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Form 990	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)	OMB No 1545-0047
Department of the Treasury Internal Revenue Service	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	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 <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization SPECTRUM HEALTH SYSTEM		D Employer identification number 38-3382353
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 100 Michigan Ave NE MC 60	Room/suite	E Telephone number (616) 774-7322
	City or town, state or country, and ZIP + 4 Grand Rapids, MI 49503		G Gross receipts \$ 380,079,237
	F Name and address of principal officer RICHARD C BREON 100 Michigan Ave NE MC 60 Grand Rapids, MI 49403		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ WWW.SPECTRUMHEALTH.ORG			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE BY PROVIDING ADMINISTRATIVE AND SUPPORTING SERVICES TO THE HEALTHCARE SYSTEM AFFILIATED ENTITIES		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	13
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,372
6 Total number of volunteers (estimate if necessary)	6	0	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	19,239	
7b Net unrelated business taxable income from Form 990-T, line 34	7b	9,050	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,974,147	Current Year 2,161,930
	9 Program service revenue (Part VIII, line 2g)	184,689,052	367,075,541
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,049,952	3,940,470
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,809,992	0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	190,523,143	373,177,941
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	494,454
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)		119,303,189	231,904,550
16a Professional fundraising fees (Part IX, column (A), line 11e)		0	0
b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0			
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		63,833,880	128,152,087
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)		183,631,523	360,550,714
19 Revenue less expenses Subtract line 18 from line 12		6,891,620	12,627,227
Net Assets or Fund Balances			Beginning of Current Year
	20 Total assets (Part X, line 16)	934,496,786	1,144,899,814
	21 Total liabilities (Part X, line 26)	973,082,712	1,115,697,613
	22 Net assets or fund balances Subtract line 21 from line 20	-38,585,926	29,202,201

Part II Signature Block

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

Sign Here	***** Signature of officer			2013-11-12 Date	
	MICHAEL FREED EXECUTIVE VICE PRESIDENT & CFO Type or print name and title				
Paid Preparer Use Only	Prnt/Type preparer's name Geraldyn R Hurd		Preparer's signature		Date
	Firm's name ▶ CROWE HORWATH LLP			Check <input type="checkbox"/> if self-employed	PTIN P00933422
	Firm's address ▶ 70 West Madison Street Suite 700 Chicago, IL 606024903			Phone no (312) 899-7000	

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

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

TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE








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.

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

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

4e	Total program service expenses	357,785,910
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Part IV Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a		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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	258	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	2,372
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	Yes
b If "Yes," enter the name of the foreign country: CJ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?		9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		13b	
c Enter the amount of reserves on hand.		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		14b	

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	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			
1b	Enter the number of voting members included in line 1a, above, who are independent	10	
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	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	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
10b	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
11b	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
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 Jill B Ferris 1840 Wealthy St SE MC 498 Grand Rapids, MI (616) 774-5115

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) ELIZABETH NICKELS Treasurer	2 00 0	X		X				30,500	0	0
(2) RICHARD BREON PRESIDENT / CEO	46 00 4 00	X		X				2,413,384	0	615,765
(3) RICHARD DEVOS JR Vice Chair	2 00 0	X		X				0	0	0
(4) TIMOTHY O'DONOVAN Chair	2 00 0	X		X				0	0	0
(5) A ROBERT VAN TUINEN MD Director - Part Year	2 00 48 00	X						25,000	302,154	34,673
(6) BIRGIT KLOHS Director	2 00 0	X						25,000	0	0
(7) BRIAN HARRIS Director	2 00 0	X						30,000	0	0
(8) DAN GAYDOU Director	2 00 0	X						0	0	0
(9) M ASHRAF MANSOUR Director	2 00 48 00	X						0	655,966	26,203
(10) MICHELLE VAN DYKE Director	2 00 0 00	X						24,500	0	0
(11) REX KILLIAN Director	2 00 0	X						25,000	0	0
(12) RICHARD DEVOS SR Director - Part Year	2 00 0	X						0	0	0
(13) ROBERT ROTH Director	2 00 2 00	X						25,000	23,500	0
(14) STEPHEN RECHNER MD Director	2 00 0	X						25,000	0	0
(15) STEVE ENDER Director	2 00 0	X						0	0	0
(16) DAVID LEONARD Secretary / Chief Legal Officer	50 00 0			X				711,423	0	191,371
(17) MICHAEL P FREED EXEC VICE PRESIDENT/CFO	25 00 25 00			X				1,071,348	0	286,124

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			
(18) JILL FERRIS Corporate Controller	50 00 0				X			196,718	0	57,029
(19) JOHN MOSLEY EVP & Chief Strategy Officer	50 00 0 00				X			858,886	0	92,666
(20) LORI SMITH Corporate Treasury Officer	50 00 0				X			173,520	0	26,390
(21) MATTHEW VAN VRANKEN EVP, SH Delivery System	40 00 10 00				X			1,446,912	0	379,738
(22) PATRICK O'HARE SVP, CIO	50 00 0				X			679,185	0	185,346
(23) ROGER JANSEN SVP, Human Resources	50 00 0				X			539,392	0	222,326
(24) J MICHAEL KRAMER SVP & Chief Quality Officer	50 00 0					X		429,384	0	168,294
(25) JOHN BYRNES MD Exec Vice President / Chief Strategy Officer	48 00 2 00					X		590,005	0	136,699
(26) JOHN MACKEIGAN MD Exec Vice President / CMO	48 00 2 00					X		973,928	0	112,239
(27) MICHAEL ROSENCRANCE VP, IS SH Delivery System	50 00 0					X		482,246	0	147,594
(28) STEVEN HEACOCK SVP, Public Affairs	50 00 0					X		480,916	0	174,118
(29) RONALD KNAUS Vice President Finance - SHH	0 00 50 00						X	0	523,791	161,618
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								11,257,246	1,505,411	3,018,192
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▶185									

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 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? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1	Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year	
(A) Name and business address	(B) Description of services	(C) Compensation
KELLY SERVICES INC 3210 EAGLE RUN DR NE 204 GRAND RAPIDS MI 49525	STAFFING	2,956,818
DYNTEK SERVICES INC 4440 VON KARMAN SUITE 200 NEWPORT BEACH CA 92660	IT CONSULTING	1,578,885
PRESS GANEY ASSOCIATES INC PO BOX 88335 MILWAUKEE WI 532880335	CONSULTING	1,149,867
SOAP TRANSCRIPTION SERVICES 118 E SUPERIOR STREET WAYLAND MI 493490373	MEDICAL TRANSCRIPTION	1,035,182
EMDEON BUSINESS SERVICES 3055 LEBANON PIKE NASHVILLE TN 37214	IT CONSULTING	1,019,509
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 ▶61	

Part VIII

Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a			
	b	Membership dues	1b			
	c	Fundraising events	1c			
	d	Related organizations	1d	2,161,930		
	e	Government grants (contributions)	1e			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f		2,161,930		
Program Service Revenue			Business Code			
	2a	MANAGEMENT FEE REVENUE	561000	364,167,956	364,167,956	
	b	SHARED SERVICES REVENUE	561000	443,377	443,377	
	c	CLINICAL CALL CENTER	900099	455,922	455,922	
	d	MEDICAL RECORD FEES	900099	93,504	93,504	
	e	SPECTRUM HEALTH INNOVATIONS	900099	31,613	11,862	19,239
	f	All other program service revenue		1,883,169	1,883,169	0
	g	Total. Add lines 2a-2f		367,075,541		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		3,293,904		3,293,904
	4	Income from investment of tax-exempt bond proceeds		0		
	5	Royalties		0		
	6a	(i) Real				
		(ii) Personal				
	b	Less rental expenses				
	c	Rental income or (loss)		0	0	
	d	Net rental income or (loss)		0		
	7a	(i) Securities				
		(ii) Other				
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)		679,367	-32,801	
	d	Net gain or (loss)		646,566	-32,801	679,367
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18				
	a					
	b	Less direct expenses				
	c	Net income or (loss) from fundraising events		0		
	9a	Gross income from gaming activities See Part IV, line 19				
a						
b	Less direct expenses					
c	Net income or (loss) from gaming activities		0			
10a	Gross sales of inventory, less returns and allowances					
a						
b	Less cost of goods sold					
c	Net income or (loss) from sales of inventory		0			
Miscellaneous Revenue		Business Code				
11a			0			
b			0			
c			0			
d	All other revenue		0	0	0	
e	Total. Add lines 11a-11d		0			
12	Total revenue. See Instructions		373,177,941	367,022,989	19,239	3,973,783

