e Charity Care) a nd $104 2 million for unreimbursed care provided under the Medicaid program In addition, HSHS hospitals committed significant resources to care for Medicare patients The cost of providing services to primarily elderly beneficiaries of the Medicare program - in excess of governmental and managed care contract payments - w as $152 3 million HSHS hospitals al so recorded $107 1 million in uncollectible accounts In addition to the dollars invested in our Community Benefit programs, HSHS also continues to reinvest any surplus revenue fro m operations and investments into new medical technology, facility infrastructure and heal th care services in our communities By doing So, w e ensure w e are able to meet the ongoin g demand for high quality, efficient and easily accessible health care Recognizing that t he health care delivery model in the United States is evolving, HSHS remains focused on im plementing our Care Integration strategy Care Integration coordinates the delivery of car e around the needs of each patient During FY2013, w e made significant progress w ith this strategy as w e further implemented interoperable health information technologies, expanded the number of Medical Homes, and strengthened our alignment w ith physicians Greater acce ss to care As a Franciscan health care ministry, HSHS is deeply committed to serving those w ho are most in need We not only provide care to every patient w ho w alks through our doo rs, but also reach out beyond the w alls of our hospitals and clinics to care for those in our communities Our efforts to ensure residents in the communities w e serve receive the r ight care at the right time in the right setting often involve partnering w ith others to a chieve this goal Across our tw o-state System, there are numerous examples of HSHS collabo rating w ith other organizations to enhance access to care for those in need From 2006 to 2009, the United States saw a 16% increase in individuals seeking dental care at hospital emergency rooms With the support of St Mary's Hospital Medical Center and St Vincent Ho spital in Green Bay, Wisconsin, the NEW Dental Clinic on the campus of Northeast Wisconsin Technical College expanded in FY2013 and w as able to accommodate up to 6,000 visits The clinic provides dental services to low-income and uninsured persons including the homeless in Brow n County St Francis Hospital in Litchfield, Illinois partnered w ith Lew is & Clar k Community College to bring their mobile health unit to the Litchfield area, the unit pro vides dental exams and screenings, x-rays and dental hygiene to those in need In w estern Wisconsin, St Joseph's Hospital in Chippew a Falls w orks closely w ith the Chippew a Health Improvement Partnership (CHIP) to support the Open Door Clinic The free medical clinic pr ovides health care for those w ithout insurance coverage This past year, the clinic receiv ed a total of 2,672 patient visits, an 11% increase from the prior year With more than 16 6 individuals volunteering, the clinic provided more than 6,751 hours (including 753 provi der hours and 675 nursing hours) of service to individuals The Open Door Clinic is an exa mple of HSHS providing leadership and support to a community-based program designed to mee t the needs of those less fortunate In southeast

Identifier	Return Reference	Explanation
AFFILIATED HEALTH SYSTEM DISCLOSURE		Illinois, area residents can get help filling a prescription through the long-term collabo ration betw een St Anthony's Memorial Hospital in Effingham and Catholic Charities Last y ear, St Anthony's helped underw rite the cost of prescription medications for more than 28 0 residents In southw est Illinois, St Joseph's Hospital in Highland enhanced their offer ings to their senior population based on their CHNA "Senior Renew al" is an outpatient cou nseling program for senior adults w ho may be facing emotional and physical problems unique to the aging process such as feelings of loneliness, isolation and anxiety Clients recei ve an intensive level of treatment w ithout inpatient hospitalization through counseling st rategies and education In addition, in collaboration w ith the Illinois Department of Insu rance, St Joseph's Hospital participates in the Senior Health Insurance Program (SHIP), a free health insurance counseling service for Medicare beneficiaries and their caregivers In addition to programs such as these, HSHS makes sure that those w ho need financial assi stance for care receive it Our Financial Assistance (i e Charity Care) program covers 10 0% of hospital charges for individuals and families w ho earn less than 200% of the federal poverty level HSHS Financial Assistance programs have a sliding scale, in some instances providing up to a 60% discount on charges for those earning up to 600% of the federal pov erty level Counselors are available in our hospitals to explain our financial assistance policies to patients, provide them w ith assistance in filling out a simple application for m, or help them enroll in publicly funded health care programs

