See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ 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 07-01-2013 , 2013, and ending 06-30-2014

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

C Name of organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
3333 BURNET AVENUE

City or town, state or province, country, and ZIP or foreign postal code
CINCINNATI, OH 452293039

D Employer identification number
31-0833936

E Telephone number
(513)803-1106

G Gross receipts $ 2,119,399,893

F Name and address of principal officer
MICHAEL A FISHER
3333 BURNET AVENUE
CINCINNATI,OH 452293039

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 CINCINNATICHILDRENS ORG

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

L Year of formation 1883

M State of legal domicile OH

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVISION OF PEDIATRIC HEALTHCARE TO PATIENTS

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**	29
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	25
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	16,202
6	Total number of volunteers (estimate if necessary)	**6**	770
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	53,876,022
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-810,985

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	227,021,993	219,214,533
9	Program service revenue (Part VIII, line 2g)	1,592,946,995	1,721,234,353
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,903,528	12,725,435
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	109,943,504	163,322,033
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,937,816,020	2,116,496,354
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,244,482	3,501,939
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,158,516,702	1,242,767,804
16a	Professional fundraising fees (Part IX, column (A), line 11e)	312,933	138,444
b	Total fundraising expenses (Part IX, column (D), line 25) ▶5,074,106		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	642,076,508	729,425,274
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,802,150,625	1,975,833,461
19	Revenue less expenses Subtract line 18 from line 12	135,665,395	140,662,893

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	3,014,071,717	3,415,522,609
21	Total liabilities (Part X, line 26)	1,047,966,717	1,006,446,609
22	Net assets or fund balances Subtract line 21 from line 20	1,966,105,000	2,409,076,000

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 — Date: 2015-05-06

SCOTT J HAMLIN SENIOR VP & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JAMES SOWAR				P00529407

Firm's name ▶ DELOITTE TAX LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 250 EAST FIFTH SUITE 1900
CINCINNATI, OH 45202 — Phone no (513) 784-7100

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER WILL BE THE LEADER IN IMPROVING CHILD HEALTH CCHMC WILL IMPROVE CHILD HEALTH AND TRANSFORM DELIVERY OF CARE THROUGH FULLY INTEGRATED, GLOBALLY RECOGNIZED RESEARCH, EDUCATION, AND INNOVATION FOR PATIENTS AND OUR COMMUNITY, THE NATION AND THE WORLD, THE CARE WE PROVIDE WILL ACHIEVE THE BEST MEDICAL AND QUALITY OF LIFE OUTCOMES, PATIENT AND FAMILY EXPERIENCES, AND VALUE, TODAY AND IN THE FUTURE

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 $ 1,706,722,355 including grants of $ 3,501,939) (Revenue $ 1,677,228,712)

CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER ("CINCINNATI CHILDREN'S"), LOCATED IN CINCINNATI, OHIO, IS A PRIVATE, NOT-FOR-PROFIT IRC SEC 501 (C)(3) CORPORATION THAT OWNS AND OPERATES A COMPREHENSIVE MEDICAL CENTER THAT INCLUDES ONE OF THE NATION'S LARGEST PEDIATRIC TERTIARY CARE FACILITIES WITH COMPLETE PEDIATRIC RESEARCH OPERATIONS AND EXTENSIVE PEDIATRIC TEACHING PROGRAMS SEE SCHEDULE O FOR A COMPLETE OVERVIEW OF CINCINNATI CHILDREN'S COMMUNITY BENEFITS AND PROGRAM SERVICE ACCOMPLISHMENTS

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** ▶ 1,706,722,355

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response 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	1,389		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	16,202		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		Yes	
b	If "Yes," enter the name of the foreign country ▶ BD See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

Check if Schedule O contains a response 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	**1a**	29		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	25		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶LAURA C NIXON 3333 BURNET AVENUE
CINCINNATI, OH 452293039 (513) 803-1106

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, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								11,850,471	0	1,221,993

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 1,651

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MESSER CONSTRUCTION 5158 FISHWICK DRIVE CINCINNATI OH 45216	CONSTRUCTION SERVICES	86,026,838
TRIVERSITY GROUP LLC 5158 FISHWICK DRIVE CINCINNATI OH 45216	CONSTRUCTION SERVICES	25,944,452
ARAMARK CORPORATION 4890 DUFF DR B CINCINNATI OH 45246	ENVIRONMENTAL SERVICES	12,587,871
CBT SOLUTIONS 4850 SMITH ROAD CINCINNATI OH 45212	IT CONSULTING	9,950,342
MESSER LINBECK 5158 FISHWICK DRIVE CINCINNATI OH 45216	CONSTRUCTION SERVICES	9,644,482

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 ▶ 125

Part VIII Statement of Revenue

Check 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	2,247,466			
	d	Related organizations	1d	54,168,067			
	e	Government grants (contributions)	1e	162,799,000			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $		2,308,397			
	h	**Total.** Add lines 1a-1f			219,214,533		
Program Service Revenue			Business Code				
	2a	INPAT HOSP SERV (NET)	621990		782,908,256	782,908,256	
	b	OUTPAT HOSP SERV (NET)	621990		649,262,097	594,641,868	54,620,229
	c	PHYSICIAN SERVICES	621990		289,064,000	289,064,000	
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f			1,721,234,353		
	3	Investment income (including dividends, interest, and other similar amounts)			13,530,000		-959,906	14,489,906
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
			(i) Real	(ii) Personal				
	6a	Gross rents	1,745,198					
	b	Less rental expenses	0					
	c	Rental income or (loss)	1,745,198					
	d	Net rental income or (loss)			1,745,198		215,699	1,529,499
			(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory	1,262,823					
	b	Less cost or other basis and sales expenses	2,067,388					
	c	Gain or (loss)	-804,565					
	d	Net gain or (loss)			-804,565			-804,565
Other Revenue	8a	Gross income from fundraising events (not including $ 2,247,466 of contributions reported on line 1c) See Part IV, line 18	a	195,731				
	b	Less direct expenses	b	836,151				
	c	Net income or (loss) from fundraising events			-640,420			-640,420
	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		Business Code				
	11a	GME FUNDING		611710	9,165,529	9,165,529		
	b	CAFETERIA RECEIPTS		722210	7,382,067			7,382,067
	c	SVCS TO AFFIL HOSP		621990	1,449,059	1,449,059		
	d	All other revenue			144,220,600			144,220,600
	e	**Total.** Add lines 11a–11d			162,217,255			
	12	**Total revenue.** See Instructions			2,116,496,354	1,677,228,712	53,876,022	166,177,087

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 United States See Part IV, line 21	369,498	369,498		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	3,132,441	3,132,441		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	13,072,464		13,072,464	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	216,145	216,145		
7 Other salaries and wages	968,784,346	847,732,689	117,537,846	3,513,811
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	68,017,003	58,793,897	9,223,106	
9 Other employee benefits	129,748,767	113,270,674	16,478,093	
10 Payroll taxes	62,929,079	54,395,896	8,533,183	
11 Fees for services (non-employees)				
a Management				
b Legal	575,400	497,376	78,024	
c Accounting	795,986	688,050	107,936	
d Lobbying	387,412	334,879	52,533	
e Professional fundraising services See Part IV, line 17	138,444			138,444
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	2,417,346	1,771,829	327,792	317,725
13 Office expenses	217,324,381	187,686,381	29,469,186	168,814
14 Information technology	7,071,970	6,113,011	958,959	
15 Royalties . .				
16 Occupancy	9,822,853	8,487,726	1,331,979	3,148
17 Travel	15,935,152	13,676,129	2,160,807	98,216
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	14,169,946	12,248,501	1,921,445	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	109,187,656	94,381,810	14,805,846	
23 Insurance	38,516,141	33,293,352	5,222,789	
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 PURCHASED SERVICES	146,302,567	125,973,936	19,838,628	490,003
b MEDICAL SUPPLIES	53,270,415	46,046,947	7,223,468	
c UTILITIES	17,642,754	15,250,397	2,392,357	
d DIETARY	8,250,688	7,131,895	1,118,793	
e All other expenses	87,754,607	75,228,896	12,181,766	343,945
25 **Total functional expenses.** Add lines 1 through 24e	1,975,833,461	1,706,722,355	264,037,000	5,074,106
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response 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		249,189,834	2	156,830,374
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		320,969,374	4	440,308,073
	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		20,564,427	8	21,447,088
	9	Prepaid expenses and deferred charges		14,569,855	9	11,488,998
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,855,313,519			
	b	Less accumulated depreciation	10b 856,916,969	908,535,385	10c	998,396,550
	11	Investments—publicly traded securities		259,916,188	11	389,138,515
	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		1,240,326,654	15	1,397,913,011
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		3,014,071,717	16	3,415,522,609
Liabilities	17	Accounts payable and accrued expenses		266,886,145	17	332,276,054
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		416,043,000	20	398,190,000
	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		74,551,113	23	67,300,442
	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		290,486,459	25	208,680,113
	26	**Total liabilities.** Add lines 17 through 25		1,047,966,717	26	1,006,446,609
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		710,714,000	27	975,039,000
	28	Temporarily restricted net assets		170,437,000	28	153,309,000
	29	Permanently restricted net assets		1,084,954,000	29	1,280,728,000
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		1,966,105,000	33	2,409,076,000
	34	Total liabilities and net assets/fund balances		3,014,071,717	34	3,415,522,609

Part XI Reconcilliation of Net Assets

Check 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	2,116,496,354
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,975,833,461
3	Revenue less expenses Subtract line 2 from line 1	3	140,662,893
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,966,105,000
5	Net unrealized gains (losses) on investments	5	1,179,905
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	301,128,202
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	2,409,076,000

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☐

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

Additional Data

Software ID:
Software Version:
EIN: 31-0833936
Name: CHILDREN'S HOSPITAL MEDICAL CENTER

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
SHARRY ADDISON TRUSTEE	1 00 1 00	X						0	0	0
ROBERT DH ANNING TRUSTEE	4 00 1 00	X						0	0	0
CAROL ARMSTRONG TRUSTEE	1 00 0 00	X						0	0	0
LYNWOOD BATTLE TRUSTEE	1 00 1 00	X						0	0	0
MAUREEN BISOGNANO TRUSTEE	1 00 0 00	X						0	0	0
MICHAEL S CAMBRON TRUSTEE	1 00 1 00	X						0	0	0
WILLIE F CARDEN JR TRUSTEE	1 00 0 00	X						0	0	0
LEE A CARTER TRUSTEE	4 00 1 00	X						0	0	0
THOMAS G CODY CHAIRMAN	4 00 1 00	X		X				0	0	0
DAVE DOUGHERTY TRUSTEE	1 00 1 00	X						0	0	0
NANCY KRIEGER EDDY PHD TRUSTEE	4 00 1 00	X						0	0	0
VALLIE GEIER TRUSTEE	1 00 0 00	X						0	0	0
LOUIS D GEORGE TRUSTEE	1 00 0 00	X						0	0	0
BETH GUTTMAN TRUSTEE	1 00 0 00	X						0	0	0
DEB HENRETTA TRUSTEE	1 00 0 00	X						0	0	0
MICHAEL HIRSCHFELD ESQ TRUSTEE	4 00 1 00	X						0	0	0
MARK JAHNKE TRUSTEE	1 00 1 00	X						0	0	0
JOYCE J KEESHIN TRUSTEE	4 00 1 00	X						0	0	0
M DENISE KUPRIONIS TRUSTEE	4 00 1 00	X						0	0	0
PEGGY MATHILE TRUSTEE	1 00 0 00	X						0	0	0
JANE PORTMAN TRUSTEE	4 00 1 00	X						0	0	0
JOHN STEINMAN TRUSTEE	1 00 1 00	X						0	0	0
PAMELA TERP TRUSTEE	1 00 0 00	X						0	0	0
FELICIA WILLIAMS TRUSTEE	4 00 1 00	X						0	0	0
CRAIG YOUNG TRUSTEE	1 00 1 00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
RICHARD AZIZKHAN SURGEON-IN-CHIEF	50 00 0 00	X						1,477,722	0	188,438
MARGARET HOSTETTER CHAIR, PEDIATRICS	50 00 0 00	X						380,724	0	34,330
ARNOLD STRAUSS CHAIR, PEDIATRICS	50 00 0 00	X						1,158,636	0	64,436
MICHAEL FISHER PRESIDENT & CEO	50 00 0 00	X		X				985,024	0	203,166
VICKI DAVIES TREASURER	49 00 1 00			X				230,606	0	16,717
BETH STAUTBERG SECRETARY, SR VP & COUNSEL	50 00 0 00			X				723,159	0	104,921
MARK MUMFORD CHIEF FINANCIAL OFFICER	50 00 0 00			X				676,502	0	110,485
SCOTT HAMLIN EXEC VP & COO	49 00 1 00				X			1,038,937	0	160,041
CHARLES MYER III PROFESSOR - FACULTY	50 00 0 00					X		1,003,038	0	25,756
DAVID MORALES PROF/DIV DIR, CARDIOLOGY	50 00 0 00					X		1,306,225	0	48,686
DEAN KURTH ANESTHESIOLOGIST-IN-CHIEF	50 00 0 00					X		1,038,662	0	151,507
FRANCESCO MANGANO PROFESSOR - FACULTY	50 00 0 00					X		920,218	0	60,919
ERIC WALL PROFESSOR - FACULTY	50 00 0 00					X		911,018	0	52,591

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**
▶ **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
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

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 ▶☐

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 ▶☐

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 ▶☐

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 ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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 501(c)(3) organization, check this box and **stop here** ▶☐

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).