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.	494,077	494,077		
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.	10,157,613	10,157,613		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	401,059	401,059		
7	Other salaries and wages.	171,577,553	171,543,038	34,515	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	7,071,085	7,071,085		
9	Other employee benefits.	29,803,469	29,793,443	10,026	
10	Payroll taxes.	12,893,771	12,893,771		
11	Fees for services (non-employees):				
a	Management.	0			
b	Legal.	1,574,482		1,574,482	
c	Accounting.	1,089,833		1,089,833	
d	Lobbying.	324,182	324,182		
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).	30,071,869	30,027,959	43,910	0
12	Advertising and promotion.	10,046,771	10,046,771		
13	Office expenses.	9,925,165	9,924,441	724	
14	Information technology.	44,702,161	44,702,161		
15	Royalties.	0			
16	Occupancy.	16,766,930	16,760,996	5,934	
17	Travel.	3,096,091	3,096,072	19	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	1,224,077	1,224,009	68	
20	Interest.	-20,777	-20,777		
21	Payments to affiliates.	0			
22	Depreciation, depletion, and amortization.	3,682,764	3,679,511	3,253	
23	Insurance.	-1,884,507	-1,886,547	2,040	
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	DUES AND SUBSCRIPTIONS	1,487,236	1,487,236		
b	RECRUITMENT EXPENSES	1,121,696	1,121,696		
c	MEDICAL SUPPLIES	310,346	310,346		
d	UBI TAXES	2,000	2,000		
e	All other expenses	4,631,768	4,631,768	0	0
25	Total functional expenses. Add lines 1 through 24e.	360,550,714	357,785,910	2,764,804	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).	0			

Part X

Balance Sheet

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

☐

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing				1	
	2	Savings and temporary cash investments			10,664,238	2	32,933,905
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net				4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	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				6	0
	7	Notes and loans receivable, net			43,225,201	7	41,165,016
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			12,701,994	9	24,209,332
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	35,872,375			
	b	Less accumulated depreciation	10b	7,412,077	2,661,753	10c	28,460,298
	11	Investments—publicly traded securities			703,590,182	11	862,172,834
	12	Investments—other securities See Part IV, line 11			9,694,316	12	5,021,711
	13	Investments—program-related See Part IV, line 11			55,452,537	13	56,847,798
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			96,506,565	15	94,088,920
16	Total assets. Add lines 1 through 15 (must equal line 34)			934,496,786	16	1,144,899,814	
Liabilities	17	Accounts payable and accrued expenses			27,072,073	17	57,490,993
	18	Grants payable				18	
	19	Deferred revenue			190,460	19	147,065
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	0
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties			12,500,000	24	12,500,000
	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			933,320,179	25	1,045,559,555
	26	Total liabilities. Add lines 17 through 25			973,082,712	26	1,115,697,613
	Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets			-38,585,926	27	29,202,201
28		Temporarily restricted net assets				28	
29		Permanently restricted net assets				29	
Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.							
30		Capital stock or trust principal, or current funds				30	
31		Paid-in or capital surplus, or land, building or equipment fund				31	
32		Retained earnings, endowment, accumulated income, or other funds				32	
33		Total net assets or fund balances			-38,585,926	33	29,202,201
34		Total liabilities and net assets/fund balances			934,496,786	34	1,144,899,814

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	373,177,941
2	Total expenses (must equal Part IX, column (A), line 25)	2	360,550,714
3	Revenue less expenses Subtract line 2 from line 1	3	12,627,227
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-38,585,926
5	Net unrealized gains (losses) on investments	5	54,515,473
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	645,427
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	29,202,201

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

Additional Data

Software ID: 12000266

Software Version: v2012.1.0

EIN: 38-3382353

Name: SPECTRUM HEALTH SYSTEM

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ELIZABETH NICKELS Treasurer	2 00 0	X		X				30,500	0	0
RICHARD BREON PRESIDENT / CEO	46 00 4 00	X		X				2,413,384	0	615,765
RICHARD DEVOS JR Vice Chair	2 00 0	X		X				0	0	0
TIMOTHY O'DONOVAN Chair	2 00 0	X		X				0	0	0
A ROBERT VAN TUINEN MD Director - Part Year	2 00 48 00	X						25,000	302,154	34,673
BIRGIT KLOHS Director	2 00 0	X						25,000	0	0
BRIAN HARRIS Director	2 00 0	X						30,000	0	0
DAN GAYDOU Director	2 00 0	X						0	0	0
M ASHRAF MANSOUR Director	2 00 48 00	X						0	655,966	26,203
MICHELLE VAN DYKE Director	2 00 0 00	X						24,500	0	0
REX KILLIAN Director	2 00 0	X						25,000	0	0
RICHARD DEVOS SR Director - Part Year	2 00 0	X						0	0	0
ROBERT ROTH Director	2 00 2 00	X						25,000	23,500	0
STEPHEN RECHNER MD Director	2 00 0	X						25,000	0	0
STEVE ENDER Director	2 00 0	X						0	0	0
DAVID LEONARD Secretary / Chief Legal Officer	50 00 0			X				711,423	0	191,371
MICHAEL P FREED EXEC VICE PRESIDENT/CFO	25 00 25 00			X				1,071,348	0	286,124
JILL FERRIS Corporate Controller	50 00 0				X			196,718	0	57,029
JOHN MOSLEY EVP & Chief Strategy Officer	50 00 0 00				X			858,886	0	92,666
LORI SMITH Corporate Treasury Officer	50 00 0				X			173,520	0	26,390
MATTHEW VAN VRANKEN EVP, SH Delivery System	40 00 10 00				X			1,446,912	0	379,738
PATRICK O'HARE SVP, CIO	50 00 0				X			679,185	0	185,346
ROGER JANSEN SVP, Human Resources	50 00 0				X			539,392	0	222,326
J MICHAEL KRAMER SVP & Chief Quality Officer	50 00 0					X		429,384	0	168,294
JOHN BYRNES MD Exec Vice President / Chief Strategy Officer	48 00 2 00					X		590,005	0	136,699

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JOHN MACKEIGAN MD Exec Vice President / CMO	48 00 2 00					X		973,928	0	112,239
MICHAEL ROSENCRANCE VP, IS SH Delivery System	50 00 0					X		482,246	0	147,594
STEVEN HEACOCK SVP, Public Affairs	50 00 0					X		480,916	0	174,118
RONALD KNAUS Vice President Finance - SHH	0 00 50 00						X	0	523,791	161,618

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
SPECTRUM HEALTH SYSTEM

Employer identification number
38-3382353

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

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

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☒

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

a

☐

Type I

b

☐

Type II

c

☒

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☒

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

☐

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

☐

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

(i)

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

(ii)

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

(iii)

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

☐

Provide the following information about the supported organization(s)

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

(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	
See Additional Data Table									
Total									268,646,278

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 IIISupport Schedule for Organizations Described in Section 509(a)(2)

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

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15		
16 Public support percentage from 2011 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17		
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶			

