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Form

990Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013**Open to Public Inspection****A For the 2013 calendar year, or tax year beginning , and ending****B** Check if applicable☐ Address change☐ Name change☐ Initial return☐ Terminated☐ Amended return☐ Application pending**C** Name of organization**THE HEALTH FOUNDATION, INC.**

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

PO BOX 667

Room/suite

City or town state or province country, and ZIP or foreign postal code

NORTH WILKESBORO**NC 28659****F** Name and address of principal officer**DAVID SHELTON****155 S OAKWOODS TRACE****WILKESBORO****NC 28697****D** Employer identification number**56-1745194****E** Telephone number**336-838-1949****G** Gross receipts \$ **1,238,396****H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number**I** Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () (insert no) ☐ 4947(a)(1) or ☐ 527**J** Website **WWW.HEALTHFOUNDATIONINC.ORG****K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation **1991****M** State of legal domicile **NC****Part I Summary****1** Briefly describe the organization's mission or most significant activities
IMPROVE HEALTHCARE IN WILKES COUNTY, NC.**2** Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets**3** Number of voting members of the governing body (Part VI, line 1a)**3 16****4** Number of independent voting members of the governing body (Part VI, line 1b)**4 16****5** Total number of individuals employed in calendar year 2013 (Part V, line 2a)**5 0****6** Total number of volunteers (estimate if necessary)**6 19****7a** Total unrelated business revenue from Part VIII, column (C), line 12**7a 0****b** Net unrelated business taxable income from Form 990-T, line 34**7b 0****8** Contributions and grants (Part VIII, line 1h)**Prior Year 436,462 Current Year 176,233****9** Program service revenue (Part VIII, line 2g)**1,107,350 1,061,617****10** Investment income (Part VIII, column (A), lines 3, 4, and 7d)**1,210 -57,350****11** Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)**22 110****12** Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)**1,545,044 1,180,610****13** Grants and similar amounts paid (Part IX, column (A), line 3)**411,864 260,264****14** Benefits paid to or for members (Part IX, column (A), line 4)**0****15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)**217,622 211,690****16a** Professional fundraising fees (Part IX, column (A), line 11e)**0****b** Total fundraising expenses (Part IX, column (D), line 25)**1,183****17** Other expenses (Part IX, column (A), lines 11a-11d, 11f, 11g, 11h, 11i, 11j, 11k, 11l, 11m, 11n, 11o, 11p, 11q, 11r, 11s, 11t, 11u, 11v, 11w, 11x, 11y, 11z)**721,522 766,833****18** Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)**1,351,008 1,238,787****19** Revenue less expenses Subtract line 18 from line 12**194,036 -58,177****20** Total assets (Part X, line 16)**Beginning of Current Year 5,804,847 End of Year 5,396,539****21** Total liabilities (Part X, line 26)**1,108,812 2,151,370****22** Net assets or fund balances Subtract line 21 from line 20**4,696,035 3,245,169****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

DAVID SHELTON**PRESIDENT**

Type or print name and title

Date

11/12/14**Paid Preparer Use Only**

Print/Type preparer's name

JODY R. HAMBY

Preparer's signature

JODY R. HAMBY

Date

11/12/14Check ☐ if PTIN**P00621937**Firm's EIN **56-0656546**Firm's name **BENSON, BLEVINS & ASSOCIATES, P.L.L.C.**Firm's address **302 9TH ST, PO BOX 1026****NORTH WILKESBORO, NC 28659-4106**Phone no **336-838-3175**

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

8 417

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

☒

1 Briefly describe the organization's mission

IMPROVE HEALTHCARE IN WILKES COUNTY, NC.

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

☐ Yes ☒ No

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

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

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ **1,067,841** including grants of \$ **260,264**) (Revenue \$ **1,003,941**)

THE FOUNDATION IS AN ASSEMBLY OF COMPASSIONATE, DEDICATED VOLUNTEER LEADERS ENGAGED IN INSPIRING A COMMUNITY-WIDE EFFORT TO IMPROVE HEALTH CARE IN WILKES COUNTY, NORTH CAROLINA THROUGH THE FAITHFUL STEWARDSHIP OF PHILANTHROPIC PURSUITS. THE FOUNDATION WORKS WITH LOCAL HEALTH CARE SERVICE PROVIDERS AND AGENCIES TO IMPROVE THE HEALTH AND WELL-BEING OF THE CITIZENS OF WILKES COUNTY THROUGH A NUMBER OF WAYS. THE FOUNDATION PROVIDES RENTAL SPACE FOR MEDICAL FACILITIES IN ORDER TO AID IN ATTRACTING PHYSICICIANS TO THIS RURAL COMMUNITY. IT ALSO PROVIDES SCHOLARSHIPS TO STUDENTS ENTERING ALLIED HEALTH

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

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

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses **1,067,841**

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	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
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		X
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		X
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		X
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		X
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		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
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		X
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	X	
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	X	
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		X
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		X
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		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	X	
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		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
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		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
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)		X
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		X
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		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	X	
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
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	X	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a 9		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	X
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	X
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	X
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	X
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	X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	X
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	X
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line 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. 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.	16	
b Enter the number of voting members included in line 1a, above, who are independent.	16	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
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	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
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	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
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	X

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► **CHRIS SMITH**
PO BOX 667