Facts And Circumstances Test		
Return Reference	Explanation	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
CHILDREN'S HOSPITAL MEDICAL CENTER	31-0833936

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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

Lobbying Expenditures During 4-Year Averaging Period — Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?	Yes		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		121,498
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		265,914
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total Add lines 1c through 1i			387,412
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1	WHILE CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER ("CCHMC") DOES NOT SPEND A SUBSTANTIAL AMOUNT OF RESOURCES OR TIME PARTICIPATING IN LOBBYING ACTIVITIES, CCHMC DOES PAY MEMBERSHIP DUES TO PROFESSIONAL ORGANIZATIONS WHO, AMONG THEIR MANY RESPONSIBILITIES, DO PERFORM CERTAIN LOBBYING ACTIVITIES ON BEHALF OF THEIR MEMBER ORGANIZATIONS CCHMC HAS WRITTEN THESE ORGANIZATIONS TO DETERMINE THE PORTION OF THEIR OPERATING BUDGETS WHICH ARE DEDICATED TO SUCH LOBBYING ACTIVITIES USING THEIR RESPONSES, CCHMC HAS DETERMINED THE PORTION OF CCHMC'S MEMBERSHIP DUES WHICH ARE APPLICABLE TO THEIR LOBBYING ACTIVITIES BELOW IS A COMPLETE LISTING OF THESE PROFESSIONAL ORGANIZATIONS 1 AMERICAN HOSPITAL ASSOCIATION - $14,169 2 CINCINNATI BUSINESS COMMITTEE - $2,250 3 CINCINNATI REGIONAL BUSINESS COMMITTEE - $3,000 4 CINCINNATI USA REGIONAL CHAMBER - $530 5 NATIONAL ASSOC OF CHILDREN'S HOSPITALS - $57,821 6 ASSOCIATION OF OHIO CHILDREN'S HOSPITALS - $34,086 7 OHIO HOSPITAL ASSOCIATION - $4,642 8 OHIO BUSINESS ROUNDTABLE - $5,000 CCHMC ALSO MAINTAINS A GOVERNMENT RELATIONS OFFICE WHICH IS FOCUSED ON IMPROVING AND EXPANDING INTERACTIONS WITH LOCAL, STATE, AND FEDERAL GOVERNMENT APPOINTED AND ELECTED OFFICIALS ON BEHALF OF CHILD HEALTH, REIMBURSEMENT, AND GRANT/FUNDING ISSUES DURING FISCAL YEAR 2014, CCHMC'S GOVERNMENT RELATIONS OFFICE INCURRED $265,914 IN EXPENSES RELATED TO VARIOUS LOBBYING ACTIVITIES CERTAIN MEMBERS OF CCHMC'S BOARD OF TRUSTEES, SENIOR MANAGEMENT, AND FACULTY MEET WITH AND EDUCATE LOCAL, STATE, AND FEDERAL GOVERNMENT APPOINTED AND ELECTED OFFICIALS ON BEHALF OF CHILD HEALTH, REIMBURSEMENT, AND GRANT/FUNDING ISSUES LOBBYING EXPENSES INCURRED BY THESE INDIVIDUALS MAY BE REIMBURSED BY CCHMC CONSISTENT WITH ITS TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT GUIDELINES FURTHERMORE, THE VALUE OF THEIR TIME SPENT PERFORMING LOBBYING ACTIVITIES IS NOT QUANTIFIABLE IN ADDITION, CCHMC DOES NOT PARTICIPATE IN OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTING OF STATEMENTS), ANY POLITICAL CAMPAIGN ON BEHALF OF (OR IN OPPOSITION TO) ANY CANDIDATE FOR PUBLIC OFFICE

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

Employer identification number
31-0833936

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	1,255,391,000	1,078,820,528	1,006,863,528	807,426,168	734,403,257
b	Contributions	246,654,000	242,324,000	242,540,000	245,776,360	235,362,911
c	Net investment earnings, gains, and losses	187,039,000	174,323,000	51,572,000	192,475,000	58,394,000
d	Grants or scholarships	163,071,000	157,692,746	149,858,000	153,914,000	143,011,000
e	Other expenditures for facilities and programs	91,976,000	82,383,782	72,297,000	84,900,000	77,723,000
f	Administrative expenses					
g	End of year balance	1,434,037,000	1,255,391,000	1,078,820,528	1,006,863,528	807,426,168

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 ▶ 89 300 %
- c Temporarily restricted endowment ▶ 10 700 %

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

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

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

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		41,614,000		41,614,000
b Buildings		1,123,604,000	492,103,838	631,500,162
c Leasehold improvements				
d Equipment		531,609,000	357,197,286	174,411,714
e Other		158,486,519	7,615,845	150,870,674
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				998,396,550

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		
Other		
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
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) INVESTMENT IN SUBSIDIARY (RIVER CITY INSURANCE, LTD)	120,000
(2) OTHER LONG-TERM ASSETS	61,007,857
(3) INTEREST IN NET ASSETS OF SUPPORTING ORGANIZATIONS	1,298,687,955
(4) ASSETS LIMITED TO USE - FUNDS IN TRUST	38,097,199
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	1,397,913,011

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
Federal income taxes	
SELF INSURANCE RESERVES	46,696,206
MINIMUM PENSION LIABILITY ACCRUAL	144,356,684
OTHER LONG-TERM LIABILITIES	15,576,223
CAPITAL LEASE OBLIGATIONS	2,051,000
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	208,680,113

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	2,393,034,675
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	1,179,905		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	258,489,439		
e	Add lines **2a** through **2d**			2e	259,669,344
3	Subtract line **2e** from line **1**			3	2,133,365,331
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	-16,868,977		
c	Add lines **4a** and **4b**			4c	-16,868,977
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	2,116,496,354

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	2,229,027,675
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d	258,453,237		
e	Add lines **2a** through **2d**			2e	258,453,237
3	Subtract line **2e** from line **1**			3	1,970,574,438
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	5,259,023		
c	Add lines **4a** and **4b**			4c	5,259,023
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	1,975,833,461

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

Return Reference	Explanation
PART V, LINE 4	CCHMC'S ENDOWMENT FUNDS ARE UTILIZED TO SUPPORT THE OPERATIONS OF VARIOUS DEPARTMENTS AT CCHMC IN FURTHERANCE OF CCHMC'S PRIMARY TAX-EXEMPT PURPOSES OF PATIENT CARE, EDUCATION, AND RESEARCH SEE FORM 990, PART III AND SCHEDULE O FOR ADDITIONAL INFORMATION
PART X, LINE 2	THE MEDICAL CENTER ACCOUNTS FOR INCOME TAXES IN ACCORDANCE WITH ACCOUNTING STANDARDS CODIFICATION TOPIC ("ASC") 740 "INCOME TAXES" IT IS THE MEDICAL CENTER'S POLICY TO CLASSIFY THE EXPENSE RELATED TO INTEREST AND PENALTIES, IF ANY, TO BE PAID ON UNDERPAYMENTS OF INCOME TAXES WITHIN OTHER EXPENSES THERE WERE NO PENALTIES OR INTEREST ACCRUED IN FISCAL YEAR 2014 LISTED BELOW ARE THE TAX YEARS THAT REMAIN SUBJECT TO EXAMINATION BY MAJOR TAX JURISDICTION FEDERAL - 2011 TO 2014 STATE - 2011 TO 2014
PART XI, LINE 2D - OTHER ADJUSTMENTS	ELIMINATE INTERCOMPANY OPERATING/RESTRICTED REVENUE 255,047,000 CHSN REVENUE ELIMINATION 3,442,439
PART XI, LINE 4B - OTHER ADJUSTMENTS	RECLASS BELOW THE LINE PER FINANCIAL STATEMENTS TO REVENUE PER 990 -16,868,977
PART XII, LINE 2D - OTHER ADJUSTMENTS	ELIMINATE INTERCOMPANY OPERATING/RESTRICTED EXPENSE 255,047,000 CHSN EXPENSE ELIMINATION 3,406,237
PART XII, LINE 4B - OTHER ADJUSTMENTS	RECLASS BELOW THE LINE PER FINANCIAL STATEMENTS TO EXPENSES PER 990 5,259,023

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

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

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) See Add'l Data					
(2)					
(3)					
(4)					
(5)					
3a Sub-total	0	1			3,132,441
b Total from continuation sheets to Part I	0	0			0
c **Totals** (add lines 3a and 3b)	0	1			3,132,441

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

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1) See Add'l Data								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

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

3 Enter total number of other organizations or entities . . . . . ▶ 13

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)		EUROPE (INCLUDING ICELAND & GREENLAND)	1			24,000	HOUSING ASSISTANCE	FMV
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								
(17)								
(18)								

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☑ Yes	☐ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Part V **Supplemental Information**

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

990 Schedule F, Supplemental Information

Return Reference	Explanation
PART I, LINE 2	CCHMC MONITORS THE USE OF GRANT FUNDS WITHIN AND OUTSIDE OF THE UNITED STATES IN ACCORDANCE WITH 45 CFR PART 74 APPENDEX E. CCHMC FOLLOWS FEDERAL GUIDELINES FOR DETERMINING COSTS APPLICABLE TO GRANTS, CONTRACTS, AND OTHER ARRANGEMENTS AND GENERALLY APPLIES THE SAME COST PRINCIPLES TO NON-FEDERAL CONTRACTS AS WELL. ALL COSTS ASSOCIATED WITH SPONSORED PROJECTS MUST COMPLY WITH BOTH GOVERNMENT AND/OR SPONSOR RULES AND REGULATIONS

Additional Data

Software ID:
Software Version:
EIN: 31-0833936
Name: CHILDREN'S HOSPITAL MEDICAL CENTER

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
CENTRAL AMERICA & THE CARIBBEAN	0	1	PROGRAM SERVICES	OFFSHORE CAPTIVE MANAGEMENT	1,063,232
EAST ASIA & THE PACIFIC	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, & RESEARCH	424,853
EUROPE	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, & RESEARCH	388,683

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service (s) in region	(f) Total expenditures for region
MIDDLE EAST & NORTH AFRICA	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, RESEARCH	14,785
NORTH AMERICA	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, & RESEARCH	985,859
SOUTH ASIA	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, & RESEARCH	88,307

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service (s) in region	(f) Total expenditures for region
SUB-SAHARAN AFRICA	0	0	PROGRAM SERVICES	EDUCATION, TEACHING, & RESEARCH	166,722

Form 990 Schedule F Part II - Grants or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN(if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		EAST ASIA & THE PACIFIC	EDUCATION, TEACHING, & RESEARCH	424,853	CASH/WIRE TRANSFER			CASH
		EUROPE	EDUCATION, TEACHING, & RESEARCH	355,683	WIRE TRANSFER			CASH
		MIDDLE EAST & NORTH AFRICA	EDUCATION, TEACHING, & RESEARCH	14,785	WIRE TRANSFER			CASH
		NORTH AMERICA	EDUCATION, TEACHING, & RESEARCH	985,859	WIRE TRANSFER			CASH

Form 990 Schedule F Part II - Grants or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN(if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		SOUTH ASIA	EDUCATION, TEACHING, & RESEARCH	88,307	WIRE TRANSFER			CASH
		SUB-SAHARAN AFRICA	EDUCATION, TEACHING, & RESEARCH	166,722	WIRE TRANSFER			CASH

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

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

Information about Schedule G (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
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

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

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

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

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

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	**(iii)** No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1	MARTS & LUNDY 1200 WALL ST LYNDHURST, NJ 07071	CAMPAIGN PLANNING STUDY		No	0	93,399	-93,399
2	SCHULTZ & WILLIAMS 325 CHESTNUT PHILADEL, PA 19106	DIRECT MAIL PROGRAM REVIEW		No	0	45,045	-45,045
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶						138,444	-138,444

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

OH, KY, IN, FL

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

		(a) Event #1 WALK FOR KIDS (event type)	(b) Event #2 CELESTIAL BALL (event type)	(c) Other events 6 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	941,487	1,110,449	391,261	2,443,197
	2 Less Contributions	937,900	964,490	345,076	2,247,466
	3 Gross income (line 1 minus line 2)	3,587	145,959	46,185	195,731
Direct Expenses	4 Cash prizes			2,345	2,345
	5 Noncash prizes	786		19,266	20,052
	6 Rent/facility costs	84,735	18,713	54,069	157,517
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	185,385	410,723	60,129	656,237
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(836,151)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-640,420

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____% ☐ No	☐ Yes ____% ☐ No	☐ Yes ____% ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

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

b If "No," explain _____

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

b If "Yes," explain _____

11

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

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

13 Indicate the percentage of gaming activity operated in

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

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

Name ▶ .....

Address ▶ .....

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

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

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

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			17,607,000	5,200,000	12,407,000	0 630 %
b Medicaid (from Worksheet 3, column a)			566,979,000	443,200,000	123,779,000	6 260 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			584,586,000	448,400,000	136,186,000	6 890 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,778,856	182,794	2,596,062	0 130 %
f Health professions education (from Worksheet 5)			41,102,760	22,328,199	18,774,561	0 950 %
g Subsidized health services (from Worksheet 6)			11,227,000	4,473,000	6,754,000	0 340 %
h Research (from Worksheet 7)			341,578,104	245,974,188	95,603,916	4 840 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,038,283	16,041	1,022,242	0 050 %
j **Total.** Other Benefits			397,725,003	272,974,222	124,750,781	6 310 %
k **Total.** Add lines 7d and 7j			982,311,003	721,374,222	260,936,781	13 200 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			407,500		407,500	0 020 %
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**			407,500		407,500	0 020 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	16,724,000		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	3,428,420		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	8,970,509		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	15,182,491		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-6,211,982		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

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

Name, address, primary website address, and state license number

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

FACILITY REPORTING GROUP A

Name of hospital facility or facility reporting group _____

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW CINCINNATICHILDRENS ORG/ABOUT/COMMUNI			
b	☐ Other website (list url) _____			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☑ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $_____			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☑ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☑ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
See Additional Data Table	

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year? **11**

	Name and address	Type of Facility (describe)
1	See Additional Data Table	
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