Part IV

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

Facts And Circumstances Test

Explanation
<p>SUPPLEMENTAL INFORMATION , SCHEDULE A, PART IV, SPECTRUM HEALTH SYSTEM IS THE PARENT ORGANIZATION AND SUPPORTING ORGANIZATION TO THE HEALTH SYSTEM THE PURPOSES OF THIS ORGANIZATION, AS DEFINED IN THE ARTICLES OF INCORPORATION, ARE AS FOLLOWS PURPOSES 2 1 THE PURPOSES FOR WHICH THE CORPORATION IS ORGANIZED ARE TO OPERATE EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM THE FUNCTIONS OF, AND TO CARRY OUT ALL OF THE PURPOSES OF SPECTRUM HEALTH HOSPITALS, NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION, REED CITY HOSPITAL CORPORATION, SPECTRUM HEALTH FOUNDATION, SPECTRUM HEALTH PRIMARY CARE PARTNERS, SPECTRUM HEALTH UNITED, AND ZEELAND COMMUNITY HOSPITAL (THE "SUPPORTED ORGANIZATIONS") ALL OF WHICH ARE DESCRIBED IN SECTION 501(C)(3) AND EITHER SECTION 509(A)(1) OR SECTION 509(A)(2) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED OR COMPARABLE PROVISIONS OF SUBSEQUENT LEGISLATION (THE "CODE") SUBJECT TO AND IN FURTHERANCE OF THE FOREGOING, THE PURPOSES OF THE CORPORATION SHALL BE 2 1 1 TO FORMULATE AND IMPLEMENT POLICIES AND PROGRAMS DESIGNED TO ENABLE AND/OR CAUSE THE SUPPORTED ORGANIZATIONS TO FUNCTION AS A COORDINATED HEALTH CARE DELIVERY SYSTEM , TO PROVIDE DIRECTION AND MANAGEMENT TO THE SUPPORTED ORGANIZATIONS, AND TO ACT AND/OR MAKE DECISIONS FOR THE BENEFIT OF SUCH SUPPORTED ORGANIZATIONS 2 1 2 TO ESTABLISH AND MAINTAIN, EITHER DIRECTLY, THROUGH SUPPORTED ORGANIZATIONS OR IN COOPERATION WITH OTHER ORGANIZATIONS, SUCH FACILITIES AND SERVICES FOR THE CARE OF PERSONS SUFFERING FROM ILLNESS, INJURY OR DISABILITY, THE ELDERLY AND THE INDIGENT AND FOR THE PRESERVATION AND IMPROVEMENT OF HEALTH AS THE BOARD OF DIRECTORS MAY DETERMINE, INCLUDING, WITHOUT LIMITATION 2 1 2 1 HOSPITALS FOR THE INPATIENT OR OUTPATIENT CARE OF PERSONS SUFFERING FROM ILLNESS, INJURY AND DISABILITY, FOR THE PREVENTION OF ILLNESS, INJURY AND DISABILITY AND FOR THE MAINTENANCE OF HEALTH 2 1 2 2 FACILITIES PROVIDING AMBULATORY CARE, NURSING CARE, REHABILITATION AND OTHER SERVICES 2 1 2 3 CLINICS THROUGH WHICH PHYSICIANS AND OTHER PROVIDERS RENDER PROFESSIONAL MEDICAL SERVICES 2 1 2 4 OTHER ACTIVITIES AND PROGRAMS DESIGNED AND CARRIED ON TO PROMOTE THE GENERAL HEALTH OF THE COMMUNITY 2 1 3 TO PROMOTE AND CARRY ON SUCH SCIENTIFIC RESEARCH AS THE BOARD OF DIRECTORS MAY DETERMINE WITH RESPECT TO THE CAUSE, TREATMENT AND PREVENTION OF ILLNESS AND INJURY, THE IMPROVEMENT OF PUBLIC HEALTH AND OTHER MATTERS 2 1 4 TO PARTICIPATE IN AND TO CARRY ON SUCH ACTIVITIES AS THE BOARD OF DIRECTORS MAY DETERMINE FOR THE EDUCATION OF PHYSICIANS, NURSES, OTHER PROFESSIONAL AND PARAPROFESSIONAL PERSONNEL AND THE PUBLIC ABOUT RENDERING CARE TO THE SICK, INJURED AND DISABLED, ABOUT PREVENTION OF ILLNESS AND INJURY AND ABOUT THE PROMOTION OF HEALTH 2 1 5 TO CONDUCT ACTIVITIES, EITHER DIRECTLY, THROUGH RELATED ORGANIZATIONS OR IN COOPERATION WITH ORGANIZATIONS EXEMPT FROM TAX UNDER SECTION 501 (C)(3) OF THE CODE OR COMPARABLE PROVISIONS OF SUBSEQUENT LEGISLATION IN ORDER TO RAISE FUNDS TO FURTHER THE PURPOSES OF THE CORPORATION, SUBJECT, HOWEVER, TO ALL LIMITATIONS ON THE NATURE OR EXTENT OF SUCH ACTIVITIES APPLICABLE, FROM TIME TO TIME, TO ORGANIZATIONS DESCRIBED IN SECTIONS 501(C)(3) AND 509(A)(3) OF THE CODE 2 1 6 TO ACQUIRE, TO OWN, TO DISPOSE OF AND TO DEAL WITH REAL AND PERSONAL PROPERTY AND INTERESTS THEREIN AND TO APPLY GIFTS, GRANTS, BEQUESTS AND DEVISES AND THE PROCEEDS THEREOF IN FURTHERANCE OF THE PURPOSES OF THE CORPORATION 2 1 7 TO DEAL WITH AND DISTRIBUTE THE CORPORATION'S INCOME AND ASSETS IN SUCH MANNER AS IN THE JUDGMENT OF THE BOARD OF DIRECTORS WILL BEST PROMOTE ITS OBJECTIVES AND PURPOSES, WITHOUT LIMITATION EXCEPT SUCH, IF ANY, AS MAY BE CONTAINED IN INSTRUMENTS UNDER WHICH SUCH PROPERTY IS CONVEYED TO THE CORPORATION 2 1 8 TO DO SUCH THINGS AND TO PERFORM SUCH ACTS TO ACCOMPLISH ITS PURPOSES AS ARE PERMITTED BY SECTIONS 501(C)(3) AND 509(A)(3) OF THE CODE, WITH ALL THE POWERS CONFERRED ON NONPROFIT CORPORATIONS BY THE LAWS OF THE STATE OF MICHIGAN THE AMOUNTS REPORTED IN SCHEDULE A, PART I, LINE 11H, COLUMN (VII) RELATE TO EXPENSES INCURRED BY THE ORGANIZATION ON BEHALF OF THE SUPPORTED ENTITIES (REIMBURSED IN WHOLE OR IN PART THROUGH MANAGEMENT FEES),</p>

Additional Data

Software ID: 12000266

Software Version: v2012.1.0

EIN: 38-3382353

Name: SPECTRUM HEALTH SYSTEM

Form 990, Sch A, Part I, Line 11h - 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)	(iv) Is the organization in (i) listed in your governing document?		(v) Did you notify the organization in (i) of your support?		(vi) Is the organization in (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
SPECTRUM HEALTH HOSPITALS	381360529	3	Yes		Yes		Yes		224264676
NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION	381359517	3	Yes		Yes		Yes		144076
REED CITY HOSPITAL CORPORATION	382770076	3	Yes		Yes		Yes		149798
SPECTRUM HEALTH FOUNDATION	382752328	7	Yes		Yes		Yes		12000
SPECTRUM HEALTH PRIMARY CARE PARTNERS	381358164	3	Yes		Yes		Yes		43689230
SPECTRUM HEALTH UNITED	381358412	3	Yes		Yes		Yes		386498
ZEELAND COMMUNITY HOSPITAL	381411184	3	Yes		Yes		Yes		0

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

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

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of the organization SPECTRUM HEALTH SYSTEM	Employer identification number 38-3382353
--	--

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

1	Provide a description of the organization’s direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If “Yes,” describe in Part IV	