NORTH WILKESBORO**NC 28659****336-838-1949**

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

Check if Schedule O contains a response or note to any line 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, and 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 organizations 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) DAVID SHELTON										
PRESIDENT	3.00 0.00	X		X				0	0	0
(2) JAMES COOK										
DIRECTOR	1.00 0.00	X						0	0	0
(3) LEONARD HERRING										
DIRECTOR	1.00 0.00	X						0	0	0
(4) CATHY HUIE										
DIRECTOR	1.00 0.00	X						0	0	0
(5) J RICHARD MARLOW										
SECRETARY	2.00 0.00	X		X				0	0	0
(6) BRAD SHINAMAN										
DIRECTOR	1.00 0.00	X						0	0	0
(7) ARNOLD LAKEY										
DIRECTOR	1.00 0.00	X						0	0	0
(8) CARL YALE										
TREASURER	1.00 0.00	X		X				0	0	0
(9) LYNN DAY										
DIRECTOR	1.00 0.00	X						0	0	0
(10) ANN ABSHER										
DIRECTOR	1.00 0.00	X						0	0	0
(11) PAT BUMGARNER										
DIRECTOR	1.00 0.00	X						0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12) CAM FINLEY	1.00									
DIRECTOR	0.00	X						0	0	0
(13) PENNY MUSSON	1.00									
DIRECTOR	0.00	X						0	0	0
(14) BETH LOVETTE	1.00									
VICE PRESIDENT	0.00	X		X				0	0	0
(15) DR. DARIEL RATHMELL	1.00									
DIRECTOR	0.00	X						0	0	0
(16) BILL HARRIS	1.00									
DIRECTOR	0.00	X						0	0	0
(17) HEATHER MURPHY	40.00									
ASST SECRET.	0.00			X				92,000	0	16,000
(18)										
(19)										
1b Sub-total								92,000		16,000
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								92,000		16,000

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **0**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4		X
5		X

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
WILKES REGIONAL MEDICAL CENTER PO BOX 609 NORTH WILKESBORO NC 28659	SEE SCHEDULE O	208,863

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 **1**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	10,000			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	166,233			
	g Noncash contributions included in lines 1a-1f		\$ 66,374			
	h Total. Add lines 1a-1f		176,233			
Program Service Revenue	2a RENTAL INCOME	Busn Code 531120	1,061,617	1,061,617		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		1,061,617			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		436		
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6a Gross rents		(i) Real (ii) Personal				
b Less rental exps						
c Rental inc or (loss)						
d Net rental income or (loss)						
7a Gross amount from sales of assets		(i) Securities (ii) Other				
b Less cost or other basis & sales exps			57,786			
c Gain or (loss)			-57,786			
d Net gain or (loss)			-57,786	-57,786		
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18		a				
b Less direct expenses		b				
c Net income or (loss) from fundraising events						
9a Gross income from gaming activities See Part IV, line 19		a				
b Less direct expenses		b				
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances		a				
b Less cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Busn Code				
11a MISCELLANEOUS INCOME	900099	110	110			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		110				
12 Total revenue. See instructions		1,180,610	1,003,941	0	436	

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 or note to any line 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 U.S. See Part IV, line 21	243,264	243,264		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	17,000	17,000		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	92,000	58,420	24,380	9,200
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	69,284	43,994	18,362	6,928
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	37,046	23,524	9,817	3,705
10 Payroll taxes	13,360	8,484	3,540	1,336
11 Fees for services (non-employees)				
a Management				
b Legal	9,722		9,722	
c Accounting	17,906		17,906	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
12 Advertising and promotion				
13 Office expenses	20,276		11,487	8,789
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	4,297		4,297	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	6,639		6,329	310
20 Interest	27,678	27,678		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	416,776	412,783	3,993	
23 Insurance	17,855	13,416	4,439	
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 REPAIRS & MAINTENANCE	116,531	110,612	5,919	
b CAM	59,677	59,677		
c REAL ESTATE TAXES	27,861	27,861		
d 1915 BUILDING	13,669	13,669		
e All other expenses	27,946	7,459	19,572	915
25 Total functional expenses. Add lines 1 through 24e	1,238,787	1,067,841	139,763	31,183
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 checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest bearing		1	
	2 Savings and temporary cash investments	789,296	2	812,509
	3 Pledges and grants receivable, net	268,602	3	204,666
	4 Accounts receivable, net	67,248	4	70,677
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	11,487	9	9,910
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 9,983,604		
	b Less accumulated depreciation	10b 5,684,827	10c 4,668,214	4,298,777
	11 Investments—publicly traded securities		11	
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	5,804,847	16	5,396,539	
Liabilities	17 Accounts payable and accrued expenses	70,818	17	88,387
	18 Grants payable		18	1,392,688
	19 Deferred revenue	9,980	19	8,492
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	1,028,014	23	661,803
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	1,108,812	26	2,151,370
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	4,062,995	27	2,759,325
	28 Temporarily restricted net assets	383,927	28	227,526
	29 Permanently restricted net assets	249,113	29	258,318
	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	4,696,035	33	3,245,169
34 Total liabilities and net assets/fund balances	5,804,847	34	5,396,539	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,180,610
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,238,787
3	Revenue less expenses Subtract line 2 from line 1	3	-58,177
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,696,035
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	120,071
7	Investment expenses	7	
8	Prior period adjustments	8	-1,512,758
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-2
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	3,245,169

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

- 1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both
☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

 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.

 ▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

 Open to Public
 Inspection

Name of the organization

THE HEALTH FOUNDATION, INC.

Employer identification number

56-1745194
Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

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

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state.
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III—Functionally integrated d ☐ Type III—Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

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

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

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

Schedule A (Form 990 or 990-EZ) 2013

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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	181,361	115,016	544,345	436,462	176,233	1,453,417
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	181,361	115,016	544,345	436,462	176,233	1,453,417
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)						264,184
6 Public support. Subtract line 5 from line 4.						1,189,233

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	181,361	115,016	544,345	436,462	176,233	1,453,417
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	7,936	3,102	1,830	1,210	437	14,515
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.)	1,000	13	5	22	110	1,150
11 Total support. Add lines 7 through 10						1,469,082
12 Gross receipts from related activities, etc. (see instructions)					12	5,403,387
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	80.95 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	80.01 %
16a 33 1/3% support test—2013. 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 ► <input checked="" type="checkbox"/>		
b 33 1/3% support test—2012. 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 ► <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2013. 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 ► <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2012. 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 ► <input type="checkbox"/>		
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 ► <input type="checkbox"/>		

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2013. 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—2012. 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.** 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)

PART II, LINE 10 - OTHER INCOME DETAIL

MISCELLANEOUS	\$	1,150
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**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013**Open to Public
Inspection**

Name of the organization

Employer identification number

THE HEALTH FOUNDATION, INC.**56-1745194****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?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements.

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> 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 Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

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

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

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

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

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

a Revenues included in Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

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

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

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

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

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

Part IV Escrow and Custodial Arrangements.