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

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

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 7	
PART III, LINE 4	UNCOLLECTIBLE AMOUNTS FROM PATIENTS WHO DO NOT MEET THE CRITERIA UNDER CINCINNATI CHILDREN 'S CHARITY CARE POLICY IS CONSIDERED BAD DEBT AND IS INCLUDED AS AN OFFSET TO NET PATIENT SERVICES REVENUE IN THE AUDITED FINANCIAL STATEMENTS THE COST OF BAD DEBT IS CALCULATED U SING COST TO CHARGE RATIOS CALCULATED FROM THE MOST RECENTLY FILED COST REPORT
PART III, LINE 8	CINCINNATI CHILDREN'S UTILIZES ITS COST ACCOUNTING SYSTEM TO CALCULATE THE COST OF PROVIDING CARE TO MEDICARE PATIENTS
PART III, LINE 9B	CINCINNATI CHILDREN'S HAS A POLICY THAT ONCE IT HAS BEEN DETERMINED THAT A FAMILY QUALIFIE S FOR 100% ASSISTANCE, ALL COLLECTIONS ACTIVITIES ON THAT PATIENT CEASE CINCINNATI CHILDR EN'S STAFF WORK WITH THE FAMILY ON OBTAINING FINANCIAL ASSISTANCE
PART VI, LINE 2	CINCINNATI CHILDREN'S HAS A LONG TRADITION OF WORKING WITH ITS COMMUNITY PARTNERS ON MATTE RS RELATED TO THE COMMUNITY'S HEALTH AND WELL-BEING AND HAS CONDUCTED THREE COMMUNITY HEAL TH SURVEYS IN THE GREATER CINCINNATI/NORTHERN KENTUCKY COMMUNITY SINCE THE YEAR 2000 THES E SURVEYS GATHER INFORMATION ABOUT THE COMMUNITY'S HEALTH AND WELL-BEING, AND THE DATA GAT HERED IN EACH CONTINUES TO INFORM CINCINNATI CHILDREN'S COMMUNITY HEALTH AGENDA IN FACT, IN CONNECTION WITH THE FIRST CHILD WELL BEING SURVEY IN 2000, CINCINNATI CHILDREN'S IDENTI FIED ASTHMA AND INFANT MORTALITY AS COMMUNITY HEALTH ISSUES AND STRENGTHENED EFFORTS TO AD DRESS BOTH OF THESE ISSUES CINCINNATI CHILDREN'S 2015 STRATEGIC PLAN CREATES A BOLD VISION TO BE THE LEADER IN IMPROVING CHILD HEALTH WHILE THE STRATEGIC PLAN PROVIDES A FRAMEWORK FOR CINCINNATI CHILDREN'S ONGOING STRATEGIC EMPHASIS, IT DOES NOT DEFINE THE TOTALITY OF OUR EFFORTS CINCINNATI CHILDREN'S STRIVES TO DELIVER DEMONSTRABLY SUPERIOR OUTCOMES AND E XPERIENCE AT THE LOWEST POSSIBLE COST, AND TO DISCOVER AND APPLY BETTER WAYS TO IMPROVE TH E HEALTH OF MORE CHILDREN IN THE COMMUNITY AND AROUND THE WORLD IN DEVELOPING ITS 2015 ST RATEGIC PLAN, CINCINNATI CHILDREN'S WAS DELIBERATE IN ITS APPROACH TO IDENTIFY COMMUNITY P ROVIDERS, GOVERNMENTAL ORGANIZATIONS, AND AREA NON-PROFIT ORGANIZATIONS WITH WHOM IT COULD PARTNER TO MORE EFFECTIVELY ADDRESS COMMUNITY HEALTH NEEDS RECOGNIZING THAT WE ARE STRON GER WORKING TOGETHER AND COORDINATING EFFORTS TO ADDRESS SYSTEMIC COMMUNITY HEALTH NEEDS, CINCINNATI CHILDREN'S PARTNERS WITH MANY ORGANIZATIONS INCLUDING FEDERALLY QUALIFIED HEALT H CLINICS, SCHOOL BASED HEALTH CLINICS, COUNTY AND CITY PROGRAMS, OFFICES AND DEPARTMENTS, THE HEALTH FOUNDATION OF GREATER CINCINNATI, THE GREATER CINCINNATI UNITED WAY, EVERY CHI LD SUCCEEDS, AND WITH THE POLICE, PROSECUTORS AND COUNTY CASE WORKERS CO-LOCATED IN CINCIN NATI CHILDREN'S MAYERSON CENTER FOR SAFE AND HEALTHY CHILDREN DEVELOPING AND MORE EFFECTI VELY UTILIZING THESE PARTNERSHIPS TO ADDRESS COMMUNITY HEALTH NEEDS IS AN INTEGRAL COMPONE NT OF CINCINNATI CHILDREN'S 2015 STRATEGIC PLAN
PART VI, LINE 3	CINCINNATI CHILDREN'S PATIENT BILLING STATEMENTS, WEBSITE, AND FINANCIAL BROCHURES CONTAIN INFORMATION ABOUT ITS CHARITY AND FINANCIAL ASSISTANCE PROGRAMS WITH DIRECTIONS ON HOW TO CONTACT CINCINNATI CHILDREN'S TO INITIATE AN APPLICATION OR ASK QUESTIONS ABOUT THE PROCE SS IN ADDITION, CINCINNATI CHILDREN'S BROCHURES ARE AVAILABLE AT EACH REGISTRATION POINT CINCINNATI CHILDREN'S CUSTOMER SERVICE REPRESENTATIVES ARE TRAINED TO WORK WITH THE FAMIL IES ON ANSWERING ASSISTANCE RELATED QUESTIONS AS WELL CINCINNATI CHILDREN'S ALSO HAS A FI NANCIAL COUNSELING DEPARTMENT AND A FINANCIAL ADVOCATE PROGRAM THAT REACH OUT TO INDIGENT FAMILIES AND TRY TO HELP WITH THEIR SPECIFIC NEEDS CINCINNATI CHILDREN'S GOAL IS TO PROVI DE FINANCIAL ASSISTANCE AS EFFICIENTLY AND AS COMPLIANT AS POSSIBLE WHILE STILL KEEPING CU STOMER SERVICE AS OUR NUMBER ONE PRIORITY
PART VI, LINE 4	IN ACCORDANCE WITH ITS MISSION AND PURPOSE, CINCINNATI CHILDREN'S MAINTAINS A POLICY OF AC CEPTING ALL PATIENTS WITHIN ITS PRIMARY SERVICE AREA REGARDLESS OF ABILITY TO PAY THIS PR IMARY SERVICE AREA HAS BEEN DEFINED TO INCLUDE THE FOUR COUNTIES IN OHIO, THREE COUNTIES I N KENTUCKY AND ONE COUNTY IN INDIANA THAT GEOGRAPHICALLY SURROUND CINCINNATI

Additional Data

Software ID:
Software Version:
EIN: 31-0833936
Name: CHILDREN'S HOSPITAL MEDICAL CENTER

990 Schedule H, Supplemental Information

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
FACILITY REPORTING GROUP A	
FACILITY REPORTING GROUP A	PART V, SECTION B, LINE 4 CCHMC - MAIN CAMPUSCCHMC - LIBERTY CAMPUSCCHMC - COLLEGE HILL CAMPUSCCHMC - LINDNER CENTER OF HOPE CAMPUS
FACILITY REPORTING GROUP A	PART V, SECTION B, LINE 6I CINCINNATI CHILDRENS HAS DEVELOPED AN IMPLEMENTATION STRATEGY THAT DISCUSSES OUR APPROACH TO ADDRESSING THE PEDIATRIC COMMUNITY HEALTH NEEDS IDENTIFIED IN THIS ASSESSMENT THE IMPLEMENTATION STRATEGY HAS BEEN APPROVED BY CINCINNATI CHILDRENS BOARD OF TRUSTEES AND MAY BE VIEWED BY NAVIGATING TO THE FOLLOWING WEB ADDRESS HTTP //WWW CINCINNATICHILDRENS ORG/ABOUT/COMMUNITY/COMMUNITY-BENEFIT/DEFAULT/
FACILITY REPORTING GROUP A	PART V, SECTION B, LINE 14G IN ADDITION TO CCHMC'S FINANCIAL ASSISTANCE POLICY BEING AVAI LABLE UPON REQUEST, INCLUDED WITH BILLING STATEMENTS, AND PROMINENTLY DISPLAYED IN EMERGEN CY ROOMS AND ADMISSIONS OFFICES, A PLAIN LANGUAGE SUMMARY OF CCHMC'S FINANCIAL ASSISTANCE POLICY IS AVAILABLE ON CCHMC'S WEBSITE, WWW CINCINNATICHILDRENS ORG
FACILITY REPORTING GROUP A	PART V, SECTION B, LINE 20D BASED ON CCHMC'S FINANCIAL ASSISTANCE POLICY FROM JULY 1, 201 3 TO MARCH 31, 2014, THE TOTAL AMOUNT CHARGED TO A PATIENT/FAMILY IN A YEAR MAY NOT EXCEED 15% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR EFFECTIVE APRIL 1, 2014, THE TOTAL AMOUNT CHARGED TO A PATIENT/FAMILY IN A YEAR MAY NOT EXCEED 25% OF THE PATIENT/FAMILY'S G ROSS INCOME FOR THE YEAR
PART V, SECTION B	FACILITY REPORTING GROUP A
FACILITY REPORTING GROUP A CONSISTS OF	- FACILITY 1 CCHMC - MAIN CAMPUS, - FACILITY 2 CCHMC - LIBERTY CAMPUS, - FACILITY 3 CCH MC - COLLEGE HILL CAMPUS, - FACILITY 4 CCHMC - LINDNER CENTER OF HOPE CAMPUS
FACILITY 2 -- CCHMC - LIBERTY CAMPUS PART V, SECTION B, LINE 20D	BASED ON CCHMC'S FINANCIAL ASSISTANCE POLICY FROM JULY 1, 2013 TO MARCH 31, 2014, THE TOTA L AMOUNT CHARGED TO A PATIENT/FAMILY IN A YEAR MAY NOT EXCEED 15% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR EFFECTIVE APRIL 1, 2014, THE TOTAL AMOUNT CHARGED TO A PATIENT/ FAMILY IN A YEAR MAY NOT EXCEED 25% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR
FACILITY 3 -- CCHMC - COLLEGE HILL CAMPUS PART V, SECTION B, LINE 20D	BASED ON CCHMC'S FINANCIAL ASSISTANCE POLICY FROM JULY 1, 2013 TO MARCH 31, 2014, THE TOTA L AMOUNT CHARGED TO A PATIENT/FAMILY IN A YEAR MAY NOT EXCEED 15% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR EFFECTIVE APRIL 1, 2014, THE TOTAL AMOUNT CHARGED TO A PATIENT/ FAMILY IN A YEAR MAY NOT EXCEED 25% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR
FACILITY 4 -- CCHMC - LINDNER CENTER OF HOPE CAMPUS PART V, SECTION B, LINE 20D	BASED ON CCHMC'S FINANCIAL ASSISTANCE POLICY FROM JULY 1, 2013 TO MARCH 31, 2014, THE TOTA L AMOUNT CHARGED TO A PATIENT/FAMILY IN A YEAR MAY NOT EXCEED 15% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR EFFECTIVE APRIL 1, 2014, THE TOTAL AMOUNT CHARGED TO A PATIENT/ FAMILY IN A YEAR MAY NOT EXCEED 25% OF THE PATIENT/FAMILY'S GROSS INCOME FOR THE YEAR

Form 990 Schedule H, Part V Section D. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

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

Name and address	Type of Facility (describe)
CCHMC ANDERSON 7495 STATE ROAD SUITE 355 CINCINNATI,OH 45255	NEIGHBORHOOD FACILITY
CCHMC DRAKE 151 WEST GALBRAITH ROAD CINCINNATI,OH 45216	NEIGHBORHOOD FACILITY
CCHMC EASTGATE 796 CINCINNATI-BATAVIA PIKE CINCINNATI,OH 45245	NEIGHBORHOOD FACILITY
CCHMC FAIRFIELD 3050 MACK ROAD CINCINNATI,OH 45014	NEIGHBORHOOD FACILITY
CCHMC GREEN TOWNSHIP 5899 HARRISON AVE CINCINNATI,OH 45248	NEIGHBORHOOD FACILITY
CCHMC KENWOOD 7714-A MONTGOMERY ROAD CINCINNATI,OH 45236	NEIGHBORHOOD FACILITY
CCHMC MASON 9560 CHILDRENS DRIVE MASON,OH 45040	NEIGHBORHOOD FACILITY
CHILDREN'S OUTPATIENT NKY 2765 CHAPEL PLACE CRESTVIEW HILLS,KY 41017	NEIGHBORHOOD FACILITY
CCHMC OAK 2800 WINSLOW AVE CINCINNATI,OH 45206	NEIGHBORHOOD FACILITY
CCHMC NORTH BURNET 3430 BURNET AVE CINCINNATI,OH 45229	NEIGHBORHOOD FACILITY
CCHMC HOPPLE STREET 2750 BEEKMAN AVE CINCINNATI,OH 45225	NEIGHBORHOOD FACILITY

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

▶ **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
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 22

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

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

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

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
PART I, LINE 2	CCHMC PROVIDES GRANTS AND ALLOCATIONS TO IRC SEC 501(C)(3) ORGANIZATIONS FOR GENERAL SPONSORSHIP SUPPORT AND COMMUNITY ASSISTANCE ACTIVITIES SPONSORSHIP AND ASSISTANCE PROPOSALS ARE EVALUATED ON SPECIFIC CRITERIA, INCLUDING TANGIBLE, MEASURABLE BENEFITS, LONG-TERM VALUE, ABILITY TO REACH TARGETED AUDIENCES, POSITIVE EXPOSURE, AND LONG-TERM SUSTAINABLE RELATIONSHIPS ADDITIONAL FOCUS FOR SPONSORSHIP GRANTS AND COMMUNITY ASSISTANCE ACTIVITIES IS PROVIDED TO ORGANIZATIONS THAT ADDRESS MEDICAL AND HEALTH ISSUES, YOUTH AND FAMILY ISSUES, AND COMMUNITY DEVELOPMENT SPONSORSHIP AND COMMUNITY ASSISTANCE REQUESTS MUST INCLUDE A MISSION STATEMENT, A LISTING OF BOARD MEMBERS NOTING CCHMC EMPLOYEE INVOLVEMENT, THE SPECIFIC EVENT OR PROJECT REQUESTED FOR SPONSORSHIP, INCLUDING MEASURABLE GOALS AND DEMOGRAPHICS SERVED, EXPECTED BENEFITS AND OUTCOMES, AND A LISTING OF OTHER ORGANIZATIONS SUPPORTING THE PROJECT ORGANIZATIONS THAT RECEIVE SUPPORT FROM CCHMC ARE NOTIFIED OF CCHMC'S SUPPORT INCLUDING THE STATED PURPOSE FOR THE GRANT AWARD AND CCHMC ALSO REQUESTS YEAR-END ANNUAL REPORTS FROM SUPPORTED ORGANIZATIONS

Additional Data

Software ID:
Software Version:
EIN: 31-0833936
Name: CHILDREN'S HOSPITAL MEDICAL CENTER

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
4C FOR CHILDREN 1924 DANA AVE CINCINNATI,OH 45207	31-0823634	501(C)(3)	10,000				COMMUNITY SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ADOPT A CLASS FOUNDATION 2153 W 8TH ST STE 200 CINCINNATI,OH 45204	20-2551299	501(C)(3)	7,500				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY 250 WILLIAMS STREET NW ATLANTA,GA 30303	13-1788491	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN DIABETES ASSOCIATION 1701 N BEAUREGARD STREET ALEXANDRIA,VA 22311	13-1623888	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ARTHRITIS FOUNDATION 7124 MIAMI AVE CINCINNATI,OH 45243	31-6043937	501(C)(3)	7,500				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BOOMER ESIASON FOUNDATION 483 10TH AVE SUITE 300 NEW YORK, NY 10018	11-3142753	501(C)(3)	6,500				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CINCINNATI MEDICAL ASSOCIATION PO BOX 37287 CINCINNATI,OH 45237	32-0144460	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CINCINNATI RECREATION COMMISSION FOUNDATION 805 CENTRAL AVE SUITE 800 CINCINNATI,OH 45202	31-1574475	501(C)(3)	6,500				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CLOSING THE HEALTH GAP 3120 BURNET AVE STE 201 CINCINNATI,OH 45229	20-0902286	501(C)(3)	25,000				COMMUNITY SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CROSSROAD HEALTH CENTER 5 EAST LIBERTY CINCINNATI,OH 45202	31-1321054	501(C)(3)	20,000				COMMUNITY SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
EVERY CHILD SUCCEEDS 3333 BURNET AVENUE CINCINNATI,OH 45229	31-1628467	501(C)(3)	10,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
GREATER CINCINNATI NORTHERN KENTUCKY AFRICAN AMERICAN CHAMBER 2945 GILBERT AVE CINCINNATI,OH 45206	31-1504758	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
HEALTH IMPROVEMENT COLLABORATIVE 2100 SHERMAN AVE STE 100 CINCINNATI,OH 45212	31-1449807	501(C)(3)	40,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JUVENILE DIABETES RESEARCH FOUNDATION 8041 HOSBROOK RD STE 422 CINCINNATI,OH 45236	23-1907729	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LIAMS LIGHTHOUSE FOUNDATION 5818 CHARLOIS COURT COLORADO SPRINGS,CO 80922	27-1309152	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MARCH OF DIMES BIRTH DEFECT FOUNDATION 10806 KENWOOD RD CINCINNATI,OH 45242	13-1846366	501(C)(3)	26,450				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
RILEY CHILDREN'S FOUNDATION 30 S MERIDIAN SUITE 200 INDIANAPOLIS,IN 46204	35-0868147	501(C)(3)	22,248				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
RONALD MCDONALD HOUSE 350 ERKENBRECHER AVE CINCINNATI,OH 45229	31-0965333	501(C)(3)	46,900				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE ABERCRUMBIE GROUP 10301 GIVERNY BLVD CINCINNATI,OH 45241	30-0520187	501(C)(3)	29,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE CURE STARTS NOW FOUNDATION 10280 CHESTER ROAD CINCINNATI,OH 45215	21-0269131	501(C)(3)	5,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
UNITED WAY OF GREATER CINCINNATI 2400 READING ROAD CINCINNATI,OH 45202	31-0537502	501(C)(3)	26,900				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
VISION 2015 50 E RIVERCENTER BLVD STE 465 COVINGTON,KY 41011	31-1489316	501(C)(3)	50,000				COMMUNITY SUPPORT