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

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

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		42,331
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		281,851
j	Total. Add lines 1c through 1i.			324,182
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
Description of the activities reported on Lines 1a through 1i	Schedule C, Part II-B, Line 1	SPECTRUM HEALTH SYSTEM EMPLOYED GOVERNMENT AFFAIRS STAFF WHO ARE CHIEFLY RESPONSIBLE FOR GOVERNMENT AFFAIRS ACTIVITIES. ADDITIONALLY THE ORGANIZATION EMPLOYED A SENIOR VICE PRESIDENT, PUBLIC AFFAIRS TO OVERSEE THIS ROLE. OTHER EXECUTIVE STAFF WERE ENGAGED ON A VERY LIMITED BASIS FOR LOBBYING PURPOSES. SPECTRUM HEALTH SYSTEM RETAINED FEDERAL AND STATE LEVEL MULTI-CLIENT LOBBY FIRMS. THE FUNCTION OF THEIR RESPECTIVE DUTIES INVOLVED DIRECT CONTACT WITH LEGISLATORS, THEIR STAFF, GOVERNMENT OFFICIALS, OR A LEGISLATIVE BODY ON NUMEROUS LEGISLATIVE AND REGULATORY ISSUES OF INTEREST TO THE ORGANIZATION. THIS AMOUNT IS REPORTED IN LINE 1I, "OTHER ACTIVITIES." DIRECT CONTACT WITH QUALIFYING INDIVIDUALS INCLUDED SENDING LETTERS, PUBLICATIONS, MAKING PHONE CALLS OR MEETING WITH GOVERNMENT OFFICIALS, THEIR STAFF OR LEGISLATORS.

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization SPECTRUM HEALTH SYSTEM	Employer identification number 38-3382353
--	--

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

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

☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

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

☐

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

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

2

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

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

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

3a

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

(i)

unrelated organizations

(ii)

related organizations

b

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

	Yes	No
3a(i)		
3a(ii)		
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			0
b	Buildings	2,677,461	151,960	2,525,501
c	Leasehold improvements	1,555,454	90,937	1,464,517
d	Equipment	20,408,069	7,169,180	13,238,889
e	Other	11,231,391		11,231,391
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				28,460,298

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
FIN 48 (ASC 740) FOOTNOTE	SCHEDULE D, PART X, LINE 2	SPECTRUM HEALTH SYSTEM CONDUCTS AN ANALYSIS ANNUALLY TO DETERMINE THE ORGANIZATION'S LIABILITY WITH RESPECT TO UNCERTAIN TAX POSITIONS. FOR THE YEAR ENDED JUNE 30, 2013 IT WAS DETERMINED THAT THERE WERE NO MATERIAL UNCERTAIN TAX POSITIONS TO DISCLOSE. AS SUCH, THERE WAS NO FOOTNOTE ADDED TO THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS.

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

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
SPECTRUM HEALTH SYSTEM

Employer identification number

38-3382353

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.

[illegible]

- | | | |
|----------|---|----------|
| 2 | Enter total number of section 501(c)(3) and government organizations listed in the line 1 table | 1 |
| 3 | Enter total number of other organizations listed in the line 1 table | 0 |

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

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

Part IV Supplemental Information.		
Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information		
Identifier	Return Reference	Explanation
Procedures for monitoring use of grant funds	Schedule I, Part I, Line 2	GRANTS ARE RECEIVED BY THE HEALTHIER COMMUNITIES DEPARTMENT WITHIN SPECTRUM HEALTH SYSTEM AND THEY ARE ADMINISTERED/AWARDED BY SPECTRUM HEALTH HOSPITALS, A RELATED TAX-EXEMPT ORGANIZATION FUNDS ARE MONITORED AND THE RECIPIENTS ARE REQUIRED TO SUBMIT A BUDGET REPORT TO SPECTRUM HEALTH ON A QUARTERLY BASIS, WHICH ITEMIZES EXPENDITURES REPORTS ARE ATTESTED TO BY THE RESPONSIBLE FINANCIAL OFFICER

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

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Name of the organization
SPECTRUM HEALTH SYSTEM

Employer identification number
38-3382353

Part I	Questions Regarding Compensation		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <div><div><input checked="" type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>			
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	Yes	
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	Yes	
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. <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>			
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: <div><div>a Receive a severance payment or change-of-control payment?</div><div>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div><div>c Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.	4a		No
		4b	Yes	
		4c		No
5	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9. 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: <div><div>a The organization?</div><div>b Any related organization?</div></div> If "Yes," to line 5a or 5b, describe in Part III.	5a		No
		5b		No
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: <div><div>a The organization?</div><div>b Any related organization?</div></div> If "Yes," to line 6a or 6b, describe in Part III.	6a		No
		6b		No
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 accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table								

Part 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
First-class or charter travel	Schedule J, Part I, Line 1a	THE ORGANIZATION PROVIDED FIRST-CLASS TRAVEL FOR SIX EXECUTIVE EMPLOYEES AND SEVEN BOARD MEMBERS. IN CERTAIN LIMITED SITUATIONS WHEN COMMERCIAL AIR TRAVEL WAS NOT AVAILABLE FOR A DESTINATION OR NOT EFFICIENT DUE TO SCHEDULES AND/OR CONNECTIONS, CHARTER AIR TRAVEL WAS UTILIZED BY CERTAIN EXECUTIVE EMPLOYEES.
Travel for companions	Schedule J, Part I, Line 1a	THE ORGANIZATION PROVIDED COMPANION TRAVEL FOR THREE EXECUTIVE EMPLOYEES AND TWO BOARD MEMBERS. THESE AMOUNTS WERE EITHER TREATED AS TAXABLE COMPENSATION AND INCLUDED IN FORM W-2 OR FORM 1099 ACCORDINGLY OR THE ORGANIZATION WAS REIMBURSED BY THE EXECUTIVE OR BOARD MEMBER.
Health or social club dues or initiation fees	Schedule J, Part I, Line 1a	THE ORGANIZATION PROVIDED HEALTH CLUB DUES FOR SEVEN EXECUTIVE EMPLOYEES. THESE AMOUNTS WERE TREATED AS TAXABLE COMPENSATION AND INCLUDED IN FORM W-2.
Supplemental nonqualified retirement plan	Schedule J, Part I, Line 4b	\$835,988 RICHARD BREON \$174,386 JOHN BYRNES \$247,656 MICHAEL FREED \$ 48,669 STEVEN HEACOCK \$ 44,925 ROGER JANSEN \$119,763 RONALD KNAUS \$ 30,202 J MICHAEL KRAMER \$172,344 DAVID LEONARD \$300,915 JOHN MACKEIGAN \$300,918 JOHN MOSLEY \$157,289 PATRICK O'HARE \$121,634 MICHAEL ROSENCRANCE. SCHEDULE J, PART I, LINE 4B IS ANSWERED "YES" BECAUSE CERTAIN INDIVIDUALS, WHOSE SALARY AND BENEFITS ARE PAID BY THE REPORTING ORGANIZATION OR A RELATED ORGANIZATION, DO "PARTICIPATE IN" SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN(S). SOME INDIVIDUALS RECEIVED DISTRIBUTIONS DURING THE YEAR (AS REPORTED ON THIS LINE) WHEREAS OTHERS PARTICIPATED IN THE PLAN(S) BUT DID NOT RECEIVE DISTRIBUTIONS DURING THE YEAR. THE FOLLOWING INDIVIDUALS PARTICIPATED IN THE PLAN(S) BUT DID NOT RECEIVE A DISTRIBUTION: JILL FERRIS. DISTRIBUTIONS REPORTED ON THIS LINE ARE ALSO INCLUDED IN SCHEDULE J, PART II, COLUMN F AS COMPENSATION REPORTED IN A PRIOR YEAR.