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

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

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

- 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	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	249,113	241,342	235,276	236,005	229,587
b Contributions	9,182	7,720	5,980	4,325	5,774
c Net investment earnings, gains, and losses	23	51	86	-5,054	644
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	258,318	249,113	241,342	235,276	236,005

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 ☒ 100.00 %
 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

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. 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	3,592	784,002		787,594
b Buildings		7,504,362	4,096,546	3,407,816
c Leasehold improvements		1,145,015	1,069,368	75,647
d Equipment		288,118	272,837	15,281
e Other		258,515	246,076	12,439
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				4,298,777

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b See Form 990, Part X, line 12.

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

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ►	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25) ►	

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a

1	Total revenue, gains, and other support per audited financial statements	1	1,415,120
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	234,510
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	234,510
3	Subtract line 2e from line 1	3	1,180,610
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	1,180,610

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	1,353,226
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	114,439
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	114,439
3	Subtract line 2e from line 1	3	1,238,787
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	1,238,787

Part XIII Supplemental Information

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.

PART V, LINE 4 - INTENDED USES FOR ENDOWMENT FUNDS

ENDOWMENT FUND INCOME IS USED TO SUPPORT GENERAL FOUNDATION PURPOSES AND SCHOLARSHIPS FOR STUDENTS IN HEALTH CARE RELATED FIELDS.

PART X - FIN 48 FOOTNOTE

THE CORPORATION FILES INCOME TAX RETURNS IN THE U.S. FEDERAL JURISDICTION. THE CORPORATION IS NO LONGER SUBJECT TO U.S. FEDERAL INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2010.

THE CORPORATION FOLLOWS THE PROVISIONS OF UNCERTAIN TAX POSITIONS AS ADDRESSED IN FASB ACCOUNTING STANDARDS CODIFICATION 740-10-65-1. THE CORPORATION RECOGNIZED NO INCREASE IN THE LIABILITY FOR UNRECOGNIZED TAX BENEFITS. THE CORPORATION HAS NO TAX POSITION AT DECEMBER 31, 2013 FOR WHICH THE ULTIMATE DEDUCTIBILITY IS HIGHLY CERTAIN BUT FOR WHICH THERE IS UNCERTAINTY ABOUT THE TIMING OF SUCH DEDUCTIBILITY. THE CORPORATION

Part XIII Supplemental Information (continued)

RECOGNIZES INTEREST ACCRUED RELATED TO UNRECOGNIZED TAX BENEFITS IN INTEREST EXPENSE AND PENALTIES IN OPERATING EXPENSES. NO SUCH INTEREST OR PENALTIES WERE RECOGNIZED DURING THE PERIOD PRESENTED. THE CORPORATION HAD NO ACCRUALS FOR INTEREST AND PENALTIES AT DECEMBER 31, 2013.

SCHEDULE I
(Form 990)Department of the Treasury
Internal Revenue Service

Name of the organization

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013**Open to Public
Inspection**

Name of the organization

THE HEALTH FOUNDATION, INC.

Employer identification number

56-1745194**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?

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.

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section, if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	WILKES REGIONAL MEDICAL CENTER PO BOX 609 N WILKESBORO NC 28659	83-0343789	3	142,533				SEE PART IV
(2)	SHELTERED AID TO FAMILIES IN EMERGE PO BOX 445 WILKESBORO NC 28697	56-1269568	3	59,000				SEE PART IV
(3)	WILKES ADULT DEVELOPMENTAL ACTIVITY 420 BOSTON AVE NORTH WILKESBORO NC 28659	56-1158621	3	7,500				SEE PART IV
(4)	CARENET COUNSELING OF WILKES, INC. PO BOX 1656 NORTH WILKESBORO NC 28659	56-1921555	3	6,000				SEE PART IV
(5)	WILKES COUNTY HEALTH DEPARTMENT 306 COLLEGE STREET WILKESBORO NC 28697	56-6000350	GOV	12,225				SEE PART IV
(6)								
(7)								
(8)								
(9)								

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 5

3 Enter total number of other organizations listed in the line 1 table ▶ 0

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

Schedule I (Form 990) (2013)

DAA

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
1 SCHOLARSHIP		1,000			
2 SCHOLARSHIP		1,000			
3 SCHOLARSHIP		1,000			
4 SCHOLARSHIP		1,500			
5 SCHOLARSHIP		1,500			
6 SCHOLARSHIP		1,500			
7 SCHOLARSHIP		1,500			
Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information					

PART I, LINE 2 - PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

ALL GRANTS COME TO THE FOUNDATION AS A WRITTEN REQUEST FROM GROUPS OR INDIVIDUALS. AFTER THE REQUEST HAS BEEN REVIEWED BY THE APPROPRIATE COMMITTEE, THE REQUEST GOES TO THE FULL BOARD FOR APPROVAL. ONLY AFTER FULL BOARD APPROVAL, GRANTS CAN BE AWARDED. PRIOR TO GRANTS BEING AWARDED, GRANTEES RECEIVE AND ACCEPT, BY SIGNATURE, THE GRANT AGREEMENT. THE GRANT AGREEMENT INDICATES THE TERMS AND CONDITIONS OF THE GRANT. THE GRANT AGREEMENT SPECIFIES POST GRANT REPORTING AND TIMELINE. MANAGEMENT REVIEWS ALL POST GRANT DOCUMENTATION SUBMITTED BY THE GRANTEES.

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
1 SCHOLARSHIP		1,500			
2 SCHOLARSHIP		1,500			
3 SCHOLARSHIP		1,500			
4 SCHOLARSHIP		1,500			
5 SCHOLARSHIP		1,000			
6 SCHOLARSHIP		1,000			
7					
Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information					

PART IV - ADDITIONAL INFORMATION

FORM 990 SCHEDULE I PART II LINE 1H:

WILKES REGIONAL MEDICAL CENTER-ED CAPITAL CAMPAIGN PAYMENTS, PURCHASE OF
TELEVISIONS FOR SURGICAL HOLDING ROOMS AND WILKES COMMUNITY HEALTH
ASSESSMENT PAYMENT.