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 4B	CERTAIN OFFICERS AND KEY EMPLOYEES HAVE ARRANGEMENTS WHICH PROVIDE FOR SUPPLEMENTAL RETIREMENT BENEFITS AS DESCRIBED IN IRC SEC 457(F) DUE TO THE SUBSTANTIAL RISK OF FORFEITURE PROVISION, THESE ARRANGEMENTS ARE NON-VESTED AND THERE IS NO GUARANTEE THAT THESE OFFICERS AND KEY EMPLOYEES WILL EVER RECEIVE THESE BENEFITS THE FOLLOWING IS A LISTING OF OFFICERS AND KEY EMPLOYEES THAT RECEIVED A DEFERRAL, SUBJECT TO THE SUBSTANTIAL RISK OF FORFEITURE PROVISION, UNDER CINCINNATI CHILDREN'S IRC SEC 457(F) PLAN DURING THE YEAR (THESE AMOUNTS ARE INCLUDED IN THE TOTALS FOR SCHEDULE J, PART II, COLUMN C, DEFERRED COMPENSATION) 1 RICHARD AZIZKHAN - $160,226 2 MICHAEL FISHER - $150,028 3 SCOTT HAMLIN - $111,978 4 BETH STAUTBERG - $68,560 5 DEAN KURTH - $109,097 6 MARK MUMFORD - $62,544 THE FOLLOWING IS A LISTING OF OFFICERS AND KEY EMPLOYEES THAT RECEIVED A PAYMENT UNDER CINCINNATI CHILDREN'S IRC SEC 457(F) PLAN DURING THE YEAR (THESE AMOUNTS ARE INCLUDED IN THE TOTALS FOR SCHEDULE J, PART II, COLUMN B(III) AND COLUMN F) 1 RICHARD AZIZKHAN - $261,926 2 SCOTT HAMLIN - $126,578 3 BETH STAUTBERG - $92,356 4 DEAN KURTH - $127,754 5 ARNOLD STRAUSS - $263,850
SCHEDULE J, EXPLANATION OF BENEFITS	THE EMPLOYEE BENEFIT PLAN CONTRIBUTION AMOUNTS LISTED ON SCHEDULE J, PART II MAY INCLUDE ONE OR MORE OF THE FOLLOWING BENEFITS 1 ELECTIVE EMPLOYEE DEFERRALS UNDER IRC SEC 403(B) 2 DISCRETIONARY EMPLOYER CONTRIBUTIONS UNDER IRC SEC 403(B) 3 ELECTIVE EMPLOYEE DEFERRALS UNDER IRC SEC 457(B) 4 ELECTIVE EMPLOYEE DEFERRALS UNDER IRC SEC 457(F) IN ADDITION TO THE RETIREMENT PLAN CONTRIBUTIONS DISCLOSED ON FORM 990, PART VII AND SCHEDULE J, PART II, THE FOLLOWING NON-TAXABLE EMPLOYEE WELFARE BENEFITS WERE MADE AVAILABLE TO THE EMPLOYED, COMPENSATED OFFICERS AND KEY EMPLOYEES LISTED ON FORM 990, PART VII AND SCHEDULE J, PART II 1 HEALTH AND DENTAL INSURANCE BENEFITS 2 GROUP LIFE INSURANCE (PORTIONS OF WHICH ARE TAXED) 3 UNEMPLOYMENT BENEFITS 4 DISABILITY BENEFITS THE OFFICERS AND KEY EMPLOYEES LISTED ON FORM 990, PART VII AND SCHEDULE J, PART II ARE ALSO ELIGIBLE FOR ANY OTHER AVAILABLE EMPLOYEE BENEFITS CCHMC'S OFFICERS, TRUSTEES, AND KEY EMPLOYEES LISTED ON FORM 990, PART VII AND SCHEDULE J MAY INCUR VARIOUS TRAVEL AND ENTERTAINMENT EXPENSES IN THE CONDUCT OF THEIR OFFICIAL DUTIES AS REPRESENTATIVES OF THE ORGANIZATION CCHMC HAS A WRITTEN TRAVEL AND ENTERTAINMENT EXPENSE REIMBURSEMENT POLICY THAT COMPLIES WITH PUBLISHED IRS GUIDANCE ALL OFFICERS, TRUSTEES, AND KEY EMPLOYEES ARE REQUIRED TO SUBSTANTIATE EACH TRAVEL AND ENTERTAINMENT EXPENSE TO THE EXTENT AS STATED IN THE TRAVEL AND ENTERTAINMENT EXPENSE REIMBURSEMENT POLICY BEYOND THE OFFICERS AND KEY EMPLOYEES LISTED ON SCHEDULE J, PART II, CINCINNATI CHILDREN'S IS GOVERNED BY A BOARD OF TRUSTEES WHO ARE NEITHER COMPENSATED FOR THEIR SERVICES PROVIDED NOR DO THEY RECEIVE ANY FRINGE BENEFITS (OTHER THAN FREE PARKING) FROM CINCINNATI CHILDREN'S PLEASE SEE FORM 990, PART VII FOR A LISTING OF THESE TRUSTEES COMPENSATION COMMITTEE PHILOSOPHY THE COMPENSATION & MANAGEMENT DEVELOPMENT COMMITTEE (THE "COMMITTEE") IS COMPRISED OF TRUSTEE MEMBERS THE COMMITTEE IS CHARGED WITH RESPONSIBILITY FOR REVIEW, APPROVAL, AND OVERSIGHT OF ALL OF THE ITEMS OF COMPENSATION THAT IMPACT CINCINNATI CHILDREN'S SENIOR MANAGEMENT AND THOSE INDIVIDUALS DESCRIBED IN THE COMMITTEE'S CHARTER THE COMMITTEE ESTABLISHES CINCINNATI CHILDREN'S COMPENSATION PHILOSOPHY FOR THESE EMPLOYEES BY UTILIZING THE FOLLOWING FUNDAMENTAL CONCEPTS IN DETERMINING COMPENSATION STRATEGY AND OBJECTIVES 1 CINCINNATI CHILDREN'S IS AN EQUAL OPPORTUNITY EMPLOYER COMPENSATION DECISIONS AT CINCINNATI CHILDREN'S ARE BASED UPON AN EMPLOYEE'S PERFORMANCE AND HIS OR HER ACHIEVEMENT OF CINCINNATI CHILDREN'S MISSION, 2 CINCINNATI CHILDREN'S TOTAL COMPENSATION MUST REMAIN COMPETITIVE WITHIN, AND RESPONSIVE TO, THE VARIOUS REGIONAL, NATIONAL, AND GLOBAL MARKETS WHICH ENABLES IT TO ATTRACT AND RETAIN SENIOR MANAGEMENT, HIGHLY-COMPENSATED NON-FACULTY EMPLOYEES AND FACULTY MEMBERS WITH THE TALENT AND EXPERTISE NECESSARY FOR IT TO CARRY OUT ITS MISSION AND TO BE A GLOBAL LEADER IN PEDIATRIC HEALTH CARE, RESEARCH AND EDUCATION, SPECIFIC DETAILED ATTENTION IS GIVEN TO RELEVANT COMPARATIVE COMPENSATION DATA FROM ENTITIES OF COMPARABLE SIZE, COMPLEXITY, AND GLOBAL REPUTATION, INCLUDING OTHER NATIONAL HEALTH CARE ORGANIZATIONS WITH ANNUAL NET REVENUES SIMILAR TO THAT OF CINCINNATI CHILDREN'S, 3 CINCINNATI CHILDREN'S UTILIZES EXTERNAL, INDEPENDENT EXPERTS TO ASSIST IN ENSURING A COMPLETE UNDERSTANDING OF ALL RELEVANT MARKETS, AND 4 CINCINNATI CHILDREN'S COMPENSATION MUST NOT RESULT IN PRIVATE INUREMENT IN ADDITION TO THEIR BASE SALARY, KEY MEMBERS OF SENIOR AND MIDDLE MANAGEMENT ARE ELIGIBLE FOR ANNUAL INCENTIVE COMPENSATION ANNUAL INCENTIVE COMPENSATION IS CALCULATED AS A PERCENTAGE OF BASE SALARY AND IS BASED ON ACHIEVING CERTAIN OPERATIONAL, QUALITY, PATIENT SAFETY, FINANCIAL AND OTHER PERFORMANCE TARGETS THAT ARE ESTABLISHED ON BOTH AN ORGANIZATIONAL AND INDIVIDUAL LEVEL THESE PERFORMANCE TARGETS ARE REVIEWED AND APPROVED BY THE COMPENSATION COMMITTEE ON AN ANNUAL BASIS

Additional Data

Software ID:
Software Version:
EIN: 31-0833936
Name: CHILDREN'S HOSPITAL MEDICAL CENTER

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
RICHARD AZIZKHAN SURGEON-IN-CHIEF	(I)	860,509	294,533	322,680	185,726	2,712	1,666,160	261,926
	(II)	0	0	0	0	0	0	0
MARGARET HOSTETTER CHAIR, PEDIATRICS	(I)	332,829	425	47,470	25,500	8,830	415,054	0
	(II)	0	0	0	0	0	0	0
ARNOLD STRAUSS CHAIR, PEDIATRICS	(I)	572,298	207,195	379,143	25,500	38,936	1,223,072	263,850
	(II)	0	0	0	0	0	0	0
MICHAEL FISHER PRESIDENT & CEO	(I)	826,569	100,000	58,455	175,528	27,638	1,188,190	0
	(II)	0	0	0	0	0	0	0
VICKI DAVIES TREASURER	(I)	181,779	47,355	1,472	0	16,717	247,323	0
	(II)	0	0	0	0	0	0	0
BETH STAUTBERG SECRETARY, SR VP & COUNSEL	(I)	429,930	156,269	136,960	94,060	10,861	828,080	92,356
	(II)	0	0	0	0	0	0	0
MARK MUMFORD CHIEF FINANCIAL OFFICER	(I)	412,930	69,364	194,208	88,044	22,441	786,987	0
	(II)	0	0	0	0	0	0	0
SCOTT HAMLIN EXEC VP & COO	(I)	638,714	219,065	181,158	137,478	22,563	1,198,978	126,578
	(II)	0	0	0	0	0	0	0
CHARLES MYER III PROFESSOR - FACULTY	(I)	849,512	131,038	22,488	25,500	256	1,028,794	0
	(II)	0	0	0	0	0	0	0
DAVID MORALES PROF/DIV DIR, CARDIOLOGY	(I)	1,277,369	0	28,856	25,500	23,186	1,354,911	0
	(II)	0	0	0	0	0	0	0
DEAN KURTH ANESTHESIOLOGIST-IN-CHIEF	(I)	625,558	240,032	173,072	134,597	16,910	1,190,169	127,754
	(II)	0	0	0	0	0	0	0
FRANCESCO MANGANO PROFESSOR - FACULTY	(I)	767,502	69,739	82,977	25,500	35,419	981,137	0
	(II)	0	0	0	0	0	0	0
ERIC WALL PROFESSOR - FACULTY	(I)	762,470	98,230	50,318	25,500	27,091	963,609	0
	(II)	0	0	0	0	0	0	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	COUNTY OF BUTLER OHIO	31-6000061	123550FJ9	12-08-2006	63,541,881	OUTPATIENT SATELLITE BLDG		X		X		X
B	HAMILTON COUNTY OHIO	31-6000063	407272M34	12-11-2007	61,230,000	MEDICAL BUILDING & GARAGE		X		X		X
C	COUNTY OF BUTLER OHIO	31-6000061	123550FM2	04-30-2008	51,950,000	REPAY 2006L BONDS (12/8/06)		X		X		X
D	COUNTY OF BUTLER OHIO	31-6000061		12-17-2009	30,000,000	REPAY 20080 BONDS (4/30/08)		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired		30,615,000	30,000,000	15,000,000
2	Amount of bonds legally defeased				
3	Total proceeds of issue	65,205,028	61,230,000	51,950,000	30,000,000
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	463,708	389,866	399,995	
8	Credit enhancement from proceeds	921,385			
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	63,819,935	60,840,134		
11	Other spent proceeds			51,550,005	30,000,000
12	Other unspent proceeds				
13	Year of substantial completion	2008	2009	2008	2009
		Yes / No	Yes / No	Yes / No	Yes / No
14	Were the bonds issued as part of a current refunding issue?	No	No	Yes	Yes
15	Were the bonds issued as part of an advance refunding issue?	No	No	No	No
16	Has the final allocation of proceeds been made?	Yes	Yes	Yes	Yes
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	Yes	Yes	Yes	Yes

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X		X	
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X		X		X		X
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 040 %		0 %		0 070 %		0 070 %
6	Total of lines 4 and 5		0 040 %		0 %		0 070 %		0 070 %
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X		X		X		X	

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
FORM 990, SCHEDULE K, PART I	THE 4/30/08 BOND ISSUE REPAID THE SERIES 2006L BOND ISSUED DATED 12/8/06 A PORTION OF THE 4/30/08 BOND ISSUE WAS REFINANCED BY THE 12/17/09 BOND ISSUE

Return Reference	Explanation
FORM 990, SCHEDULE K, PART I	THE 12/17/09 BOND ISSUE REPAID A PORTION OF THE SERIES 2008O BOND ISSUED DATED 4/30/08, WHICH REPAID A PORTION OF THE 2006L BOND ISSUED DATED 12/8/06

Return Reference	Explanation
FORM 990, SCHEDULE K, PART I	THE 11/19/10 BOND ISSUE REPAID A PORTION OF THE SERIES 2007N BOND ISSUE DATED 12/11/07

Return Reference	Explanation
FORM 990, SCHEDULE K, PART I	THE 10/14/11 BOND ISSUE REPAID A PORTION OF THE SERIES 1998G BOND ISSUE DATED 8/27/98