Software ID: 12000266
Software Version: v2012.1.0
EIN: 38-3382353
Name: SPECTRUM HEALTH SYSTEM

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
A ROBERT VAN TUINEN MD	(i)	25,000	0	0	0	0	25,000	0
	(ii)	294,686	0	7,469	21,460	13,214	336,828	0
DAVID LEONARD	(i)	390,229	274,956	46,238	121,963	69,408	902,794	172,344
	(ii)	0	0	0	0	0	0	0
J MICHAEL KRAMER	(i)	303,768	119,606	6,010	118,494	49,800	597,678	30,202
	(ii)	0	0	0	0	0	0	0
JILL FERRIS	(i)	163,538	32,816	364	30,489	26,541	253,748	0
	(ii)	0	0	0	0	0	0	0
JOHN BYRNES MD	(i)	281,689	275,957	32,359	78,122	58,576	726,703	174,386
	(ii)	0	0	0	0	0	0	0
JOHN MACKEIGAN MD	(i)	497,521	432,738	43,668	96,809	15,430	1,086,167	300,915
	(ii)	0	0	0	0	0	0	0
JOHN MOSLEY	(i)	400,319	406,796	51,771	77,954	14,712	951,551	300,918
	(ii)	0	0	0	0	0	0	0
LORI SMITH	(i)	147,478	24,612	1,430	8,462	17,928	199,910	0
	(ii)	0	0	0	0	0	0	0
M ASHRAF MANSOUR	(i)	0	0	0	0	0	0	0
	(ii)	570,816	79,998	5,152	17,500	8,703	682,169	0
MATTHEW VAN VRANKEN	(i)	845,611	542,443	58,858	270,019	109,719	1,826,651	322,225
	(ii)	0	0	0	0	0	0	0
MICHAEL P FREED	(i)	648,141	404,990	18,217	204,362	81,762	1,357,472	247,656
	(ii)	0	0	0	0	0	0	0
MICHAEL ROSENCRANCE	(i)	291,946	186,160	4,140	84,800	62,794	629,839	121,634
	(ii)	0	0	0	0	0	0	0
PATRICK O'HARE	(i)	382,997	258,198	37,989	124,847	60,499	864,530	157,289
	(ii)	0	0	0	0	0	0	0
RICHARD BREON	(i)	1,091,257	1,236,719	85,408	421,886	193,879	3,029,149	835,988
	(ii)	0	0	0	0	0	0	0
ROGER JANSEN	(i)	376,979	145,239	17,174	160,362	61,964	761,717	44,925
	(ii)	0	0	0	0	0	0	0
RONALD KNAUS	(i)	0	0	0	0	0	0	0
	(ii)	321,833	197,525	4,434	104,223	57,395	685,408	119,763
STEVEN HEACOCK	(i)	329,881	135,607	15,428	113,609	60,509	655,034	48,669
	(ii)	0	0	0	0	0	0	0

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047
2012
Open to Public Inspection

Name of the organization
SPECTRUM HEALTH SYSTEM

Employer identification number

38-3382353

Part I

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

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

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

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

Part II

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

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

Part III

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS WITH INTERESTED PERSONS	SCHEDULE L, PART V	MR RICHARD BREON, PRESIDENT, HAS A SON AND DAUGHTER-IN-LAW WHO ARE EMPLOYED BY THE ORGANIZATION (PART IV, LINES 4 & 5) MR MICHAEL FREED, CFO, HAS TWO DAUGHTERS WHO ARE EMPLOYED BY THE ORGANIZATION HE IS ALSO A MEMBER OF THE BOARD OF DIRECTORS FOR A TAXABLE ENTITY TO WHICH THE ORGANIZATION PROVIDES SERVICES (PART IV, LINES 2, 7 & 8) MR DAN GAYDOU, DIRECTOR, HAS A DAUGHTER AND SON-IN-LAW WHO ARE EMPLOYED BY THE ORGANIZATION HE IS ALSO A KEY EMPLOYEE OF A TAXABLE ENTITY TO WHICH THE ORGANIZATION PROVIDES SERVICES (PART IV, LINES 1, 3, & 6) MR RONALD KNAUS, A FORMER KEY EMPLOYEE OF THE FILING ORGANIZATION, IS A MEMBER OF THE BOARD OF DIRECTORS FOR A TAXABLE ENTITY TO WHICH THE ORGANIZATION PROVIDES SERVICES (PART IV, LINE 2) THROUGH OUR ANNUAL CONFLICT OF INTEREST AND TAX REPORTING PROCESSES, CERTAIN INDIVIDUALS LISTED IN SCHEDULE L HAVE REPORTED THAT THEY, OR COMPANIES THEY WORK FOR, HAVE BUSINESS OR FAMILY RELATIONSHIPS WITH THE REPORTING ORGANIZATION THAT EXCEED THRESHHOLDS PROVIDED IN THE INSTRUCTIONS TO THE FORM 990 IF AN AMOUNT IS NOT LISTED IN SCHEDULE L, A STATEMENT IS PROVIDED ABOVE EXPLAINING THE NATURE OF THE TRANSACTION (S)

Additional Data

Software ID: 12000266
Software Version: v2012.1.0
EIN: 38-3382353
Name: SPECTRUM HEALTH SYSTEM

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MLIVE MEDIA GROUP	BUSINESS	238,233	SEE SCHEDULE L, PART V		No
(2) MICHIGAN PROFESSIONAL INSURANCE EXCHANGE	BUSINESS	124,464	SEE SCHEDULE L, PART V		No
(3) MS CHRISTINA GAYDOU-PITTMAN	FAMILY	93,277	SEE SCHEDULE L, PART V		No
(4) MS ALLYSON BREON	FAMILY	72,344	SEE SCHEDULE L, PART V		No
(5) MR MARK BREON	FAMILY	71,475	SEE SCHEDULE L, PART V		No
(6) MR BRADLEY PITTMAN	FAMILY	65,941	SEE SCHEDULE L, PART V		No
(7) MS CHERYL FREED	FAMILY	54,067	SEE SCHEDULE L, PART V		No
(8) MS LAURA FREED	FAMILY	43,955	SEE SCHEDULE L, PART V		No

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 SPECTRUM HEALTH SYSTEM	Employer identification number 38-3382353
--	--

Identifier	Return Reference	Explanation
Family/business relationships amongst interested persons	Form 990, Part VI, Section A, Line 2	MR RICHARD DEVOS, SR AND MR RICHARD DEVOS, JR - FAMILY RELATIONSHIP, MR DAVID LEONARD AND MR PATRICK O'HARE - BUSINESS RELATIONSHIP, MS ELIZABETH NICKELS AND MR TIMOTHY O'DONOVAN - BUSINESS RELATIONSHIP, MR RICHARD BREON, MR MICHAEL FREED, AND MR ROBERT ROTH - BUSINESS RELATIONSHIP, MR MICHAEL FREED AND MR RONALD KNAUS - BUSINESS RELATIONSHIP, MR MATTHEW VANVRANKEN AND MS MICHELLE VANDYKE - BUSINESS RELATIONSHIP

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PART VI, LINE 6	THE ORGANIZATION IS ORGANIZED ON A NON-STOCK DIRECTORSHIP BASIS WITH NO MEMBERS

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PART VI, LINE 7B	THE ORGANIZATION IS ORGANIZED ON A NON-STOCK DIRECTORSHIP BASIS WITH NO MEMBERS

Identifier	Return Reference	Explanation
Review of form 990 by governing body	Form 990, Part VI, Section B, Line 11b	A COPY OF THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING THE REVIEW PROCESS FOR THIS FORM 990 IS AS FOLLOWS 1 PREPARATION OF THE RETURN IS SUPERVISED AND REVIEWED BY THE ORGANIZATION'S CORPORATE TAX MANAGER 2 A SECOND REVIEW IS PERFORMED BY AN EXTERNAL CPA FIRM WITH EXPERTISE IN TAX-EXEMPT RETURN PREPARATION 3 THE RETURN IS REVIEWED BY THE ORGANIZATION'S FINANCE AND LEGAL DEPARTMENTS (INCLUDING THE CORPORATE CONTROLLER AND THE CHIEF LEGAL OFFICER) AND SHARED WITH THE MEMBERS OF THE BOARD OF DIRECTORS 4 THE ORGANIZATION'S CHIEF FINANCIAL OFFICER REVIEWS COMMENTS OR QUESTIONS RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS, IF ANY , TO ADDRESS OR TO INCORPORATE, AS APPROPRIATE, INTO THE RETURN PRIOR TO FILING