SHELTERED AID TO FAMILIES IN EMERGENCY-FOR A CHILD ADVOCACY CENTER GRANT
AND A MATCHING GRANT AWARD.

WILKES ADULT DEVELOPMENTAL ACTIVITY PROGRAM-FOR A MATCHING GRANT TO BENEFIT
WORKING ADULTS WITH DISABILITIES.

CARENET COUNSELING-FOR SPONSORSHIP AND A MATCHING GRANT TO BENEFIT PEOPLE

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
1					
2					
3					
4					
5					
6					
7					
Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.					

STRUGGLING WITH MENTAL HEALTH ISSUES.

WILKES COUNTY HEALTH DEPARTMENT-FOR A MOBILE EXPANDED SCHOOL HEALTH BUS

AWARD AND A GRANT TO SUPPORT EFFORTS TO ASSIST PEOPLE ENROLLING IN THE

INSURANCE EXCHANGE MARKETPLACE.

**SCHEDULE M
(Form 990)****Noncash Contributions**

OMB No 1545-0047

2013**Open To Public
Inspection**Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
 ▶ Attach to Form 990.
 ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

THE HEALTH FOUNDATION, INC.**56-1745194****Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art — Works of art				
2 Art — Historical treasures				
3 Art — Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities — Publicly traded	X	9	66,374	
10 Securities — Closely held stock				
11 Securities — Partnership, LLC, or trust interests				
12 Securities — Miscellaneous				
13 Qualified conservation contribution — Historic structures				
14 Qualified conservation contribution — Other				
15 Real estate — Residential				
16 Real estate — Commercial				
17 Real estate — Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ ()				
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement				

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 - 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II

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

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II

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

	Yes	No
30a		X
31		X
32a		X

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information

SCHEDULE O
(Form 990 or 990-EZ)

 Department of the Treasury
 Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013
**Open to Public
 Inspection**

Employer identification number

THE HEALTH FOUNDATION, INC.
56-1745194
FORM 990, PART III, LINE 4A - FIRST ACCOMPLISHMENT

CARE FIELDS WHO ARE WILLING TO WORK IN WILKES COUNTY, AND TO HEALTH CARE PROVIDERS SEEKING TO EXPAND THEIR SKILL-SETS THROUGH CONTINUING EDUCATION OFFERINGS. THE FOUNDATION ALSO PROMOTES AND PROVIDES EDUCATIONAL OPPORTUNITIES TO RAISE HEALTH AWARENESS IN THE COMMUNITY. THE FOUNDATION ALSO MAKES GRANTS TO LOCAL NON-PROFIT AND/OR GOVERNMENTAL ENTITIES TO FUND THE CAPITAL EXPENSES OF BRINGING NEW AND IMPROVED HEALTH CARE SERVICES HERE. SMALLER GRANTS TO COVER SPECIFIC HEALTH AND WELLNESS PROGRAMS ARE ALSO AWARDED. ADDITIONALLY, THE FOUNDATION LENDS ITS PROFESSIONAL EXPERTISE AS A RESOURCE TO HEALTH CARE AGENCIES SEEKING TO BUILD CAPACITY AS NON-PROFIT PROVIDERS OF HEALTH CARE SERVICES.

FORM 990, PART VI, LINE 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS
REVISED BYLAWS-SEE ATTACHED DOCUMENT

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990
THE FINANCE OFFICER, EXECUTIVE DIRECTOR, AND THE FINANCE COMMITTEE REVIEW
THE RETURN BEFORE THE RETURN IS SIGNED AND FILED.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY
THE FOUNDATION COLLECTS INFORMATION FROM BOARD MEMBERS ABOUT THEIR
AFFILIATIONS AND SPOUSAL AFFILIATIONS ON A YEARLY BASIS, AND ASKS THEM TO

Name of the organization

THE HEALTH FOUNDATION, INC.

Employer identification number

56-1745194

REVIEW AND SIGN THE CONFLICT OF INTEREST POLICY ANEW EACH YEAR.

MANAGEMENT REVIEWS GRANT APPLICATIONS FROM ENTITIES SEEKING FUNDING FROM THE FOUNDATION AND COMPARES ITS CURRENT BOARD LIST WITH HEALTH FOUNDATION BOARD MEMBERS, AND MAKES NOTE OF ANY CONFLICTS THAT EXIST DURING THE REVIEW PROCESS. THE CONFLICT IS THUS MADE KNOWN TO ALL MEMBERS OF THE PROGRAM COMMITTEE, WHO MAKE RECOMMENDATIONS TO THE FULL BOARD. ANY CONFLICT IS STATED AT THAT TIME, AND THE CHAIRMAN ASKS IF ANY OTHER CONFLICTS EXIST. MEMBERS WHO HAVE A CONFLICT OF INTEREST ARE ASKED TO LEAVE THE ROOM FOR THE VOTE.

THE SAME PROCESS IS FOLLOWED FOR REAL ESTATE CONTRACTS AND NEGOTIATIONS.

THERE IS ALSO A STATED AND EXPECTED ONUS OF RESPONSIBILITY PUT ON BOARD MEMBERS TO DISCLOSE ANY CONFLICTS WE MAY BE UNAWARE OF.

ALL OF THE ABOVE APPLIES TO MANAGEMENT AND STAFF, AS WELL.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL
YES THE PERSONNEL COMMITTEE, CONSISTING OF THE OFFICERS AND AT-LARGE MEMBERS OF THE EXECUTIVE COMMITTEE, ARE INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS OF THE HEALTH FOUNDATION INC AND ARE RESPONSIBLE FOR DETERMINING THE COMPENSATION OF THE EXECUTIVE DIRECTOR ON AN ANNUAL BASIS. THE COMMITTEE, IN CONVERSATION WITH THE EXECUTIVE DIRECTOR, DETERMINES YEARLY GOALS IN THE AREAS OF FUNDRAISING, ADMINISTRATION, COMMUNICATIONS, COMMUNITY RELATIONS, LEADERSHIP AND PLANNING, RECORDS MAINTENANCE, AND OTHER AREAS AS DEEMED FIT BY THE BOARD OF DIRECTORS. CURRENT COMPENSATION

Name of the organization

THE HEALTH FOUNDATION, INC.