Return Reference	Explanation
FORM 990, SCHEDULE K, PART I	THE 1/14/2014 BOND ISSUE REPAID THE 1998 BOND ISSUE DATED 8/27/1998 AND THE 2004 BOND ISSUE DATED 6/30/2004 THE 2004 BOND ISSUE REPAYMENT IS CONSIDERED PART OF AN ADVANCE REFUNDING ISSUE

Return Reference	Explanation
FORM 990, SCHEDULE K, PART II, LINE 3	DIFFERENCES BETWEEN THE ISSUE PRICE (PART I, COLUMN (E)) AND PART II, LINE 3 ARE DUE TO INVESTMENT EARNINGS

Return Reference	Explanation
FORM 990, SCHEDULE K, PART III, LINE 3D	WHILE CCHMC DOES NOT ROUTINELY ENGAGE OUTSIDE BOND COUNSEL TO REVIEW MANAGEMENT OR SERVICE CONTRACTS AND RESEARCH AGREEMENTS RELATED TO BOND-FINANCED PROPERTY, CCHMC REGULARLY CONSULTS WITH IN-HOUSE COUNSEL TO PERFORM AN INTERNAL ASSESSMENT OF MANAGEMENT AND SERVICE CONTRACTS AND RESEARCH AGREEMENTS RELATED TO BOND-FINANCED PROPERTY

Return Reference	Explanation
FORM 990, SCHEDULE K, PART IV, LINE 6	THIS QUESTION IS BEING ANSWERED WITHOUT REGARD TO A YIELD RESTRICTED REFUNDING ESCROW

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	HAMILTON COUNTY OHIO	31-6000063		11-19-2010	30,000,000	REPAY 2007N BONDS (12/11/07)		X		X		X
B	HAMILTON COUNTY OHIO	31-6000063		10-14-2011	62,135,000	REPAY 1998G BONDS (8/27/98)		X		X		X
C	HAMILTON COUNTY OHIO	31-6000063	407272Q55	01-08-2014	134,694,252	REPAY 1998/2004 BONDS		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	12,000,000	13,930,000		
2	Amount of bonds legally defeased				
3	Total proceeds of issue	30,000,000	62,135,000	134,694,252	
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds			1,635,569	
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds	30,000,000	62,135,000	133,058,683	
12	Other unspent proceeds				
13	Year of substantial completion	2010	2011	2014	

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X		X			
15	Were the bonds issued as part of an advance refunding issue?		X		X	X			
16	Has the final allocation of proceeds been made?	X		X		X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X			
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X		X		X		
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 %		0 %		0 360 %		
6	Total of lines 4 and 5		0 %		0 %		0 360 %		
7	Does the bond issue meet the private security or payment test?		X		X		X		
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X		X		X			

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

Part VI **Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (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
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

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

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) AARON AZIZKHAN	FAMILY MEM TRUST	42,997	COMP & BEN		No
(2) GERALYN AZIZKHAN	FAMILY MEM TRUST	124,094	COMP & BEN		No
(3) EMILY HIRSCHFELD	FAMILY MEM TRUST	49,054	COMP & BEN		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
SCHEDULE L, PART IV	THE ITEMS REPORTED ON SCHEDULE L, PART IV ARE ARMS-LENGTH TRANSACTIONS AND AT FAIR MARKET VALUE

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493127004185

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

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	53	2,308,397	FAIR MARKET VALUE
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** 0

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b	If "Yes," describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	32a		No
b	If "Yes," describe in Part II			
33	If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II **Supplemental Information.** 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.

Return Reference	Explanation
PART I, COLUMN (B)	THE NUMBER REPORTED IN COLUMN (B) REPRESENTS THE NUMBER OF ITEMS RECEIVED

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493127004185

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	ARTICLE I, SECTION 1 1 OF CINCINNATI CHILDREN'S CODE OF REGULATIONS PROVIDES THAT THE MEMBERSHIP OF CINCINNATI CHILDREN'S SHALL CONSIST OF THE PERSONS WHO ARE THE MEMBERS OF THE BOARD OF TRUSTEES OF THE CHILDREN'S HOSPITAL

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	ARTICLE I, SECTION 1 1 OF CINCINNATI CHILDREN'S CODE OF REGULATIONS PROVIDES THAT THE MEMBERSHIP OF CINCINNATI CHILDREN'S SHALL CONSIST OF THE PERSONS WHO ARE THE MEMBERS OF THE BOARD OF TRUSTEES OF THE CHILDREN'S HOSPITAL

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 IS PREPARED BY SENIOR MANAGEMENT FROM CINCINNATI CHILDREN'S EXTERNAL TAX CONSULTANTS REVIEW THE FORM 990 FOR COMPLETENESS AND ACCURACY THE FORM 990 IS THEN PRESENTED TO THE AUDIT & COMPLIANCE COMMITTEE, WHICH IS A STANDING COMMITTEE OF THE CINCINNATI CHILDREN'S BOARD OF TRUSTEES, FOR REVIEW FINALLY, THE FORM 990 IS MADE AVAILABLE TO ALL BOARD OF TRUSTEES MEMBERS IN ADVANCE OF FILING

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	ALL OF CINCINNATI CHILDREN'S OFFICERS, TRUSTEES, AND KEY EMPLOYEES RECEIVE AN ANNUAL QUESTIONNAIRE REQUESTING INFORMATION REGARDING FAMILY AND BUSINESS RELATIONSHIPS THAT COULD POTENTIALLY RESULT IN A CONFLICT OF INTEREST UNDER CINCINNATI CHILDREN'S WRITTEN CONFLICT OF INTEREST POLICY ONCE THE QUESTIONNAIRES HAVE BEEN COMPLETED, THEY ARE REVIEWED BY CINCINNATI CHILDREN'S SENIOR MANAGEMENT AND IF A RELATIONSHIP EXISTS THAT MAY PRESENT A CONFLICT OF INTEREST, CINCINNATI CHILDREN'S FOLLOWS THE PROVISIONS SET FORTH IN ITS CONFLICT OF INTEREST POLICY TO RESOLVE THE CONFLICT AND DETERMINES THE APPROPRIATE REPORTING TO BOARD COMMITTEES AND, IF REQUIRED, FORM 990 DISCLOSURE.

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	CINCINNATI CHILDREN'S HAS A COMPENSATION COMMITTEE THAT ANNUALLY REVIEWS THE RECOMMENDATIONS OF MANAGEMENT REGARDING EMPLOYEE PERFORMANCE EVALUATION AND COMPENSATION ADJUSTMENTS FOR DISQUALIFIED PERSONS TO ENSURE THAT IT HAS COMPLIED WITH THE PROVISIONS OF THE REBUTTABLE PRESUMPTION OF REASONABLENESS UNDER IRC SEC 4958

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	CINCINNATI CHILDREN'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MAINTAINED ON FILE BY SENIOR MANAGEMENT AND ARE AVAILABLE TO THE GENERAL PUBLIC UPON REQUEST EITHER IN-PERSON, BY TELEPHONE, OR BY WRITTEN REQUEST

Return Reference	Explanation
FORM 990, PART VII INDEPENDENT CONTRACTORS	THE AMOUNTS REPORTED ON FORM 990, PART VII, SECTION B MAY INCLUDE PAYMENTS FOR SERVICES, PRODUCTS, EXPENSE REIMBURSEMENTS, AND OTHER TYPES OF PAYMENTS ANY PAYMENT FOR NON-SERVICES IS NOT AVAILABLE FOR BREAKOUT SEPARATELY BASED ON THE INVOICES RECEIVED FROM THE CONTRACTORS

Return Reference	Explanation
FORM 990, PART XI, LINE 9	MINIMUM PENSION LIABILITY ADJUSTMENT 114,053,000 GAIN IN NET ASSETS OF SUPPORTING ORGANIZATIONS, NET 187,039,000 ELIMINATION OF CHSN INCOME 36,202

Return Reference	Explanation
FORM 990, PART III	AT CINCINNATI CHILDREN'S, OUR APPROACH TO COMMUNITY BENEFIT IS ROOTED IN THE BELIEF THAT HOSPITALS HAVE A RESPONSIBILITY TO IMPROVE THE HEALTH AND QUALITY OF LIFE FOR CHILDREN IN THE COMMUNITIES THEY SERVE. PART OF THIS RESPONSIBILITY IS SERVING AS A MEDICAL SAFETY NET FOR CHILDREN, REGARDLESS OF THEIR FAMILIES' CIRCUMSTANCE OR ABILITY TO PAY. PROVIDING COMMUNITY BENEFIT IS ONE WAY IN WHICH WE STRIVE TO MEET THAT RESPONSIBILITY. CINCINNATI CHILDREN'S OFFERS NUMEROUS PROGRAMS AND SERVICES TO MEET COMMUNITY HEALTH NEEDS. IN FISCAL YEAR 2014, CINCINNATI CHILDREN'S PROVIDED APPROXIMATELY $136.2 MILLION IN FREE CARE OR DISCOUNTED SERVICES TO FAMILIES IN THE COMMUNITY WHO ARE UNABLE TO PAY AND AN ADDITIONAL $9.6 MILLION IN SUBSIDIZED HEALTH AND COMMUNITY OUTREACH SERVICES. CINCINNATI CHILDREN'S HAS A LONG TRADITION OF WORKING WITH ITS COMMUNITY PARTNERS ON MATTERS RELATED TO THE COMMUNITY'S HEALTH AND WELL-BEING AND HAS CONDUCTED THREE COMMUNITY HEALTH SURVEYS IN THE GREATER CINCINNATI/NORTHERN KENTUCKY COMMUNITY SINCE THE YEAR 2000. THESE SURVEYS GATHER INFORMATION ABOUT THE COMMUNITY'S HEALTH AND WELL-BEING, AND THE DATA GATHERED IN EACH CONTINUES TO INFORM CINCINNATI CHILDREN'S COMMUNITY HEALTH AGENDA. IN FACT, IN CONNECTION WITH THE FIRST CHILD WELL BEING SURVEY IN 2000, CINCINNATI CHILDREN'S IDENTIFIED ASTHMA AND INFANT MORTALITY AS COMMUNITY HEALTH ISSUES AND STRENGTHENED EFFORTS TO ADDRESS BOTH OF THESE ISSUES. CINCINNATI CHILDREN'S 2015 STRATEGIC PLAN CREATES A BOLD VISION TO BE THE LEADER IN IMPROVING CHILD HEALTH. WHILE THE STRATEGIC PLAN PROVIDES A FRAMEWORK FOR CINCINNATI CHILDREN'S ONGOING STRATEGIC EMPHASIS, IT DOES NOT DEFINE THE TOTALITY OF OUR EFFORTS. CINCINNATI CHILDREN'S STRIVES TO DELIVER DEMONSTRABLY SUPERIOR OUTCOMES AND EXPERIENCE AT THE LOWEST POSSIBLE COST, AND TO DISCOVER AND APPLY BETTER WAYS TO IMPROVE THE HEALTH OF MORE CHILDREN IN THE COMMUNITY AND AROUND THE WORLD. IN DEVELOPING ITS 2015 STRATEGIC PLAN, CINCINNATI CHILDREN'S WAS DELIBERATE IN ITS APPROACH TO IDENTIFY COMMUNITY PROVIDERS, GOVERNMENTAL ORGANIZATIONS, AND AREA NON-PROFIT ORGANIZATIONS WITH WHOM IT COULD PARTNER TO MORE EFFECTIVELY ADDRESS COMMUNITY HEALTH NEEDS. RECOGNIZING THAT WE ARE STRONGER WORKING TOGETHER AND COORDINATING EFFORTS TO ADDRESS SYSTEMIC COMMUNITY HEALTH NEEDS, CINCINNATI CHILDREN'S PARTNERS WITH MANY ORGANIZATIONS INCLUDING FEDERALLY QUALIFIED HEALTH CLINICS, SCHOOL BASED HEALTH CLINICS, COUNTY AND CITY PROGRAMS, OFFICES AND DEPARTMENTS, THE HEALTH FOUNDATION OF GREATER CINCINNATI, THE GREATER CINCINNATI UNITED WAY, EVERY CHILD SUCCEEDS, AND WITH THE POLICE, PROSECUTORS AND COUNTY CASE WORKERS CO-LOCATED IN CINCINNATI CHILDREN'S MAYERSON CENTER FOR SAFE AND HEALTHY CHILDREN. DEVELOPING AND MORE EFFECTIVELY UTILIZING THESE PARTNERSHIPS TO ADDRESS COMMUNITY HEALTH NEEDS IS AN INTEGRAL COMPONENT OF CINCINNATI CHILDREN'S 2015 STRATEGIC PLAN. ALTHOUGH CINCINNATI CHILDREN'S BEGAN PUBLICLY REPORTING COMMUNITY BENEFIT IN 2004, WE HAVE A TRADITION OF PROVIDING COMMUNITY BENEFIT THAT DATES BACK TO THE HOSPITAL'S FOUNDING IN 1883. REPORTING THESE ACTIVITIES IS OUR WAY OF BEING ACCOUNTABLE TO THE GREATER CINCINNATI COMMUNITY AND OF DEMONSTRATING THE VALUE AND IMPACT OF OUR MANY COMMUNITY-BASED SERVICES AND PARTNERSHIPS