Identifier	Return Reference	Explanation
Conflict of interest policy	Form 990, Part VI, Section B, Line 12c	<p>BOARD OF DIRECTORS 1 CONFLICTS OF INTEREST MUST BE DISCLOSED, BOTH VIA AN ANNUAL ELECTRONIC DISCLOSURE PROCESS AS WELL AS VERBALLY AT A BOARD MEETING PRIOR TO DISCUSSION OF ANY AGENDA ITEM WITH REGARD TO WHICH A BOARD MEMBER HAS A CONFLICT 2 A PERSON HAVING A FINANCIAL INTEREST IN A PROPOSED TRANSACTION OR ARRANGEMENT MAY MAKE A PRESENTATION AT A MEETING OF THE BOARD OF DIRECTORS OR COMMITTEE CONSIDERING THAT TRANSACTION OR ARRANGEMENT, BUT AFTER THAT PRESENTATION HE OR SHE SHALL LEAVE THE MEETING DURING DISCUSSION AND VOTING ON THAT PROPOSED TRANSACTION OR ARRANGEMENT THE PERSON HAVING THE FINANCIAL INTEREST SHALL NOT BE COUNTED IN DETERMINING WHETHER A QUORUM IS PRESENT 3 THE CHAIRPERSON OF THE BOARD OF DIRECTORS OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE (INCLUDING OUTSIDE ADVISORS) TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT, AND TO ADVISE WHETHER THE PROPOSED TRANSACTION OR ARRANGEMENT IS IN THE ORGANIZATION'S BEST INTEREST 4 THE BOARD OF DIRECTORS OR COMMITTEE SHALL EXERCISE DUE DILIGENCE TO DETERMINE WHETHER THE ORGANIZATION CAN, WITH REASONABLE EFFORTS, OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST 5 IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY ATTAINABLE UNDER CIRCUMSTANCES THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST, THE BOARD OF DIRECTORS OR COMMITTEE SHALL DETERMINE BY A MAJORITY VOTE OF THE DISINTERESTED DIRECTORS AND MEMBERS WHETHER THE PROPOSED TRANSACTION OR ARRANGEMENT IS IN THE ORGANIZATION'S BEST INTEREST AND FOR ITS OWN BENEFIT AND WHETHER THE TRANSACTION IS FAIR AND REASONABLE TO THE ORGANIZATION, AND SHALL MAKE ITS DECISION AS TO WHETHER TO ENTER INTO THE TRANSACTION OR ARRANGEMENT IN CONFORMITY WITH SUCH DETERMINATION 6 THE MINUTES OF THE MEETINGS OF THE BOARD OF DIRECTORS AND ALL OF THE ORGANIZATION'S COMMITTEES SHALL SET FORTH A)THE NAMES OF THE PERSONS WHO DISCLOSED A FINANCIAL INTEREST IN A PROPOSED TRANSACTION OR ARRANGEMENT INVOLVING THE ORGANIZATION OR ANY OF ITS SUBSIDIARIES AND THE NATURE OF THE FINANCIAL INTEREST, AND B)THE NAMES OF THE PERSONS WHO WERE PRESENT FOR DISCUSSIONS AND VOTES RELATING TO SUCH TRANSACTION OR ARRANGEMENT, INCLUDING ANY DISCUSSION OF ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT, AND A RECORD OF ANY VOTES TAKEN IN CONNECTION WITH THAT MATTER THE VOTES OF INDIVIDUAL MEMBERS NEED NOT BE RECORDED UNLESS OTHERWISE DIRECTED BY THE BOARD OF DIRECTORS OR COMMITTEE 7 THERE IS AN ONGOING REQUIREMENT THAT MEMBERS OF THE BOARD OF DIRECTORS COMPLETE ANOTHER DISCLOSURE QUESTIONNAIRE AT ANY POINT DURING HIS/HER TENURE ON THE BOARD OF DIRECTORS WHEN A NEW POTENTIAL CONFLICT OF INTEREST ARISES IF A MEMBER OF THE BOARD OF DIRECTORS COMPLETES A DISCLOSURE QUESTIONNAIRE AS A RESULT OF A NEW POTENTIAL CONFLICT OF INTEREST, THAT DISCLOSURE QUESTIONNAIRE IS SUBMITTED TO THE LEGAL, ORGANIZATIONAL INTEGRITY, INTERNAL AUDIT, AND HUMAN RESOURCES DEPARTMENTS FOR REVIEW</p> <p>MANAGEMENT 1 UPON ACCEPTANCE OF AN EMPLOYMENT OFFER, EACH MEMBER OF MANAGEMENT COMPLETES A CONFLICT OF INTEREST DISCLOSURE QUESTIONNAIRE A COPY OF THE MEMBER OF MANAGEMENT'S DISCLOSURE QUESTIONNAIRE IS SENT TO THE ORGANIZATION'S LEGAL DEPARTMENT A COPY OF THE MEMBER OF MANAGEMENT'S DISCLOSURE IS REVIEWED BY THE ORGANIZATION'S COI COORDINATOR AND ESCALATED TO THE COI COMMITTEE IF NECESSARY 2 ANNUALLY, EACH MEMBER OF MANAGEMENT COMPLETES AN ANNUAL CONFLICT OF INTEREST DISCLOSURE QUESTIONNAIRE ELECTRONICALLY THE DISCLOSURE QUESTIONNAIRE IS REVIEWED THE LEGAL, ORGANIZATIONAL INTEGRITY, INTERNAL AUDIT, AND HUMAN RESOURCES DEPARTMENTS 3 THERE IS AN ONGOING REQUIREMENT THAT MEMBERS OF MANAGEMENT COMPLETE ANOTHER DISCLOSURE QUESTIONNAIRE AT ANY POINT DURING HIS/HER EMPLOYMENT WHEN A NEW POTENTIAL CONFLICT OF INTEREST ARISES IF A MEMBER OF MANAGEMENT COMPLETES A DISCLOSURE QUESTIONNAIRE AS A RESULT OF A NEW POTENTIAL CONFLICT OF INTEREST, THAT DISCLOSURE QUESTIONNAIRE IS SUBMITTED TO THE LEGAL, ORGANIZATIONAL INTEGRITY, INTERNAL AUDIT, AND HUMAN RESOURCES DEPARTMENTS 4 THE LEGAL, ORGANIZATIONAL INTEGRITY, INTERNAL AUDIT, AND HUMAN RESOURCES DEPARTMENTS, IN CONSULTATION WITH EXECUTIVE MANAGEMENT, DETERMINE HOW ANY REPORTED CONFLICTS SHOULD BE MANAGED MANAGEMENT OF A CONFLICT MAY TAKE A VARIETY OF DIFFERENT FORMS FROM IMPLEMENTATION OF A MANAGEMENT PLAN TO REQUIRING THAT THE MEMBER OF MANAGEMENT CEASE THE ACTIVITY CREATING THE CONFLICT OR, IN EXTREME CASES, LEAVE THE ORGANIZATION'S EMPLOYMENT MANAGEMENT IS DETERMINED ON AN INDIVIDUAL BASIS BASED UPON THE FACTS AND CIRCUMSTANCES SURROUNDING THE DISCLOSURE THE PURPOSE OF CONFLICT MANAGEMENT IS TO PROVIDE TRANSPARENCY WITHIN THE ORGANIZATION AND TO ENSURE THAT THE ORGANIZATION'S EMPLOYEES ARE ALWAYS ACTING IN THE BEST INTEREST OF THE ORGANIZATION</p>