Employer identification number

56-1745194

IS COMPARED TO THE MOST CURRENTLY AVAILABLE SALARY REPORT AS PREPARED BY THE ASSOCIATION FOR HEALTHCARE PHILANTHROPY, A PROFESSIONAL ASSOCIATION OF NOT-FOR-PROFIT HEALTH CARE FUNDRAISING ENTITIES. THE CHAIRMAN OF THE COMMITTEE REFERENCES THE DIRECTOR'S SALARY TAKING INTO CONSIDERATION BUDGET SIZE, TYPE OF INSTITUTION, NUMBER OF EMPLOYEES SUPERVISED, YEARS OF EXPERIENCE, REGION, HIGHEST LEVEL OF EDUCATION, AND PROFESSIONAL DESIGNATIONS ACHIEVED. THE COMMITTEE DELIBERATES OUTSIDE THE PRESENCE OF THE EXECUTIVE DIRECTOR AND THEN MAKES ITS SALARY RECOMMENDATION TO THE FULL BOARD. AFTER DISCUSSION, APPROVALS ARE MADE AND THE DIRECTOR NOTIFIED. THE HEALTH FOUNDATION INC HAS ADOPTED THE ASSOCIATION OF FUNDRAISING PROFESSIONALS CODE OF ETHICAL CONDUCT AND THEREFORE DOES NOT PROVIDE PERCENTAGE BASED COMMISSIONS OR BONUSES BASED SOLELY ON FUNDRAISING GOALS, TO THE EXECUTIVE DIRECTOR.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION
THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART VII - ADDITIONAL INFORMATION

PAGE 8 SECTION B COLUMN 1B: THE HEALTH FOUNDATION INC. LEASES EMPLOYEES FROM WILKES REGIONAL MEDICAL CENTER (WRMC) TO CONDUCT BUSINESS ON BEHALF OF THE ORGANIZATION. ALL PAYROLL REPORTING IS PERFORMED BY WRMC. THE EMPLOYEES DO NOT ANSWER OR REPORT TO WRMC. THEY HAVE POWERS TO CONTRACT AND CONDUCT REGULAR BUSINESS TRANSACTIONS AND ANSWER ONLY TO THE BOARD OF DIRECTORS OF THE HEALTH FOUNDATION, INC.

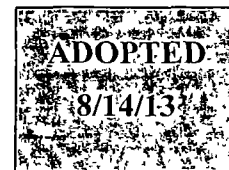
FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS EXPLANATION

Name of the organization •

THE HEALTH FOUNDATION, INC.

Employer identification number

56-1745194**ROUNDING**



**RESTATED BYLAWS
OF
THE HEALTH FOUNDATION, INC.**

COPY

ARTICLE I

NAME, PURPOSE AND POWERS

1.1 NAME

The name of the corporation shall be The Health Foundation, Inc., hereinafter referred to as the "corporation."

1.2 PURPOSE

The corporation shall have such purposes as are now or may hereafter be set forth in its Articles of Incorporation.

1.3 POWERS

The corporation shall have such powers as are now or may hereafter be granted by the laws of the State of North Carolina.

ARTICLE II

OFFICES

2.1 PRINCIPAL OFFICE

The principal office of the corporation shall be located in North Carolina at a location to be determined by the Board of Directors. The registered office of the corporation shall be located at 230 Jefferson Street, North Wilkesboro, Wilkes County, North Carolina 28659, or at such other location determined by the Board of Directors.

2.2 OTHER OFFICES

The corporation may have offices in other such places, either within or without the State of North Carolina, as the Board of Directors may determine.

ARTICLE III
MEMBERSHIP

3.1 ELIGIBILITY

The corporation shall have Members. The Members of the corporation shall consist of such individuals, corporations, businesses, foundations, and organizations interested in and supportive of the objectives of the corporation as may from time to time apply for membership. The number of Members shall be unlimited. Members shall be required to pay dues as set by the Board of Directors. Membership shall not be assignable or transferable.

3.2 VOTING

No Member, regardless of class, shall have the right or privilege to vote.

3.3 CLASSES OF MEMBERS

Members may be divided into such classes as the Board of Directors may determine.

3.4 PRIVILEGES OF MEMBERSHIP

Each Member shall be accorded the privileges of personal periodic literature pertaining to the corporation and health care or health services activities, tours and programs of special interest, and other such privileges as the Board of Directors may determine.

3.5 REMOVAL

Members may be removed from membership by the vote of two-thirds of the Board of Directors of the corporation.

ARTICLE IV
MEETINGS OF MEMBERS

4.1 PLACE OF MEETINGS

All meetings of Members shall be held at the principal office of the corporation, or at such other place, either within or without the State of North Carolina, as shall be designated in the notice of the meeting or agreed upon by the Members.

4.2 ANNUAL MEETING

The Members shall hold an annual meeting each year as designated in the notice of the meeting or agreed upon by the Members, for the transaction of such business as may be properly brought before the meeting.

4.3 SPECIAL MEETINGS

Special meetings of the Members may be called at any time by the President, Executive Director, Secretary, or twenty-five percent (25%) of the Directors, to be held as shall be designated in the notice of the meeting.

ARTICLE V

BOARD OF DIRECTORS AND DIRECTORS EMERITI

5.1 GENERAL POWERS

The business and affairs of the corporation shall be managed and controlled by the Board of Directors.

5.2 NUMBER, ELECTION AND TENURE

The number of Directors shall not be less than twelve (12) nor more than twenty (20) and will be determined at each annual meeting of the Directors by the vote of a majority of the corporation's Directors entitled to vote. Except as provided in Section 5.3 of this Article, each Director shall hold office for a three (3) year term and until a successor is elected and qualifies. In the event of the death, resignation, retirement, removal or disqualification of a Director during the Director's elected term of office, the Director's successor shall be elected to serve only until the expiration of the term of the predecessor Director. Directors need not be residents of the State of North Carolina. Notwithstanding the foregoing, the President shall be entitled to vote as a Director, but service as President shall not be counted as board service time for purposes of determining a Director's years on the Board.