Identifier	Return Reference	Explanation
Better Community Health		As part of our Mission to embody Christ's healing love, we understand that we have a respo nsibility to improve the overall quality of life in our communities by supporting initiati ves that promote health and wellness We recognize we are most successful when we work tog ether with a wide array of public and private organizations that share our commitment to improving lives By doing so, we maximize our efforts and reduce the duplication of service s HSHS hospitals also understand we need to listen closely to the residents of the commun ities we serve to ensure the health care needs of all are being met To that end, each of our 13 hospitals completed Community Health Needs Assessments (CHNA) during FY2012 The in formation gathered from these assessments is being used to help us develop new, and enhanc e existing, programs and services that best address the needs of the community Among the many priority needs identified from the CHNAs include metabolic and cardiovascular disease management, adequate food and nutrition, and mental health HSHS hospitals are addressing these and other needs by proactively offering educational opportunities, preventative scr eenings, and new or enhanced clinical services In partnership with the Sangamon County He alth Department (SCHD) and local farmers, St John's Hospital in Springfield, Illinois too k a lead role in bringing a Farmers Market to the east side of Springfield The East Side Farmers Market addresses three community needs childhood obesity, childhood poverty (26% of children in Sangamon County live in poverty vs 18% in the state) and providing fresh p roduce to persons living in a known "food desert " WIC Cooking Classes are also offered in tandem with the East Side Farmers Market to teach participants how to prepare fresh produ ce The Farmers Market and cooking classes are hosted at the SCHD St Mary's Hospital in Streator, Illinois teamed up with the Streator YMCA to offer a 12 week weight loss program - Healthy You - to motivate 282 participants (nearly double the participants from last ye ar) to lose weight and maintain a healthy lifestyle The program included aerobics classes , cooking classes, and a maintenance program to encourage participants to weigh in monthly A total of 191 participants completed the program, losing a total of 2,491 pounds The D ecatur Health Coalition unites St Mary's Hospital in Decatur, Illinois, the American Lung Association, Community Health Improvement Center, Decatur Memorial Hospital, Decatur Comm unity Partnership, Heritage Behavioral Health and Macon County Health Department as partne rs in community outreach and education for people living with COPD Breathing issues are p revalent in the Decatur area due to the concentration of manufacturing and poor air qualit y St Mary's Hospital has researched and compiled admissions data related to COPD and has increased patient, provider and community education to better coordinate care across the continuum for better patient outcomes This model for COPD core competencies has been shar ed as a best practice at the national level to benefit other communities According to the National Assessment of Adult Literacy, only 12% of adults have "proficient" health litera cy, i e nine out of 10 adults lack the skills needed to manage their health Health liter acy w as identified in the CHNA completed by St Nicholas Hospital in Sheboygan and the Dep artment of Public Health in FY2012 To begin addressing this need, St Nicholas Hospital s ponsored a symposium for health care providers and social services organizations and a com munity-wide CME for all Sheboygan physicians as well as staff training as first steps in a ddressing the health literacy needs of the Sheboygan community Sacred Heart Hospital in E au Claire, Wisconsin addressed the need for mental and behavioral health services through The Healing Place Free grief and holistic support services such as one on one counseling, workshops and presentations are provided for individuals and families dealing with loss a nd major life transitions due to military service, illness, death, divorce, etc Expanded medical know ledge HSHS works to advance medical know ledge by supporting research initiativ es and educational opportunities In Fiscal Year 2013, HSHS hospitals and affiliated physi cian groups contributed more than $15 6 million tow ard research and education Highlights of this commitment include subsidizing medical school residency programs, offering ongoing medical education to physicians and clinicians, and providing job shadow ing programs for high school students Another example of this commitment includes St John's College of Nu rsing in Springfield, Illinois, w hich offers the last two years of the baccalaureate degre e in nursing, as well as continuing education programs for nurses and health professionals St John's College has been cited as the oldest Catholic hospital-based school of nursin g in the United States Founded in 1886, the Colle

Identifier	Return Reference	Explanation
Better Community Health		ge has remained dedicated throughout its rich history to the education of professional nur ses whose practice exemplifies excellence in an integrated health care system St Elizabe th's Hospital in Belleville, Illinois provided 83,000 hours of clinical education in nursi ng, radiology, surgery, respiratory, dietary, physical and occupational therapy, pharmacy and behavioral health to 1,100 students in area undergraduate, graduate and internship pro grams and 10,206 hours of mentoring In addition, to address a shortage of Primary Care Fa mily Practice doctors in St Clair County, St Elizabeth's subsidized the St Louis Univer sity Family Medicine Residency Program, a unique merger of a community setting, an academi c center and a military-based residency Clinical education sites included St Elizabeth's , Cardinal Glennon Children's Hospital, area physicians' offices and Scott Air Force Base outpatient clinics Also in southern Illinois, St Joseph's Hospital in Breese, hosted mem bers of the Health Occupations Students of America onsite to learn about job opportunities in health care from health care professionals, St Joseph's Hospital w as recently recogni zed by the Illinois Principals Association - Kaskaskia region for sponsoring the program f or more than 30 years St Joseph's also provides clinical experience for Kaskaskia Colleg e students enrolled in the nursing, physical therapy and radiology programs Pharmacy stud ents have also completed their clinical training at St Joseph's Hospital Higher level of care HSHS's Community Benefit initiatives are a vital part of our overall Mission We bel ieve that through our w ork to create greater access to care, better community health, and expanded medical know ledge, w e made a positive difference in the lives of tens of thousand s of people during Fiscal Year 2013 Hospital Sisters Health System's commitment to Commun ity Benefit stems from the Franciscan and Catholic values shared by our 14,000 colleagues across Wisconsin and Illinois Catholic health care is committed to promoting and defendin g human dignity, caring for persons living in poverty and other vulnerable populations, an d promoting the common good We remain dedicated to continuously improve community health through our strategic, w ell-defined Community Benefit initiatives so that w e can help more people live healthier lives