Identifier	Return Reference	Explanation
Process used to establish compensation of top management official	Form 990, Part VI, Section B, Line 15a	<p>THE SPECTRUM HEALTH SY STEM BOARD OF DIRECTORS (THROUGH ITS EXECUTIVE COMMITTEE) USES THE FOLLOWING PROCESS FOR DETERMINING COMPENSATION OF THE TOP MANAGEMENT OFFICIAL, OTHER OFFICERS, AND KEY EMPLOYEES AT SPECTRUM HEALTH SY STEM. LABOR MARKET DATA REFLECTING COMPARABLE ORGANIZATIONS AND JOBS (PREPARED BY INDEPENDENT FIRMS) ARE RELIED UPON. COMPETITIVE ASSESSMENT REPORTS ARE PROVIDED TO THE EXECUTIVE COMMITTEE IN ADVANCE OF MEETINGS. THE COMPETITIVE ASSESSMENT REPORT IS PREPARED BY A NATIONALLY KNOWN INDEPENDENT EXECUTIVE COMPENSATION FIRM AND, FOR FY 2013 (7/1/12-6/30/13), WAS BASED ON THE FOLLOWING INDEPENDENT SURVEYS OF HEALTH CARE EXECUTIVES AT COMPARABLE HEALTH SY STEMS, HEALTH PLANS, AND MEDICAL GROUPS: * AMERICAN MEDICAL GROUP ASSOCIATION 2012 MEDICAL GROUP COMPENSATION & FINANCIAL SURVEY * INTEGRATED HEALTHCARE STRATEGIES 2012 HEALTH CARE EXECUTIVE COMPENSATION SURVEY * MERCER HUMAN RESOURCES CONSULTING 2012 EXECUTIVE COMPENSATION SURVEY * MERCER HUMAN RESOURCES CONSULTING 2012 INTEGRATED HEALTH NETWORKS COMPENSATION SURVEY * MEDICAL GROUP MANAGEMENT ASSOCIATION 2012 MANAGEMENT COMPENSATION SURVEY * SULLIVAN, COTTER AND ASSOCIATES 2012 SURVEY OF MANAGER AND EXECUTIVE COMPENSATION IN HOSPITALS AND HEALTH SY STEMS * SULLIVAN, COTTER AND ASSOCIATES 2012 PHYSICIAN COMPENSATION AND PRODUCTIVITY SURVEY REPORT * TOWERS WATSON 2012/2013 HOSPITAL AND HEALTHCARE MANAGEMENT COMPENSATION REPORT * TOWERS WATSON 2012/2013 TOP MANAGEMENT COMPENSATION REPORT * WARREN 2012 COMPENSATION SURVEY. COMPENSATION ADJUSTMENTS ARE APPROVED BY EXECUTIVE COMMITTEE MEMBERS, CONSISTENT WITH THE SPECTRUM HEALTH COMPENSATION PHILOSOPHY DESCRIBED BELOW. MINUTES OF COMMITTEE DISCUSSIONS AND DECISIONS ARE PREPARED TO MEMORIALIZE EXECUTIVE COMMITTEE DECISIONS BASED UPON THE ABOVE DATA. CASH COMPENSATION DATA RELIED UPON BY THE EXECUTIVE COMMITTEE IS NATIONAL AND REFLECTS THE COMPENSATION PAID TO EXECUTIVES IN COMPARABLE JOBS IN COMPARABLY-SIZED HEALTHCARE ORGANIZATIONS. SPECTRUM HEALTH RECRUITS NATIONALLY FOR ITS EXECUTIVES. BENEFITS DATA REFLECT NATIONAL HEALTHCARE MARKET PRACTICES. GEOGRAPHIC PAY DIFFERENTIAL AND COST OF LIVING DATA INDICATES CONSISTENCY WITH NATIONAL DATA. THIS PROCESS IS INTENDED TO ASSIST SPECTRUM HEALTH IN QUALIFYING FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS (INTERMEDIATE SANCTIONS REGULATIONS) AND COMPLYING WITH THE POTENTIAL SPECTRUM HEALTH EXCESS BENEFIT TRANSACTION POLICY FOR THOSE INDIVIDUALS IN THE GROUP WHO ARE DISQUALIFIED PERSONS. THE OPINION SUBMITTED FROM THE THIRD PARTY INDEPENDENT CONSULTING FIRM IS IN ACCORDANCE WITH THE PROVISIONS OF TREASURY REGULATIONS SECTION 53.4958-6(C)(2) AND IS ALSO INTENDED TO SATISFY THE PROFESSIONAL ADVICE REQUIREMENT OF TREASURY REGULATIONS SECTION 53.4958-1(D)(4)(III).</p>

Identifier	Return Reference	Explanation
Process used to establish compensation of other officers/key employees	Form 990, Part VI, Section B, Line 15b	SEE EXPLANATION PROVIDED FOR FORM 990, PART VI, LINE 15A

Identifier	Return Reference	Explanation
Governing documents, conflict of interest policy and financial statements available to the public	Form 990, Part VI, Section C, Line 19	THE ORGANIZATION'S ARTICLES OF INCORPORATION HAVE BEEN PROVIDED TO THE STATE OF MICHIGAN AND ARE AVAILABLE TO THE PUBLIC ON THE STATES WEBSITE. THE ORGANIZATION'S BYLAWS AND INTERNAL POLICIES ARE GENERALLY NOT MADE AVAILABLE TO THE PUBLIC. THE OVERALL SYSTEM CONSOLIDATED FINANCIAL STATEMENTS ARE PROVIDED AT WWW.SPECTRUMHEALTH.ORG IN THE SECTION TITLED "ABOUT US". THE NEXT FISCAL YEAR'S FINANCIAL PLAN (INCLUDING ANY HOSPITAL RATE INCREASES) IS DISCUSSED AT AN ANNUAL PUBLIC MEETING AND POSTED TO WWW.SPECTRUMHEALTH.ORG ANNUALLY (UNDER THE SECTION TITLED "ABOUT US").

Identifier	Return Reference	Explanation
REPORTED COMPENSATION AND HOURS	FORM 990, PART VII, SECTION A	<p>THE COMPENSATION REPORTED FOR EMPLOYEES OF THE ORGANIZATION IS NOT FOR SERVICES IN THEIR CAPACITY AS MEMBERS OF THE BOARD OF DIRECTORS BUT FOR SERVICES AS EMPLOYEES OF THE ORGANIZATION OR A RELATED ORGANIZATION. CERTAIN DIRECTORS WERE PAID REASONABLE COMPENSATION FOR THEIR SERVICES AS MEMBERS OF THE BOARD. CONSISTENT WITH PRIOR YEARS, COMPENSATION AND BENEFITS ARE REPORTED USING THE MOST RECENT CALENDAR YEAR COMPENSATION DATA. THE COMPENSATION FIGURES REPORTED IN THESE SECTIONS ARE FOR THE YEAR ENDED DECEMBER 31, 2012. EMPLOYEES WITH COMPENSATION REPORTED IN PART VII WORK A COMBINED AVERAGE OF 50 HOURS PER WEEK FOR THE REPORTING ORGANIZATION AND/OR A RELATED TAX-EXEMPT ORGANIZATION. CERTAIN INDIVIDUALS WERE EMPLOYED IN THEIR ROLES FOR ONLY A PORTION OF THE FISCAL YEAR, THEREFORE THE CALENDAR YEAR WAGES LISTED DO NOT REFLECT THAT OF AN INDIVIDUAL IN THE ROLE FOR AN ENTIRE CALENDAR YEAR. DURING THE YEAR THIS INCLUDED THE FOLLOWING INDIVIDUALS: JILL FERRIS, LORI SMITH.</p>

Identifier	Return Reference	Explanation
COMPENSATION OF DIRECTORS	FORM 990, PART VII, SECTION A	BASED ON EXTERNAL OPINION BY SULLIVAN COTTER AND ASSOCIATES, INC , SPECTRUM HEALTH SYSTEM COMPENSATES BOARD MEMBERS IN A MANNER THAT IS REASONABLE IN RELATION TO MARKET DATA BOARD OF DIRECTORS COMPENSATION IS CONTINUALLY REVIEWED TO CONFIRM COMPENSATION FALLS WITHIN REASONABLE LIMITS ANY COMPENSATION AMOUNT IS TREATED AS TAXABLE TO THE BOARD MEMBER AND IS REPORTED AND PROVIDED TO THEM ON FORM 1099