All Directors elected to serve a full three (3) year term shall begin serving on the first of January following the month of the Director's election. A Director who is elected to serve the unexpired term of another Director shall begin serving immediately after election to the Board

5.3 STAGGERED TERMS

The initial Directors of the corporation shall be divided into three groups substantially equal in number with terms expiring at intervals of one year. To this end, initial Directors may be elected for terms of less than three years.

5.4 EX-OFFICIO MEMBERS OF THE BOARD

The Chief Executive Officer of Wilkes Regional Medical Center, the Director of the Wilkes County Health Department and the Executive Director of the corporation shall be ex-officio members of the Board of Directors. Ex-officio members of the Board of Directors shall be entitled to all of the rights and privileges of Directors but shall not vote or be counted in determining the existence of a quorum.

5.5 RESIGNATION

A Director may resign from the Board at any time by giving written notice to the President or the Secretary of the corporation. The resignation is effective when communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

5.6 REMOVAL

A Director may be removed from office for cause by the affirmative vote of two-thirds of all Directors, whenever in its judgment the best interest of the corporation will be served. For purposes of this Section, "cause" shall include, but not be limited to, refusing or neglecting to discharge the duties of a Director, behaving contrary to the interests, welfare, or mission of the corporation, or acting or behaving in violation of these Bylaws or policies of the corporation.

5.7 VACANCIES

A vacancy shall occur if a Director dies, resigns, retires, is removed, becomes incapacitated or fails to serve for any reason. A vacancy occurring in an elected position on the Board of Directors shall be filled upon nomination by a member of the Board of Directors and election by the Directors present at the annual or next regularly scheduled meeting subsequent to notice of the Director's death, resignation, retirement, incapacity, removal or failure to serve. At least ten (10) days notice shall be given to each Director of the fact that a vacancy exists and that a new Director shall be elected at the next scheduled meeting of the Board.

5.8 DIRECTORS EMERITI

The Board of Directors shall have the authority to elect Directors Emeriti as described below.

- a. Qualification, Election and Term. In recognition of a record of distinctive service, a Director who has served a minimum of two terms and attained the age of sixty-five (65) years may, upon recommendation of at least two Directors, be elected as a Director Emeritus. Directors Emeriti shall be elected for four-year terms and may be re-elected without limit.
- b. Powers and Duties. Directors Emeriti shall be entitled to receive notice of all meetings of the Board, to attend and speak at all such meetings, to receive minutes of all meetings of the Board and Executive Committee and to be members of all committees (excluding the Executive Committee); provided, however, that Board packets and other Board documents shall not be provided to Directors Emeriti.
- c. Voting Authority. Directors Emeriti shall have the power to vote in meetings of any committee on which they may serve but shall not have voting power in meetings of the Board of Directors. Directors Emeriti shall not be counted as members of the Board of Directors for quorum purposes or any other purpose.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

6.1 ANNUAL AND REGULAR MEETINGS

The annual meeting of the Board of Directors shall be held in November of each year at such place, either within or outside the State of North Carolina, as shall be designated in the notice of the meeting. Three (3) regular meetings of the Board of Directors shall be held in February, May and August of each year at such place, either within or outside the State of North Carolina, as shall be designated in the notice of the meeting.

6.2 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by or at the direction of the President, Executive Director, Secretary or at least twenty-five percent (25%) of the Directors, to be held at such place, either within or outside the State of North Carolina, as shall be designated in the notice of the meeting.

6.3 QUORUM

One-half of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. No provision for proxies is made under the Bylaws, and a proxy shall not be accepted.

6.4 MANNER OF ACTING

Except as otherwise provided in these Bylaws, the act of a majority of the Directors present at a meeting of the Board at which a quorum is present shall be the act of the Board of Directors.

6.5 PRESUMPTION OF ASSENT

A Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the Director's contrary vote is recorded or the Director's dissent is otherwise entered in the minutes of the meeting or unless the Director files the Director's written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE VII

COMMITTEES

7.1 EXECUTIVE COMMITTEE

The corporation shall have an Executive Committee which shall consist of the President, Vice President(s), Secretary, Treasurer, immediate past President and two (2) at-large members.

of the Board of Directors who shall be elected at the annual meeting of the Board. The Executive Director of the corporation shall be an ex-officio member of the Executive Committee entitled to all of the rights and privileges of a member of the Executive Committee but shall not vote or be counted in determining the existence of a quorum.

- a. Powers. The Executive Committee shall have and exercise all of the authority of the Board of Directors in the management of the corporation except as such authority is limited by statute, by resolution of the Board of Directors, or by these Bylaws.
- b. Tenure. The two at-large members of the Executive Committee shall hold office until the next annual meeting of the Board of Directors and until his or her successor has been named, unless such member shall sooner resign, be removed or become disqualified.

7.2 STANDING OR OTHER COMMITTEES

Standing or other committees having three (3) or more members may be designated by the Board of Directors.

7.3 APPOINTMENT

The President shall appoint the members of standing committees (other than the Executive Committee) from among the Directors, officers, employees, professional advisors and friends of the corporation and shall designate a chairperson.

7.4 EX-OFFICIO MEMBERS

The President and Executive Director shall be ex-officio members of all committees who shall be entitled to all of the rights and privileges of regular committee members but shall not vote or be counted in determining the existence of a quorum.

7.5 TENURE

Each member of a committee (other than the Executive Committee) shall serve until the next annual meeting of the Board of Directors and until his or her successor is appointed, unless sooner removed or disqualified.

7.6 COMMITTEE MEETINGS

Meetings of a Committee may be called at any time by the Chair of the committee, President, Executive Director, Secretary, or at least twenty-five percent (25%) of the committee members, to be held as shall be designated in the notice of the meeting.

7.7 QUORUM

A majority of the voting members of the Committee shall constitute a quorum for the transaction of business at any meeting of the Committee.

7.8 MANNER OF ACTING

The act of a majority of the Committee present at a meeting at which a quorum is present shall be the act of the Committee.

7.9 RESIGNATION

Any member of the Committee may resign from the Committee at any time by giving written notice to the President or the Secretary of the corporation, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

7.10 REMOVAL

Any member of a committee (other than the Executive Committee) may be removed by the President whenever in his or her judgment the best interest of the corporation shall be served by such removal. A member of the Executive Committee may be removed, with or without cause, upon a two-thirds vote of the Board of Directors.