Return Reference	Explanation
FORM 990, PART III	CINCINNATI CHILDREN'S HAS PERFORMED AN ANALYSIS AND QUANTIFICATION OF ITS ESTIMATED BENEFIT TO THE COMMUNITY A SUMMARY OF THIS ANALYSIS IS DETAILED BELOW AND IS ALSO PROVIDED ON SCHEDULE H * PATIENT CARE (NET OF TAX LEVY AND OHIO HCAP)(NOTE A) $136 2 MILLION * SUBSIDIZED HEALTH SERVICES $6 6 MILLION * RESEARCH (NOTE B) $95 6 MILLION * MEDICAL EDUCATION $18 8 MILLION * COMMUNITY OUTREACH $3 7 MILLION * TOTAL VALUE OF COMMUNITY BENEFITS PROVIDED $261 MILLION NOTE A CHARITABLE PATIENT CARE ($136 2 MILLION) - FREE OR DISCOUNTED SERVICES FOR THOSE UNABLE TO PAY BECAUSE THEY ARE POOR OR UNINSURED THE BENEFIT AMOUNT INCLUDES THE SHORTFALL FROM MEDICAID REIMBURSEMENT BASED ON THE COST OF PROVIDING CARE TO MEDICAID RECIPIENTS (AFTER ACCOUNTING FOR SUPPORT FROM HAMILTON COUNTY HEALTH AND HOSPITALIZATION LEVY AND THE HOSPITAL CARE ASSURANCE PROGRAM) AND THE LOSS FROM THE COST OF PROVIDING CHARITY CARE NOTE B RESEARCH ($95 6 MILLION) - IN ACCORDANCE WITH THE 2013 FORM 990, SCHEDULE H INSTRUCTIONS, GRANT REVENUE UTILIZED TO CONDUCT RESEARCH ACTIVITIES IS NOW REQUIRED TO BE REPORTED AS AN OFFSET TO RESEARCH EXPENDITURES WHEN CALCULATING OTHER COMMUNITY BENEFITS ON SCHEDULE H FOR TAX YEARS 2012 AND PRIOR, RESEARCH FUNDING WAS NOT REQUIRED TO BE COUNTED AS AN OFFSET TO RESEARCH EXPENDITURES CINCINNATI CHILDREN'S PROVIDES PATIENT CARE TO INFANTS, CHILDREN AND ADOLESCENTS IT SERVES AS A TERTIARY LEVEL REFERRAL CENTER FOR PEDIATRIC ILLNESSES DURING THE FISCAL YEAR ENDED JUNE 30, 2014, CINCINNATI CHILDREN'S ADMITTED 18,167 PATIENTS WHO WERE ASSOCIATED WITH 142,295 PATIENT DAYS IN ADDITION, CINCINNATI CHILDREN'S TREATED NEARLY 1,020,000 OUTPATIENT VISITS CINCINNATI CHILDREN'S MAINTAINS ONE OF THE NATION'S BUSIEST EMERGENCY DEPARTMENTS OVER THE PAST YEAR, CINCINNATI CHILDREN'S HANDLED NEARLY 100,000 EMERGENCY ROOM VISITS LIKEWISE, CINCINNATI CHILDREN'S IS THE NATION'S LEADER IN TERMS OF PEDIATRIC SURGICAL PROCEDURES DURING FISCAL 2014, CINCINNATI CHILDREN'S PERFORMED NEARLY 44,000 HOURS OF SURGERY AS WITH OTHER NOT-FOR-PROFIT ORGANIZATIONS, CINCINNATI CHILDREN'S REINVESTS ITS NET REVENUES TO CONTINUOUSLY IMPROVE ITS ABILITY TO PROVIDE QUALITY HEALTHCARE, RESEARCH, AND EDUCATION THESE RESOURCES ALLOW CINCINNATI CHILDREN'S TO MAINTAIN A RENOWNED STAFF OF MEDICAL PROFESSIONALS AND PROVIDE STATE-OF-THE-ART MEDICAL FACILITIES AND EQUIPMENT CINCINNATI CHILDREN'S MAKES SIGNIFICANT INVESTMENTS IN INFORMATION TECHNOLOGY, CONTINUOUSLY STRIVING TO IMPROVE ITS BUSINESS AND CLINICAL PRACTICES THE ADVANCED TECHNOLOGY ALLOWS PHYSICIANS TO BRING TIMELY AND RELEVANT INFORMATION TO THE PATIENT'S BEDSIDE, MAKING PATIENT CARE SAFER AND MORE EFFICIENT CINCINNATI CHILDREN'S IS ACCREDITED BY THE JOINT COMMISSION AND IS A MEMBER OF THE AMERICAN HOSPITAL ASSOCIATION, THE OHIO HOSPITAL ASSOCIATION, THE GREATER CINCINNATI HOSPITAL COUNCIL, THE ASSOCIATION OF OHIO CHILDREN'S HOSPITALS, THE COUNCIL OF TEACHING HOSPITALS AND THE CHILDREN'S HOSPITAL ASSOCIATION

Return Reference	Explanation
FORM 990, PART III	CINCINNATI CHILDREN'S PARTICIPATES IN APPLICABLE GOVERNMENT SPONSORED ENTITLEMENT PROGRAMS, SERVING THOUSANDS OF PATIENTS COVERED BY PUBLIC PROGRAMS SUCH AS MEDICAID AND MEDICARE. MEDICAID AND MEDICARE REIMBURSE HOSPITALS FOR HEALTHCARE SERVICES PROVIDED TO ELIGIBLE PATIENTS, BUT THE PAYMENTS DO NOT COVER THE TOTAL COST OF PROVIDING THE SERVICE. FOR THE YEAR ENDED JUNE 30, 2014, MORE THAN 44% OF ALL CINCINNATI CHILDREN'S GROSS PATIENT REVENUE WAS GENERATED FROM PATIENTS WHOM WERE ENROLLED IN VARIOUS STATE MEDICAID PROGRAMS AND MEDICARE. CINCINNATI CHILDREN'S DEFINES INDIGENT PATIENT CARE AS SERVICES RENDERED TO PATIENTS WHOSE FAMILIES ARE UNABLE TO MEET CERTAIN MINIMUM INCOME AND/OR NET WORTH STANDARDS. AS SUCH, CHARGES ABSORBED BY CINCINNATI CHILDREN'S IN RENDERING SERVICES TO PATIENTS WHO ARE COVERED UNDER GOVERNMENTAL PROGRAMS WHICH ARE DESIGNED TO AID LOW INCOME FAMILIES (PRIMARILY THE MEDICAID PROGRAM) ARE CONSIDERED IN THE CALCULATION OF INDIGENT PATIENT CARE. THIS POLICY APPLIES TO ALL INPATIENT, OUTPATIENT OR EMERGENCY ROOM SERVICES AND TO PROFESSIONAL SERVICES PERFORMED BY PROVIDERS EMPLOYED BY CINCINNATI CHILDREN'S. IN FISCAL 2014, THE LOSS ON PROVISION OF CHARITY CARE AND MEANS-TESTED GOVERNMENT PROGRAMS TOTALED APPROXIMATELY $136.2 MILLION (AFTER TAKING INTO ACCOUNT FUNDS RECEIVED UNDER THE OHIO HOSPITAL CARE ASSURANCE PROGRAM AND THE HAMILTON COUNTY TAX LEVY WHICH TOTAL APPROXIMATELY $29.6 MILLION). CONSISTENT WITH ITS CHARITABLE MISSION, CINCINNATI CHILDREN'S MAINTAINS A POLICY OF ACCEPTING ALL PATIENTS WITHIN ITS PRIMARY SERVICE AREA REGARDLESS OF ABILITY TO PAY. THE PRIMARY SERVICE AREA INCLUDES THE EIGHT COUNTIES IN SOUTHWESTERN OHIO, NORTHERN KENTUCKY, AND SOUTHEASTERN INDIANA THAT GEOGRAPHICALLY SURROUND CINCINNATI. FOR THE FISCAL YEAR ENDED JUNE 30, 2014, CINCINNATI CHILDREN'S ABSORBED APPROXIMATELY $17.6 MILLION OF UNCOMPENSATED CHARITY CARE SERVICES AS A RESULT OF THIS "OPEN-DOOR" CHARITABLE POLICY. IN ADDITION, DUE TO A LOCAL PROPERTY TAX LEVY, CINCINNATI CHILDREN'S RECEIVED $5.2 MILLION OF FUNDING TO HELP OFFSET THE COST OF PROVIDING CARE TO ELIGIBLE HAMILTON COUNTY RESIDENTS. PATIENT CARE CINCINNATI CHILDREN'S CURRENTLY OWNS AND OPERATES INPATIENT AND OUTPATIENT FACILITIES ON ITS MAIN CAMPUS, SPECIALLY SUITED TO THE PROVISION OF STATE-OF-THE-ART PEDIATRIC CARE. AT JUNE 30, 2014, CINCINNATI CHILDREN'S HAD 592 REGISTERED INPATIENT BEDS, INCLUDING 57 INPATIENT BEDS AT ITS COLLEGE HILL CAMPUS, 12 BEDS AT THE LIBERTY CAMPUS, AND 16 BEDS AT THE LINDNER CAMPUS, OF WHICH 551 ARE CURRENTLY IN SERVICE. IT ALSO HAS 36 REGISTERED RESIDENTIAL PSYCHIATRIC BEDS AT ITS COLLEGE HILL CAMPUS, OF WHICH 33 ARE CURRENTLY IN SERVICE. ITS SPECIALIZED FACILITIES INCLUDE A 55-BED NEONATAL INTENSIVE CARE UNIT FOR TREATMENT OF CRITICALLY ILL AND PREMATURE NEWBORNS, A 50-BED PEDIATRIC INTENSIVE CARE UNIT FOR CRITICALLY ILL AND INJURED CHILDREN, AND A 25-BED CARDIAC INTENSIVE CARE UNIT. IN ADDITION, CINCINNATI CHILDREN'S FACILITIES INCLUDE A 48-BED HEMATOLOGY/ONCOLOGY/BMT UNIT FOR TREATMENT OF CHILDREN WITH SERIOUS BLOOD DISORDERS, INCLUDING BONE MARROW TRANSPLANT SERVICES. CINCINNATI CHILDREN'S ALSO OPERATES A NETWORK OF 11 OUTPATIENT CARE CENTERS LOCATED THROUGHOUT THE PRIMARY SERVICE AREA. THE SERVICES OFFERED AT THESE CENTERS VARY BY LOCATION, BUT GENERALLY INCLUDE DIAGNOSTIC TESTING, PEDIATRIC SPECIALTY CLINICS, THERAPIES AND DENTAL SERVICES. SEVERAL OF THE CENTERS ALSO OFFER URGENT CARE SERVICES. IN ADDITION, THE LIBERTY CAMPUS, WHICH OPENED IN AUGUST 2008, ALSO PROVIDES INPATIENT, OBSERVATION, EMERGENCY ROOM AND SURGICAL SERVICES

Return Reference	Explanation
FORM 990, PART III	RESEARCH CHILDREN'S HOSPITAL RESEARCH FOUNDATION (THE "RESEARCH FOUNDATION"), A DIVISION OF CINCINNATI CHILDREN'S, CONDUCTS BOTH BASIC SCIENCE AND CLINICALLY APPLIED BIOMEDICAL RESEARCH IN THE AREAS OF MORPHOLOGICAL PATHOLOGY, MOLECULAR AND CELL BIOLOGY, BIOLOGICAL MECHANISMS OF DISEASE AND THE PROCESSES OF NORMALLY FUNCTIONING SYSTEMS DURING THE YEAR ENDED JUNE 30, 2014, THERE WERE MORE THAN 865 ACTIVE-SPONSORED RESEARCH PROJECTS THE RESEARCH FOUNDATION OCCUPIES APPROXIMATELY 37% OF THE AVAILABLE SPACE OF CINCINNATI CHILDREN'S MAIN CAMPUS AND ACCOUNTS FOR ABOUT 31% OF THE TOTAL ANNUAL OPERATING BUDGET ADDITIONALLY, ACCORDING TO THE MOST RECENT INFORMATION PUBLISHED BY THE NATIONAL INSTITUTES OF HEALTH ("NIH"), CINCINNATI CHILDREN'S RANKED THIRD IN THE NATION AMONG ALL PEDIATRIC HEALTH CARE FACILITIES IN TERMS OF NIH GRANT AWARDS RECEIVED THE SECOND MAJOR EXPENSE AREA FOR CINCINNATI CHILDREN'S IS RESEARCH SPENDING IN THIS AREA ATTRACTS TALENTED PEDIATRIC RESEARCHERS, GENERATES GOVERNMENT, FOUNDATION, AND INDUSTRY FUNDING, AND LEADS TO RELATED NEW BUSINESS DEVELOPMENT A KEY FACTOR IN CINCINNATI CHILDREN'S ABILITY TO ATTRACT SIGNIFICANT EXTERNAL FUNDING, PARTICULARLY FROM THE NATIONAL INSTITUTES OF HEALTH (NIH), IS THAT IT SPENDS ITS OWN RESOURCES TO CREATE "CENTERS OF EXCELLENCE," WITH TOP RESEARCHERS IN SPECIFIC AREAS OF CHILD MEDICINE THAT WILL BE ATTRACTIVE TO OUTSIDE FUNDERS FURTHER, THROUGH ITS TRUSTEE'S GRANT PROGRAM, IT PROVIDES SEED MONEY TO RESEARCHERS, WITH THE EXPECTATION THAT THEY WILL LATER APPLY FOR EXTERNAL FUNDING

Return Reference	Explanation
FORM 990, PART III	MEDICAL EDUCATION CINCINNATI CHILDREN'S IS ADJACENT TO THE UNIVERSITY OF CINCINNATI COLLEGE OF MEDICINE AND SERVES AS ITS DEPARTMENT OF PEDIATRICS CINCINNATI CHILDREN'S OFFERS EDUCATION AND TRAINING IN CLINICAL RESIDENCY PROGRAMS, CLINICAL AND RESEARCH FELLOWSHIPS AND ALLIED HEALTH SCIENCES ALL PEDIATRICS SPECIALTIES AND SUBSPECIALTIES ARE REPRESENTED ON THE MEDICAL STAFF CINCINNATI CHILDREN'S ALSO PROVIDES GRADUATE MEDICAL EDUCATION IN DEVELOPMENTAL BIOLOGY AND GENETIC COUNSELING AND ANNUALLY TRAINS APPROXIMATELY 484 PHYSICIAN RESIDENTS AND 232 FELLOWS CINCINNATI CHILDREN'S HAS PROVIDED TRAINING FOR THE MAJORITY OF PEDIATRICIANS PRACTICING WITHIN ITS SERVICE AREA CINCINNATI CHILDREN'S ALSO PROVIDES CLINICAL TRAINING IN ALLIED HEALTH SCIENCES IN NURSING, RESPIRATORY THERAPY, RADIOLOGIC TECHNOLOGY, SPEECH PATHOLOGY AND AUDIOLOGY CINCINNATI CHILDREN'S GRADUATE MEDICAL EDUCATION PROGRAM IS THE NATION'S FOURTH LARGEST PEDIATRIC PROGRAM CINCINNATI CHILDREN'S COSTS OF PROVIDING SUCH TRAINING INCLUDE THE SALARY AND TRAINING COSTS OF INTERNS AND RESIDENTS IN FISCAL 2014, CINCINNATI CHILDREN'S PROVIDED NEARLY $41 MILLION IN MEDICAL EDUCATION COSTS CINCINNATI CHILDREN'S RECEIVED APPROXIMATELY $9 2 MILLION IN FUNDING FROM THE FEDERAL CHGME PROGRAM IN FISCAL 2014 TO HELP OFFSET SUCH COSTS ADDITIONALLY, CINCINNATI CHILDREN'S RECEIVED APPROXIMATELY $8 7 MILLION FROM STATE MEDICAID AND MEDICARE PROGRAMS AND GRANTS TO FURTHER ASSIST IN OFFSETTING MEDICAL EDUCATION COSTS IN FISCAL 2014 IN FISCAL 2014, CINCINNATI CHILDREN'S DEVOTED APPROXIMATELY 2 PERCENT OF ITS EXPENDITURES TO THE EDUCATION MISSION OF THE HOSPITAL THIS MONEY IS USED TO PROVIDE GRADUATE MEDICAL EDUCATION FOR RESIDENTS AND FELLOWS AND EXTENSIVE TRAINING AND EDUCATION FOR NURSES AND OTHER MEDICAL PROFESSIONALS, INCLUDING NURSING, NUTRITION THERAPY, OCCUPATIONAL AND PHYSICAL THERAPY, RESPIRATORY THERAPY, RADIOLOGY TECHNOLOGY, GENETIC COUNSELING, SPEECH PATHOLOGY AND AUDIOLOGY, CHILD LIFE AND SOCIAL WORK THE RESEARCH FOUNDATION OFFERS RESEARCH-BASED EDUCATION OPTIONS FOR SCIENTISTS, OFTEN IN CONJUNCTION WITH THE UNIVERSITY OF CINCINNATI STUDENTS IN THESE PROGRAMS WORK WITH FACULTY EXPERTS IN FIRST-RATE FACILITIES THE PROGRAMS INCLUDE THE MOLECULAR AND DEVELOPMENTAL BIOLOGY GRADUATE PROGRAM, THE IMMUNOBIOLOGY GRADUATE TRAINING PROGRAM, POSTDOCTORAL FELLOWSHIPS, MD/PHD POSTGRADUATE TRAINING, THE MENTORED MEDICAL STUDENT CLINICAL RESEARCH PROGRAM, THE SUMMER PROGRAM FOR MEDICAL STUDENTS, AND THE SUMMER UNDERGRADUATE RESEARCH FELLOWSHIP (SURF)