Identifier	Return Reference	Explanation
REPORTING OF INVESTMENTS	FORM 990, PART X, LINE 11	THE ORGANIZATION HAS REPORTED CERTAIN INVESTMENT ACCOUNTS WHICH MAY ALSO BE INCLUDED ON THE BALANCE SHEET(S) OF RELATED ENTITIES WITHIN THE SYSTEM

Identifier	Return Reference	Explanation
Other changes in net assets or fund balances	Form 990 , Part XI, Line 9	VALUATION ALLOWANCE - -24354440, SPECTRUM HEALTH HOSPITALS (EIN 38-1360529) FUND BALANCE TRANSFER - 24999867,

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
SPECTRUM HEALTH SYSTEM

Employer identification number
38-3382353

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) PHMB PROPERTIES LLC 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2715520	PROP MGMT	MI	3,364,900	27,170,427	PRIORITY HEALTH
(2) MMPC REAL ESTATE LLC 4100 LAKE DR SE STE 300 GRAND RAPIDS, MI 49525 26-2744213	DORMANT	MI	0	0	MICHIGAN MEDICAL PATIENT CARE
(3) SPECTRUM HEALTH INNOVATIONS LLC 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2868213	IP DEVELOP	MI	31,837	5,236,551	SPECTRUM HEALTH SYSTEM
(4) SHPHC LLC 750 FULLER AVE NE GRAND RAPIDS, MI 49503 45-2911064	DORMANT	MI	0	0	SPECTRUM HEALTH CONTINUING CARE

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) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

Yes

No

1a Yes

1b Yes

1c Yes

1d Yes

1e

No

1f

No

1g

No

1h

No

1i

No

1j Yes

1k

No

1l Yes

1m Yes

1n

No

1o Yes

1p

No

1q Yes

1r Yes

1s Yes

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

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

Schedule R (Form 990) 2012

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

[illegible]

Software ID: 12000266

Software Version: v2012.1.0

EIN: 38-3382353

Name: SPECTRUM HEALTH SYSTEM

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation
SECTION 512(B)(13) CONTROLLED ENTITY	PART II, COLUMN (G)	THE ORGANIZATION IS THE COMMON PARENT ORGANIZATION OF A CONSOLIDATED HEALTH SYSTEM, SPECTRUM HEALTH SYSTEM
IDENTIFICATION OF RELATED ORGANIZATIONS	PART IV	35 MICHIGAN STREET CONDOMINIUM ASSOCIATION AND LEMMEN-HOLTON CANCER PAVILION CONDOMINIUM ASSOCIATION ARE INCLUDED ON SCHEDULE R, PART IV AS THE VOTING POWER IS CONTROLLING UNDER THE CONSTRUCTIVE OWNERSHIP RULES OF UNDER SECTION 318 OF THE INTERNAL REVENUE CODE SCHEDULE R, PART IV, COLUMNS (F) SHARE OF TOTAL INCOME AND (G) SHARE OF END-OF-YEAR ASSETS ARE REPORTED BASED ON OWNERSHIP RATHER THAN VOTING POWER SCHEDULE R, PART IV, COLUMN (H) IS REPORTED BASED ON THE GREATER OF OWNERSHIP OR VOTING POWER

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
HELEN DEVOS WOMEN'S AND CHILDREN'S HEALTH PAVILION ASSOCIATION 330 BARCLAY NE GRAND RAPIDS, MI 49503 38-3264184	MGMT	MI	N/A	C CORPORATION				Yes	
PARTNERSHIP FOR CHILDREN'S HEALTH 1840 WEALTHY ST SE GRAND RAPIDS, MI 49506 38-3364676	MGED CARE	MI	N/A	C CORPORATION				Yes	
THE FRED AND LENA MEIJER HEART CENTER CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 83-0464302	MGMT	MI	N/A	C CORPORATION				Yes	
CAMPUS TOWNE CENTER CONDO ASSC 4868 LAKE MICHIGAN DRIVE ALLENDALE, MI 49401 38-2910067	MGMT	MI	N/A	C CORPORATION				Yes	
PRIORITY HEALTH INSURANCE COMPANY 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 20-1529553	INSURANCE	MI	N/A	C CORPORATION				Yes	
PRIORITY HEALTH MANAGED BENEFITS 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-3085182	ADMIN	MI	SPECTRUM HEALTH SYSTEM	C CORPORATION	152,681,541	39,318,247	100 %	Yes	
MICHIGAN MEDICAL PATIENT CARE 1840 WEALTHY ST SE GRAND RAPIDS, MI 49506 38-2851295	MEDICAL	MI	SPECTRUM HEALTH SYSTEM	C CORPORATION	2,354,632	3,786,242	100 %	Yes	
WEST MICHIGAN HEART 2900 BRADFORD STREET NE GRAND RAPIDS, MI 49525 38-2125186	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C CORPORATION	34,641,406	9,974,169	100 %	Yes	
IDEOMED INC 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 61-1613614	PROD DEVL	MI	N/A	C CORPORATION				Yes	
SPECTRUM HEALTH PHYSICIAN ALLIANCE 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 37-1655728	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C CORPORATION	110	1,116,944	100 %	Yes	
35 MICHIGAN STREET CONDOMINIUM ASSOCIATION 35 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2193084	MGMT	MI	N/A	C CORPORATION				Yes	
LEMMEN-HOLTON CANCER PAVILION CONDOMINIUM ASSOCIATION 145 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734150	MGMT	MI	N/A	C CORPORATION				Yes	
MUSCULOSKELETAL CENTER CONDOMINIUM ASSOCIATION 230 MICHIGAN NE STE 300 GRAND RAPIDS, MI 49503 38-3180086	MGMT	MI	N/A	C CORPORATION				Yes	

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
SPECTRUM HEALTH HOSPITALS	A	22,341	GAAP, CASH, OR FMV
SPECTRUM HEALTH PRIMARY CARE PARTNERS	A	611,124	GAAP, CASH, OR FMV
SPECTRUM HEALTH HOSPITALS	B	494,077	GAAP, CASH, OR FMV
SPECTRUM HEALTH FOUNDATION	C	1,173,791	GAAP, CASH, OR FMV
SPECTRUM HEALTH HOSPITALS	C	988,139	GAAP, CASH, OR FMV
PRIORITY HEALTH	D	1,802,373	GAAP, CASH, OR FMV
IDEOMED	L	6,324	GAAP, CASH, OR FMV
NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION	L	144,076	GAAP, CASH, OR FMV
PRIORITY HEALTH	L	94,930,285	GAAP, CASH, OR FMV
REED CITY HOSPITAL CORPORATION	L	149,798	GAAP, CASH, OR FMV
SPECTRUM HEALTH FOUNDATION	L	12,000	GAAP, CASH, OR FMV
SPECTRUM HEALTH HOSPITALS	L	224,264,676	GAAP, CASH, OR FMV
SPECTRUM HEALTH PHYSICAN ALLIANCE	L	155,010	GAAP, CASH, OR FMV
SPECTRUM HEALTH PRIMARY CARE PARTNERS	L	43,689,230	GAAP, CASH, OR FMV
SPECTRUM HEALTH UNITED	L	386,498	GAAP, CASH, OR FMV
WEST MICHIGAN HEART	L	716,434	GAAP, CASH, OR FMV
IDEOMED	M	2,836,130	GAAP, CASH, OR FMV
NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION	M	1,000	GAAP, CASH, OR FMV
PRIORITY HEALTH	M	23,802,761	GAAP, CASH, OR FMV
REED CITY HOSPITAL CORPORATION	M	2,000	GAAP, CASH, OR FMV
SPECTRUM HEALTH FOUNDATION	M	5,000	GAAP, CASH, OR FMV
SPECTRUM HEALTH UNITED	M	11,935	GAAP, CASH, OR FMV
SPECTRUM HEALTH HOSPITAL	S	24,999,687	GAAP, CASH, OR FMV