7.11 VACANCIES

Vacancies in the membership of any committee may be filled in the same manner as the vacating member was identified (election or appointment).

7.12 MINUTES

Written minutes of the actions of each committee shall be kept and filed with the Secretary of the Board of Directors.

7.13 COMMITTEE AUTHORITY

No committee of the Board (including the Executive Committee) shall be authorized to take the following actions.

- a. Authorize distributions to or for the benefit of the Members, Directors or officers,
- b. Approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets;
- c. Elect, appoint or remove Directors, or fill vacancies on the Board of Directors or on any of its committees, or
- d. Adopt, amend, or repeal the Articles of Incorporation or Bylaws.

ARTICLE VIII

OFFICERS

8.1 OFFICERS

The officers of the corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, an Assistant Secretary and such other officers and assistant officers as the Board of Directors shall deem necessary or desirable. Officers shall be elected by the Directors. Except as otherwise provided in these Bylaws, the additional officers shall have the authority and perform the duties as from time to time may be prescribed by the Board of Directors. Any two or more offices may be held by the same individual, but no officer may act in more than one capacity where action of two or more officers is required

8.2 ELECTION AND TERM

The officers of the corporation shall be elected by the Board of Directors at the annual meeting. Each officer shall hold office until the next annual meeting and until a successor is elected and qualifies.

8.3 REMOVAL

Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the Board with or without cause by a two-thirds majority vote.

8.4 RESIGNATION

Any officer elected by the Board of Directors may resign from his or her position at any time by giving written notice to the President or the Secretary of the corporation and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. A resignation is effective when it is communicated unless it specifies in writing a later effective date.

8.5 VACANCIES

Any vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term at a meeting of the Board of Directors.

8.6 PRESIDENT

The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the corporation in accordance with these Bylaws. The President shall preside at meetings of the Board of Directors. The President shall be an ex-officio member of all committees. The President shall sign, with any other proper officer, instruments which may be lawfully executed on behalf of the corporation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution shall be delegated by the Board of Directors to some

other officer or agent. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board of Directors from time to time.

8.7 VICE PRESIDENT(S)

The Vice President(s) shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by a Vice President in the performance of the duties of the President shall be presumptive evidence of the absence or inability to act of the President at the time the action was taken. The Vice President(s) shall have such other powers and perform such other duties as may be assigned by the Board of Directors.

8.8 EXECUTIVE DIRECTOR

An Executive Director shall be selected by the Board of Directors of the corporation and shall report to the President. While the Executive Director is not an officer of the corporation, the responsibilities of the Executive Director and the President will periodically overlap. The responsibilities of the Executive Director shall include, but not be limited to:

- a. The day-to-day administration of the corporation;
- b. Preparation of an annual budget and periodic reporting on the financial affairs of the corporation;
- c. Selection, employment, control and discharge of employees, and development and maintenance of personnel policies and practices for the corporation;
- d. Maintenance of physical properties of the corporation in a good state of repair and good operating condition;
- e. Supervision of the business affairs of the corporation so as to insure that funds are collected and expended to the best possible advantage;
- f. Providing direction to the fund-raising and grant making activities of the corporation;
- g. Acting as a representative of the corporation to the public as well as to governmental and voluntary organizations,
- h. Making policy proposals to the Board of Directors;
- i. Long range planning;
- j. Assigning overall responsibility for corporate management;
- k. Reporting to the Board of Directors on the performance of corporate functions.

The Executive Director shall perform all other duties as specified by the President or by the Board of Directors that may be necessary to the best interest of the corporation. In absence of the President and the Vice President(s), the Executive Director shall temporarily perform the

duties of the President. The Executive Director shall be an ex-officio member of all committees. The Executive Director may be removed from office at any time upon two-thirds vote of the Board of Directors

8.9 TREASURER

The Treasurer shall have custody of all funds and securities belonging to the corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors; provided, that the Board may appoint a custodian or depository for any such funds or securities, and the Board may designate those persons upon whose signature or authority such funds may be disbursed or transferred. The Treasurer shall in general perform the duties incident to the office and such other duties as may be assigned from time to time by the President or the Board of Directors

8.10 SECRETARY

The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors and shall give all notices required by law and these Bylaws. The Secretary shall have general charge of the corporate books and records and of the corporate seal and shall affix the corporate seal to any lawfully executed instrument requiring it. The Secretary shall sign such instruments as may require the signature of the Secretary and in general shall perform all the duties incident to the office of Secretary and such other duties as may be assigned from time to time by the President or by the Board of Directors.

8.11 ASSISTANT SECRETARIES

The Executive Director shall be an Assistant Secretary of the corporation. Each Assistant Secretary shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability to act.

8.12 ASSISTANT TREASURERS

Each Assistant Treasurer shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Treasurers shall exercise the powers of the Treasurer during that officer's absence or inability to act.

ARTICLE IX

GENERAL PROVISIONS

9.1 CONTRACTS

The Board of Directors may authorize any officer or agent of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

9.2 BORROWING

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

9.3 DEPOSITS

All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

9.4 FISCAL YEAR

The fiscal year of the corporation shall end at midnight on the last day of December.

9.5 LOANS

No loans shall be made by the corporation to an officer, Director, Member or employee of the corporation.

9.6 CHECKS

All checks, drafts or orders for the payment of money shall be signed by the officer or officers or other individuals that the Board of Directors may from time to time designate.

9.7 ADDITIONAL ORGANIZATIONS

The Board of Directors may authorize the formation of such auxiliary organizations as would in the opinion of the Board assist in the fulfillment of the purposes of the corporation.

9.8 RULES

The Board of Directors may adopt, amend or repeal rules (not inconsistent with these Bylaws) for the management of the internal affairs of the corporation and the governing of its officers, agents, committees and employees.

9.9 SEAL

The Board of Directors may provide a corporate seal which shall bear the name of the corporation.