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Employer identification number
37-1186514

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
(1) SPRINGFIELD HEALTH PARTNERS LLC 4936 LAVERNA ROAD SPRINGFIELD, IL 62707 37-1364419	HEALTH CARE	IL		0	HSHS MG
(2) KIARA CLINICAL INTEGRATION NETWORK LLC 4936 LAVERNA RD SPRINGFIELD, IL 62707 26-1417684	HEALTH CARE	IL		0	KIARA INC
(3) PHYSICIAN CLINICAL INTEGRATION NETWORK 4936 LAVERNA ROAD SPRINGFIELD, IL 62707 37-1668647	HEALTHCARE	IL		0	KCIN

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
See Additional Data Table							

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

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

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
See Additional Data Table									

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

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

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

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

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Software ID:
Software Version:
EIN: 37-1186514
Name: HOSPITAL SISTERS OF ST FRANCIS FOUNDATION INC

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
TRANSACTIONS WITH RELATED ENTITIES	SCHEDULE R, PART V, LINE 2	THE TRANSACTIONS REPORTED IN QUESTION 1 ARE BETWEEN RELATED 501(C)(3) PUBLIC CHARITIES AND ARE NOT REPORTED IN THIS SECTION

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Memorial and St Elizabeth's Healthcare 4000 North Illinois Street Swansea, IL 62226 37-1312961	HealthCare	IL	St Elizabeth's	RELATED	0	0		No	0		No	
Prairie Heart Insutute - Carbondale LLC 800 East Carpenter Street Springfield, IL 62769 37-1321197	HealthCare	IL	St John's	RELATED	0	0		No	0		No	
Northeast Wisconsin Radiation Therapy Se 1821 S Webster Avenue STE 300 Green Bay, WI 543079047 26-3749065	HealthCare	WI	hssi	RELATED	0	0		No	0		No	
Pain Center of Wisconsin 4131 W Loomis Road STE 300 Greenfield, WI 53221 26-3155343	HealthCare	WI	St Vincent	RELATED	0	0		No	0		No	
Surgery Center of Sheboygan LLC 3141 Saemann Ave Sheboygan, WI 53081 26-0822209	HealthCare	WI	St Nicholas	RELATED	0	0		No	0		No	
Prevea Ventures LLC 2710 EXECUTIVE DRIVE Green Bay, WI 54304 20-3775127	HealthCare	WI	HSSI	RELATED	0	0		No	0		No	
Carpenter Street Hotel LLC 525 North Sixth Street springfield, IL 62702 36-4128127	hotel	IL	lasante inc	RELATED	0	0		No	0		No	
Springfield Urgent Care Real Estate LLC PO Box 19456 springfield, IL 627949456 03-0413258	rent real es	IL	lasante inc	RELATED	0	0		No	0		No	

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(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
KIARA INC 4936 LAVERNA RD SPRINGFIELD, IL 62707 37-1163401	HEALTHCARE	IL	HSHS	C CORP	0	0			No
LaSante Wisconsin Inc 4936 Laverna Rd Springfield, IL 62707 39-1572196	HealthCare	IL	Kiara Inc	C Corp	0	0			No
LaSante Inc 4936 Laverna Rd Springfield, IL 62707 37-1163400	HealthCare	IL	Kiara Inc	C Corp	0	0			No
Prairie Cardiovascular 619 East Mason STE 4P57 Springfield, IL 62701 37-1071858	HealthCare	IL	Kiara Inc	C Corp	0	0			No
Prevea Health Services 2710 EXECUTIVE DRIVE Green Bay, WI 54304 39-1839351	HealthCare	WI	HSSI	C Corp	0	0			No
Prevea Clinic Inc 2710 EXECUTIVE DRIVE Green Bay, WI 54304 39-1839349	HealthCare	WI	HSSI	C Corp	0	0			No
Prevea Health Network 2710 EXECUTIVE DRIVE Green Bay, WI 54304 39-2000537	HealthCare	WI	HSSI	C Corp	0	0			No
Renaissance Quality Insurance Ltd PO BOX 1159 Grand Cayman, Cayman Islands KY1-1102 CJ 98-0669953	Insurance	CJ	HSSI	C CORP	0	0			No
OJV INC 4936 LAVERNA RD SPRINGFIELD, IL 62707 46-0873384	HEALTHCARE	IL	LASANTE INC	C CORP	0	0			No