Return Reference	Explanation
FORM 990, PART III	THE RESEARCH FOUNDATION ALSO SPONSORS A NUMBER OF EXCEPTIONAL INTERNAL GRANT MECHANISMS TO SUPPORT PHDS, MDS, AND MD/PHDS DURING THEIR FELLOWSHIP AND ESPECIALLY DURING THE TRANSITION TO JUNIOR FACULTY POSITIONS WITH A FOCUS ON RESEARCH AN ACTIVE GRANT PROGRAM FUNDS TRANSLATIONAL RESEARCH PROJECTS AND THERE IS AN EMPHASIS ON DEVELOPMENT OF EARLY PHASE HUMAN TRIALS IN PEDIATRIC DISEASES BASED ON DISCOVERY SCIENCE PERFORMED THE RESEARCH FOUNDATION HAS AN OUTSTANDING TRACK RECORD IN FACILITATING SUCCESSFUL FUNDING OF INDIVIDUAL TRAINING AWARDS (K AWARDS) FOR BOTH MDS AND PHDS AND CONVERTING THESE AWARDS TO INITIAL R01S CINCINNATI CHILDREN'S LONG HISTORY OF PEDIATRIC TEACHING SPANS MORE THAN 86 YEARS, BEGINNING IN 1926 IN THE YEARS SINCE, CINCINNATI CHILDREN'S HAS TRAINED MORE THAN 2,000 PHYSICIANS AND MANY NURSES AND OTHER HEALTH PROFESSIONALS CINCINNATI CHILDREN'S HAS BEEN FORMALLY AFFILIATED WITH THE UNIVERSITY OF CINCINNATI'S COLLEGE OF MEDICINE AND HAS SERVED AS THE DEPARTMENT OF PEDIATRICS FOR THE COLLEGE OF MEDICINE SINCE 1931, ENSURING THAT TEACHING AND RELATED RESEARCH WOULD STRENGTHEN PEDIATRIC PATIENT CARE. CINCINNATI CHILDREN'S AND CINCINNATI CHILDREN'S EMPLOYED STAFF OF PHYSICIANS AND SCIENTISTS HOLD ACADEMIC APPOINTMENTS AT THE COLLEGE OF MEDICINE. CURRENTLY CINCINNATI CHILDREN'S IS THE FOURTH LARGEST PEDIATRIC TRAINING FACILITY IN THE UNITED STATES, HAVING 30 ACGME ACCREDITED FELLOWSHIP PROGRAMS AND THREE ACGME FELLOWSHIP PROGRAMS WHERE THE ACCREDITATION IS THROUGH THE UNIVERSITY OF CINCINNATI CINCINNATI CHILDREN'S FACULTY IS RESPONSIBLE FOR TEACHING THE UNIVERSITY'S MEDICAL STUDENTS DURING THEIR PEDIATRIC ROTATIONS IN THE THIRD AND FOURTH YEARS OF TRAINING

Return Reference	Explanation
FORM 990, PART III	COMMUNITY OUTREACH CINCINNATI CHILDREN'S AND ITS STAFF PARTICIPATE IN MANY COMMUNITY OUTREACH PROGRAMS THE FOLLOWING LIST INCLUDES SOME OF THE PROGRAMS PARTICIPATED IN, BUT SHOULD NOT BE CONSIDERED AN ALL INCLUSIVE LISTING * PARTNER IN EDUCATION WITH ROCKDALE ELEMENTARY SCHOOL * CHILD ABUSE TEAM/MAYERSON CENTER * COMMUNITY PARTNERS PROGRAM/AARON W PERLMAN CENTER * CAREER DEVELOPMENT PROGRAM/PROJECT SEARCH * COMPREHENSIVE SICKLE CELL CENTER * FAMILY RESOURCE CENTER * PARENT-INFANT NURTURING GROUP * INTERNATIONAL ADOPTION CENTER * STARSHINE HOSPICE SERVICES * FAMILY SUPPORT NETWORK * INJURY FREE COALITION FOR KIDS * SAFE KIDS COALITION * CHILD CAR SEAT SAFETY * SAFETY FAIR * CHILD POLICY RESEARCH CENTER * INNOVATIONS * DRUG & POISON INFORMATION CENTER * BLOOD DRIVES * PARTICIPATION IN VARIOUS FUNDRAISING AND VOLUNTEER OPPORTUNITIES

Return Reference	Explanation
FORM 990, SCHEDULE R	CCHMC PROVIDES VARIOUS RELATED ORGANIZATIONS WITH CERTAIN SHARED SERVICES AT NO CHARGE

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL MEDICAL CENTER

Employer identification number
31-0833936

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) TSHCH LLC 3333 BURNET AVENUE CINCINNATI, OH 45229	LAND HOLDING CO	OH	0	8,633,913	CHMC
(2) BURNET AVE LLC 3333 BURNET AVENUE CINCINNATI, OH 45229	LAND HOLDING CO	OH	0	2,783,964	CHMC
(3) NORTH FAIRMOUNT HEALTHCARE COMPANY LTD 222 PIEDMONT AVE STE 1200 CINCINNATI, OH 45219 31-1484848	MEDICAL SERVICES	OH	0	578,548	CHMC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) ADOLESCENT HEALTH CENTER OF GREATER CINCINNATI 3333 BURNET AVE CINCINNATI, OH 45229 23-7042940	SUPPORT ADOLESCENT MEDICINE AT CHMC	OH	501(C)(3)	509(A)(3) TYPE III	N/A		No
(2) CHMC COMMUNITY HEALTH SERVICES NETWORK 3333 BURNET AVE CINCINNATI, OH 45229 31-1459815	PEDIATRIC MEDICAL SERVICES	OH	501(C)(3)	509(A)(2)	CHMC	Yes	
(3) CHILDREN'S HOSPITAL MEDICAL CENTER UNINSURED LOSS FUND #2 PO BOX 1118 ML CN-OH-W10X CINCINNATI, OH 45201 31-6197894	MALPRACTICE AND LIABILITY TRUST FUND	OH	501(C)(3)	509(A)(3) TYPE III	CHMC	Yes	
(4) THE CHILDREN'S HOSPITAL 3333 BURNET AVE CINCINNATI, OH 45229 31-0537130	SUPPORT CHMC	OH	501(C)(3)	509(A)(3) TYPE II	N/A		No
(5) CONVALESCENT HOSPITAL FOR CHILDREN AND ORPHAN ASYLUM 3333 BURNET AVE CINCINNATI, OH 45229 31-0536649	SUPPORT CHMC	OH	501(C)(3)	509(A)(3) TYPE III	N/A		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) NORTHERN KENTUCKY CHILDREN'S MEDICAL SERVICES LLC 3333 BURNET AVE CINCINNATI, OH 45229 26-0084305	MEDICAL SERVICES	KY	CHMC	RELATED	-118,447	1,904		No		Yes		50 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) RIVER CITY INSURANCE LIMITED 3333 BURNET AVE CINCINNATI, OH 45229	HEALTHCARE LIABILITY INSURANCE FOR CCHMC	OH	CHMC	C	2,008,810	2,951,373	100 000 %		No

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) THE CHILDREN'S HOSPITAL	C	49,859,839	FAIR MARKET VALUE
(2) THE CHILDREN'S HOSPITAL	R	31,416,189	FAIR MARKET VALUE
(3) CHMC COMMUNITY HEALTH SERVICES NETWORK	S	459,831	FAIR MARKET VALUE
(4) CHMC COMMUNITY HEALTH SERVICES NETWORK	R	4,378,127	FAIR MARKET VALUE
(5) CONVALESCENT HOSPITAL FOR CHILDREN AND ORPHAN ASYLUM	C	4,308,228	FAIR MARKET VALUE

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

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

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

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Children's Hospital Medical Center and Affiliates

Consolidated Financial Statements As of and For the Years Ended June 30, 2014 and June 30, 2013 and Independent Auditors' Report

Deloitte.

Deloitte & Touche LLP
250 E 5th Street
Suite 1900
Cincinnati, OH 45202-5109
USA

Tel +1 513 784 7100
Fax +1 513 784 7204
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of Children's Hospital Medical Center and Affiliates
Cincinnati, Ohio

We have audited the accompanying consolidated financial statements of Children's Hospital Medical Center and Affiliates ("Cincinnati Children's and Affiliates"), which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of operations and changes in net assets, and of cash flows for the years then ended, and the related notes to the consolidated financial statements The consolidated financial statements include the accounts of Children's Hospital Medical Center and the Affiliated Entities as discussed in Note 1(a) These entities are under common ownership and management

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cincinnati Children's and Affiliates as of June 30, 2014 and 2013, the results of their operations and changes in net assets, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

Deloitte & Touche LLP

October 23, 2014

Consolidated Balance Sheet
June 30, 2014 and 2013 (dollars in thousands)

	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	$ 156,830	$ 249,190
Marketable securities	389,139	259,916
Cash, cash equivalents and marketable securities	545,969	509,106
Patient receivables, net of allowances of $54,259 in 2014 and $53,256 in 2013	288,806	223,850
Other receivables, net	151,502	97,121
Inventories and prepaid expenses	32,936	35,134
Total current assets	1,019,213	865,211
ASSETS LIMITED AS TO USE - Funds in trust	38,097	62,803
PROPERTY AND EQUIPMENT, net of accumulated depreciation	998,397	908,535
DEFERRED BOND ISSUANCE COSTS AND OTHER	61,128	65,873
INTEREST IN NET ASSETS OF SUPPORTING ORGANIZATIONS (Note 1(b))	1,298,688	1,111,650
Total assets	$3,415,523	$3,014,072
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 299,667	$ 239,891
Current portion of long-term debt and capital lease obligations	32,609	26,995
Total current liabilities	332,276	266,886
ACCRUED PENSION BENEFIT LIABILITY (Note 9)	144,357	246,760
SELF-INSURANCE RESERVES	46,696	24,467
LONG-TERM DEBT		
Tax-exempt bonds payable	398,190	416,043
Notes payable	67,301	74,551
Capital lease obligations	2,051	3,680
OTHER LONG-TERM LIABILITIES	15,576	15,580
Total liabilities	1,006,447	1,047,967
COMMITMENTS AND CONTINGENCIES (Notes 6 and 10)	-	-
NET ASSETS		
Unrestricted	975,039	710,714
Temporarily restricted	153,309	170,437
Permanently restricted (Note 1(b))	1,280,728	1,084,954
Total net assets	2,409,076	1,966,105
Total liabilities and net assets	$3,415,523	$3,014,072

See accompanying notes to consolidated financial statements

Consolidated Statements of Operations and Changes in Net Assets
For the Years Ended June 30, 2014 and 2013 (dollars in thousands)

	2014	2013
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT		
Net hospital patient service revenue	$1,461,668	$1,353,653
Provision for bad debt	(26,142)	(20,802)
Net hospital patient service revenue less provision for bad debts	1,435,526	1,332,851
Capitation revenue	35,032	-
Net professional services revenue	289,064	263,380
Net assets released from restriction used for operations-		
Grant revenue	163,071	157,693
Other restricted net assets used to support operations	89,640	80,532
Investment income	14,140	9,483
Other revenue	93,767	87,566
Total unrestricted revenues, gains and other support	2,120,240	1,931,505
EXPENSES		
Salaries	985,876	891,286
Employee benefits	261,000	270,830
Supplies, drugs and other	335,372	280,584
Purchased services	212,427	195,849
Depreciation	109,214	110,378
Utilities	17,643	15,511
Interest	14,170	14,247
Impairment of land	8,101	-
Loss on early extinguishment of tax exempt bonds payable (Note 8)	4,037	-
Total expenses	1,947,840	1,778,685
Excess of revenues over expenses	172,400	152,820
OTHER CHANGES IN UNRESTRICTED NET ASSETS		
Receipts from supporting organizations (Notes 1(b) and 1(c))	6,952	6,298
Net assets released from restrictions used for purchase of property and equipment	2,320	1,076
Increase in unrestricted net assets before transfers to supporting organizations and pension and post retirement health liability adjustment	181,672	160,194
Transfers to supporting organizations (Note 1(c))	(31,400)	(26,509)
Pension and post retirement health liability adjustment (Note 9)	114,053	179,515
Increase in unrestricted net assets	264,325	313,200

(Continued on next page)

Consolidated Statements of Operations and Changes in Net Assets
For the Years Ended June 30, 2014 and 2013 (dollars in thousands)

	2014	2013
TEMPORARILY RESTRICTED NET ASSETS		
Contributions and investment income-		
Grant receipts	162,799	158,018
Gifts, contributions and other income	83,855	84,306
	246,654	242,324
Net assets released from restriction-		
Grant expenditures	(163,071)	(157,693)
Transfer to The Children's Hospital	(16)	(776)
Restricted net assets used to support operations	(89,640)	(80,532)
Restricted net assets used for purchase of property and equipment	(2,320)	(1,076)
	(255,047)	(240,077)
(Loss) Gain in interest in net assets of supporting organizations	(8,735)	11,488
(Decrease) Increase in temporarily restricted net assets	(17,128)	13,735
PERMANENTLY RESTRICTED NET ASSETS		
Gain in interest in net assets of supporting organizations	195,774	162,835
Increase in permanently restricted net assets	195,774	162,835
INCREASE IN NET ASSETS	442,971	489,770
NET ASSETS, beginning of year	1,966,105	1,476,335
NET ASSETS, end of year	$2,409,076	$1,966,105