9.10 INCONSISTENCIES

In case any provision of these Bylaws shall be inconsistent with the articles of incorporation, the articles of incorporation shall govern.

9.11 NOTICE OF MEETINGS

Notice of a meeting shall be in writing and shall state the place, day and hour of the meeting. Notice of a meeting of the Board of Directors shall be provided by or at the direction of the President, Executive Director, Secretary or at least twenty-five percent (25%) of the Directors, and shall be delivered to each Director not less than ten (10) nor more than sixty (60) days before the date of the meeting. Notice of a meeting of the Members or a committee shall be provided by or at the direction of the Chair of the committee, if applicable, President, Executive Director, Secretary or at least twenty-five percent (25%) of the Directors, and shall be delivered to the Members or each committee member, as the case may be, not less than five (5) nor more than sixty (60) days before the date of the meeting. Notice may be provided in person or by facsimile, mail or electronic mail. If mailed, Notice shall be deemed to be delivered when deposited in the United States Mail, first class and postage prepaid, addressed to the individual at his or her physical address as it appears on the records of the corporation. If faxed or electronically mailed, such notice shall be deemed to be delivered when transmitted to the individual's facsimile number or email address as it appears on the records of the corporation.

Notice of annual and regular meetings of the Board of Directors need not specify the purpose for which the meeting is called unless such a statement is required pursuant to the provisions of these Bylaws or the North Carolina Nonprofit Corporation Act. Notice of a special meeting of the Board of Directors shall specify the purpose or purposes for which the meeting is called, and no business shall be transacted at such a meeting that does not relate to the purposes stated in such notice.

9.12 WAIVER OF NOTICE

A Member, Director, committee member or other person entitled to receive Notice may waive such notice by signing a written waiver, whether before or after the date and time stated in the notice. The waiver shall be filed with the minutes or corporate records. An individual's attendance at or participation in a meeting waives any required notice to that individual of the meeting unless the individual at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

9.13 COMPENSATION

No officer, Director or Member shall receive a salary or other compensation for their service except reimbursement for reasonable and necessary expenses incurred in fulfillment of the corporation's charitable purposes, but nothing herein contained shall be construed to preclude any officer, Director or Member from serving the corporation in any other capacity and receiving compensation therefor.

9.14 ACTION WITHOUT MEETING

Action taken by a majority of the Directors or members of a committee without a meeting is nevertheless Board or committee action if written consent to the action in question is signed by all of the Directors or all of the members of the committee, as the case may be, and filed with the minutes of the proceedings of the Board or committee, whether done before or after the action is

taken. Such written consents may be given electronically in accordance with the provisions of this Article and Section 55A-1-70 of the General Statutes of North Carolina.

9.15 ELECTRONIC TRANSACTIONS

The corporation may conduct any transaction or transactions by electronic means, including, without limitation, any Action Without Meeting pursuant to the provisions of this Article, and this provision shall constitute the agreement by the corporation and the Board of Directors to the conduct of transactions by electronic means.

9.16 ELECTRONIC MEETINGS

Any one or more Directors or members of a committee may participate in a meeting of the Board or committee by electronic means, such as a conference telephone, videoconference or similar communications device, which allows all Directors or all committee members participating in the meeting to simultaneously hear each other during the meeting, and such participation in a meeting shall be deemed presence in person at such meeting.

9.17 INDEPENDENCE OF OFFICERS, DIRECTORS AND COMMITTEE MEMBERS

Loyalty to the corporation and the avoidance of conflicts of interest are of utmost importance to the corporation's long-term stability and operations. To foster and encourage open discussion and decision-making which focuses on the best interests of the corporation, no officer, Director, or Director Emeritus of the corporation shall serve contemporaneously as an officer, director or executive staff of WRMC Hospital Operating Corporation, Wilkes Regional Medical Center, Wilkes County Health Department, or any subsidiary or entity controlled by any of the aforementioned organizations (the "Hospital Entities"), notwithstanding any other provision contained herein to the contrary. An officer, Director or Director Emeritus of the corporation who serves or begins serving in one of the aforementioned roles for the Hospital Entities contemporaneously shall become disqualified to serve in any of those roles on behalf of the corporation, and the individual's disqualification shall result in a vacancy with regard to the position on which they serve for the corporation.

9.18 AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the entire Board of Directors at any meeting of the Board; provided, that notice of the meeting shall be given at least ten (10) days prior to the meeting which states that a purpose of the meeting is to consider a proposed amendment to the Bylaws and includes a copy or summary of the proposed amendment or states the general nature of the amendment. Such notice may be waived as provided in these Bylaws.

ARTICLE X
INDEMNIFICATION

10.1 GENERAL POLICY

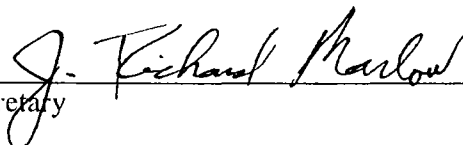
It shall be the policy of the corporation to indemnify to the maximum extent permitted by Chapter 55A of the General Statutes of North Carolina any one or more of the Directors, officers, employees, or agents and former Directors, officers, employees, or agents of the corporation, and persons who serve or have served at the request of the corporation as directors, officers, partners, trustees, employees or agents of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, against judgments, penalties, settlements and other liabilities incurred by them in connection with any pending, threatened or completed action, suit or proceeding, whether civil, criminal, investigative or administrative (a "proceeding") and against reasonable costs and expenses (including attorneys' fees) in connection with any proceeding, where such liabilities and litigation expenses were incurred incident to the good faith performance of their duties.

10.2 USE OF CORPORATE FUNDS

The corporation may advance expenses in connection with any proceeding to any such person in accordance with applicable law. The use of funds of the corporation for indemnification or for purchase and maintenance of insurance for the benefit of the persons designated in this Article shall be deemed a proper expense of the corporation

THIS IS TO CERTIFY that the above restated bylaws of The Health Foundation, Inc. were duly adopted by the Board of Directors at a meeting held on August 14th, 2013, to restate the original Bylaws which were approved on August 23, 1992, as amended on November 3, 1999, and November 10, 2004.

This the 14th day of August, 2013.



Secretary

[Corporate Seal]