See accompanying notes to consolidated financial statements

Children's Hospital Medical Center and Affiliates

Consolidated Statements of Cash Flows
For the Years Ended June 30, 2014 and 2013 (dollars in thousands)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 442,971	$489,770
Adjustments to reconcile increase in net assets to net cash provided by operating activities-		
Depreciation and amortization	109,412	110,607
Loss on disposal of property and equipment	805	3,390
Impairment of land	8,101	-
Loss on early extinguishment of tax exempt bonds payable	4,037	-
Proceeds from sale of donated securities	2,291	-
Receipts from supporting organizations	(6,952)	(6,298)
Contributions to supporting organizations	31,400	26,509
Contributions restricted for purchase of property and equipment	(2,320)	(1,076)
Gain in interest in net assets of supporting organizations	(187,039)	(174,323)
Unrealized and realized (gains) losses on marketable securities, net	(3,146)	6,237
Increase (Decrease) allowances on receivables	883	(2,772)
Increase in receivables	(120,220)	(4,514)
Decrease (Increase) in inventories and prepaid expenses and other assets	3,459	(3,230)
Increase in accounts payable and accrued expenses	62,572	1,394
Decrease in accrued pension liability	(102,403)	(152,930)
Increase (Decrease) in self-insurance reserves and other long-term liabilities	22,225	(2,082)
Net cash provided by operating activities	266,076	290,682
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property and equipment	(209,513)	(170,861)
Receipts from sale of fixed assets	1,263	944
Repayment of note receivable from CHF	-	10,587
Purchases of marketable securities	(1,099,956)	(1,075,720)
Sales and maturities of marketable securities	977,326	1,068,516
Cash withdrawn from funds in trust	184,903	23,450
Cash invested in funds in trust	(160,197)	(82,575)
Net cash used in investing activities	(306,174)	(225,659)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of bonds and notes payable	173,235	60,000
Repayment of bonds and notes payable	(203,369)	(26,365)
Contributions restricted for purchase of property and equipment	2,320	1,076
Receipts from supporting organizations	6,952	6,298
Contributions to supporting organizations	(31,400)	(26,509)
Net cash (used in) provided by financing activities	(52,262)	14,500
Net (decrease) increase in cash and cash equivalents	(92,360)	79,523
CASH AND CASH EQUIVALENTS, beginning of year	249,190	169,667
CASH AND CASH EQUIVALENTS, end of year	$ 156,830	$249,190
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES		
Capital expenditures in accounts payable and accrued expenses	$ 23,113	$ 25,909

See accompanying notes to consolidated financial statements

Children's Hospital Medical Center and Affiliates

Consolidated Financial Statements
For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

(1) Accounting Policies-

(a) Basis of Consolidation--Children's Hospital Medical Center (Cincinnati Children's), River City Insurance Limited (River City), CHMC Community Health Services Network (CHSN), Northern Kentucky Children's Medical Services, LLC (NKCMS), Burnet Ave LLC (Burnet) and TSHCH LLC (TSHCH), which are under common management, are included in the accompanying consolidated financial statements and are collectively referred to as Cincinnati Children's or the Medical Center Intercompany transactions and balances have been eliminated

Cincinnati Children's is an Ohio not-for-profit corporation providing pediatric healthcare services, teaching and related research River City is a captive insurance company and a wholly-owned subsidiary of Cincinnati Children's CHSN is a wholly-owned subsidiary of Cincinnati Children's whose purpose is to manage primary care practices in a community setting NKCMS is a limited liability corporation formed to enhance the scope and quality of pediatric care in Northern Kentucky Burnet is a wholly-owned subsidiary of Cincinnati Children's, whose purpose is to hold land TSHCH is a wholly-owned subsidiary of Cincinnati Children's whose purpose is to acquire, hold, develop, subdivide, sell, lease, mortgage, manage and otherwise deal in real property

(b) Supporting Organizations--The Children's Hospital (TCH), The Children's Hospital Foundation (CHF), Convalescent Hospital for Children and Orphan Asylum (CHCOA), Adolescent Health Center of Greater Cincinnati, Inc (CAC), and Children's Dental Care Foundation (CDCF), all Ohio not-for-profit corporations which are not included in the accompanying consolidated financial statements, provide financial support to the Cincinnati Children's Effective, December 31, 2012, CHF merged with and into TCH TCH assumed all assets and liabilities of CHF and CHF ceased to exist as a separate entity Effective, December 31, 2012, CDCF merged with and into Cincinnati Children's Cincinnati Children's assumed all assets and liabilities of CDCF and CDCF ceased to exist as a separate entity Certain endowment funds of these supporting organizations are restricted by the donors for specific operating purposes of Cincinnati Children's and are recorded as Interest in Net Assets of Supporting Organizations in the accompanying Consolidated Balance Sheets. Receipts from such restricted endowment funds and certain other receipts that are designated by the Boards of Trustees of the supporting organizations for specific operating purposes are reflected as a component of restricted gifts and contributions in the accompanying Consolidated Statements of Operations and Changes in Net Assets Upon utilization in operations, such funds are reflected in the Consolidated Statements of Operations and Changes in Net Assets as other-restricted net assets used to support operations

Other funds are contributed to Cincinnati Children's as designated by the Boards of the supporting organizations to provide general support and are reflected as receipts from supporting organizations in the accompanying Consolidated Statements of Operations and Changes in Net Assets

Cincinnati Children's records in its consolidated financial statements the fair value of certain permanently and temporarily restricted net assets held by supporting organizations on its behalf Changes in the fair value of such temporarily and permanently restricted net assets are recorded as a Gain (Loss) in Interest in Net Assets of Supporting Organizations in the accompanying Consolidated Statements of Operations and Changes in Net Assets

(c) Support Received from Supporting Organizations-- In general, the supporting organizations provide annual support to Cincinnati Children's that includes the dividend and interest earnings of the respective investment portfolios (net of operational expenses and any donor required reinvestment of income) On occasion, the respective Boards of Trustees of these supporting organizations may also designate certain pledges of unrestricted principal in support of key projects at Cincinnati Children's As of June 30, 2014, TCH and CHCOA have outstanding revocable pledges of $29,900 and $17,730, respectively All outstanding pledges of principal support are revocable at the discretion of TCH's and CHCOA's Board of Trustees As a result, such revocable pledges are not recorded as receivables in the accompanying consolidated financial statements

During fiscal 2014 and 2013, TCH transferred $42,907 and $57,972, respectively, of temporarily restricted net assets to Cincinnati Children's which are recorded as Gifts, contributions and other income in the Consolidated Statements of Operations and Changes in Net Assets

During fiscal 2014 and 2013, TCH transferred $6,952 and $6,298, respectively, of unrestricted net assets to Cincinnati Children's, which are recorded as Receipts from Supporting Organizations in the Consolidated Statements of Operations and Changes in Net Assets

During fiscal 2014 and 2013, Cincinnati Children's transferred $16 and $776, respectively, of temporarily restricted net assets to TCH to fund named chairs designated to support divisional activities During fiscal 2014 and fiscal 2013, respectively, Cincinnati Children's transferred $31,400 and $26,150 of unrestricted net assets to TCH to fund named chairs designated to support divisional activities

At June 30, 2014 and 2013, Cincinnati Children's had a payable to TCH for $1,083 and $4,700, respectively, related to transfers received greater than funding commitments in fiscal 2014 and 2013 These amounts will be offset in future fiscal years against the current year commitment

During fiscal 2014 and 2013, CHCOA transferred $4,308 and $2,920 respectively, of unrestricted net assets to Cincinnati Children's which are recorded as Gifts, contributions and other income in the Consolidated Statements of Operations and Changes in Net Assets

At June 30, 2014 Cincinnati Children's has a receivable from CHCOA for $29 related to fiscal 2014 funding This amount will be paid in fiscal 2015 At June 30, 2013, Cincinnati Children's has a payable to CHCOA for $90 related to fiscal 2013 funding to Cincinnati Children's in excess of commitments This amount was offset in fiscal 2014 against 2014 commitments

During fiscal 2013 (through December 31, 2012), CHF transferred $2,144, of unrestricted net assets to Cincinnati Children's, which are recorded as Gifts, contributions and other income in the Consolidated Statements of Operations and Changes in Net Assets During fiscal 2013 (through December 31, 2012), CHF transferred $220 of temporarily restricted net assets to Cincinnati Children's, which are recorded as Gifts, contributions and other income in the Consolidated Statements of Operations and Changes in Net Assets During fiscal 2013 (through December 31, 2012), CHF transferred $51 of income generated off of permanently restricted net assets, to Cincinnati Children's, which are recorded as Gifts, contributions and other income in the Consolidated Statements of Operations and Changes in Net Assets

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

During fiscal 2013 (through December 31, 2012), Cincinnati Children's transferred $359 of unrestricted net assets to CHF and the income earned on the funds will be transferred back to the Divisions to support divisional activities

Cincinnati Children's had a note receivable from CHF for $10,264 at June 30, 2012 which was recorded in other receivables The note plus accrued interest totaling $10,587 was repaid to Cincinnati Children's in fiscal 2013 by TCH subsequent to the merger of CHF into TCH At June 30, 2014, Cincinnati Children's has a receivable from TCH of $10,587 related to the expected payment from TCH upon maturity of a life insurance policy

(d) Concentration of Patient Accounts Receivable and Revenue and Revenue Recognition--In both fiscal 2014 and 2013, respectively, substantially all of total net patient service revenue is derived from third-party payment programs (Medicaid, insurance companies and various managed care agreements)

The following details the percentage of net patient service revenue by payer category for the fiscal years ended June 30, 2014 and 2013

	2014		2013	
	Gross	Net	Gross	Net
Commercial insurers	1%	1%	1%	1%
Managed care	47%	67%	47%	66%
Government (HMO and third party)	44%	24%	44%	25%
Specialty contracts	7%	7%	7%	7%
Self pay	1%	1%	1%	1%

The following details the percentage of accounts receivable by payer category as of June 30, 2014 and 2013

	2014	2013
Commercial insurers	2%	2%
Managed care	48%	54%
Government (HMO and third party)	26%	29%
Specialty contracts	21%	13%
Self pay	3%	2%

Specialty contracts are single case agreements or contracts for specialty services, such as transplants

Net patient service revenue is reported at estimated net realizable amounts from patients, third party payers and others for services rendered and includes estimated retroactive revenue adjustments due to future audits and reviews Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits and reviews

Cincinnati Children's recognizes net patient services revenue associated with services provided to patients who have third-party payer coverage on the basis of estimated contractual rates for services rendered For uninsured patients that do not qualify for charity care, Cincinnati Children's

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

recognizes net patient services revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) On the basis of historical experience, a significant portion of Cincinnati Children's uninsured patients will be unable or unwilling to pay for the services provided Thus, Cincinnati Children's records a provision for bad debts related to uninsured patients in the period the services are provided

Revenue from government (Medicaid and Medicare) programs accounted for approximately 24% and 25% of the Cincinnati Children's net patient service revenue for the fiscal year ended June 30, 2014 and 2013, respectively Laws and regulations governing the Medicaid and Medicare programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change a material amount in the near term At June 30, 2014, Cincinnati Children's has settled all Medicaid cost reports through 2008 and all Medicare cost reports through 2012

The following table reconciles gross patient service revenue to net hospital patient service revenue for the years ended June 30, 2014 and 2013.

	2014	2013
Charges at established rates	$2,510,971	$2,323,171
Deductions		
Discounts on commercial contractuals	(257,951)	(229,297)
Write-downs related to services to the poor Including Medicaid and governmental contractuals, charity care and other uncollectible self pay write-offs	(820,993)	(759,538)
	1,432,027	1,334,336
Tax Levy Program	5,200	5,200
Care Assurance Program	24,441	14,117
Net Hospital Patient Service Revenue	$1,461,668	$1,353,653

Patient accounts receivable and related allowances for contractual adjustments and doubtful accounts are recorded on an accrual basis at estimated collection rates to report patient accounts receivable at net realizable value. Accounts receivable are reduced by an allowance for doubtful accounts and contractual allowances In evaluating the collectability of accounts receivable, Cincinnati Children's performs a detail review of current accounts, analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and contractual allowances Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowances For receivables associated with services provided to patients who have a third-party coverage, Cincinnati Children's analyzes contractually due amounts and provides an allowance for contractuals (for example, for expected unrecoverable amounts based on contract provisions on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely) For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Cincinnati Children's records a provision for bad debts in the period of

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

Cincinnati Children's allowance for doubtful accounts for self-pay patients was 21% and 23% of self-pay accounts receivable at June 30, 2014 and 2013 In addition, Cincinnati Children's bad debt write-offs (before recoveries) totaled approximately $40,833 and $37,784 for the years ended June 30, 2014 and 2013, respectively Cincinnati Children's modified its charity care and uninsured policy in fiscal 2014 in order to provide greater discounts to such patients Cincinnati Children's did not change its charity care or uninsured discount policies during fiscal year 2013 Cincinnati Children's does not maintain a material allowance for doubtful accounts from third-party payers nor does it have significant write-offs from third-party payers Cincinnati Children's does maintain an allowance for contractual write-offs for third party payers in order to appropriately reduce receivables to net realizable value

A summary of activity in Cincinnati Children's provision for doubtful accounts for the year ended June 30, 2014 and 2013 related to patient receivables is as follows

	Balance at Beginning of Year	Provision for doubtful Accounts	Accounts written off, Net of recoveries	Balance at End of Year
Year Ended June 30, 2014	$16,618	$23,774	$(25,253)	$15,139
Year Ended June 30, 2013	$14,677	22,743	(20,802)	$16,618

The Consolidated Balance Sheet also includes $39,120 and $36,638 of contractual reserves related to net patient receivables as of June 30, 2014 and 2013

Accounts receivable related to professional services billings is included in Other Receivables in the accompanying Consolidated Balance Sheets

(e) Capitation Revenue – Cincinnati Children's has agreements with two Ohio Medicaid managed care companies, covering approximately 36,000 children, to provide for reimbursement under a variable capitation methodology for hospital services Under these two contracts, all physician and home care services continue to be reimbursed based on provider fee schedules The hospital services are reimbursed through a variable capitation payment which represents the amount remaining after payment has been made for (a) Cincinnati Children's physician services, (b) Cincinnati Children's home care services, and (c) services provided to members outside the Cincinnati Children's network Under delegation agreements, Health Network by Cincinnati Children's receives fixed payments to perform the required medical management, care management and care coordination functions. Medicaid managed care organizations retain risk for payments to providers

(f) Grant Revenue and Other Revenue -- Grants and contributions restricted for a specific operating purpose are recorded as temporarily restricted net assets and reflected in unrestricted revenues, gains, and other support when the funds are expended in accordance with the specifications of the grantor or donor Contributions for capital expenditures, recorded as temporarily restricted net assets when received, are recorded as net assets released from restrictions used for the purchase of property and equipment when expended Unrestricted contributions and bequests are included in other revenue when received

(g) Graduate Medical Education –Cincinnati Children's receives Federal graduate medical education funding, which has resulted in other revenue of $9,166 and $8,438 recognized in the accompanying consolidated financial statements for the years ended June 30, 2014 and 2013, respectively

(h) Meaningful Use Funding --Cincinnati Children's is eligible for incentive payments for the hospital and physicians that implement and meaningfully use electronic health record (EHR) technology under The American Recovery and Reinvestment Act of 2009 (ARRA). In fiscal 2014 and 2013, Cincinnati Children's applied for and received $4,351 and $5,805, respectively, in funding under ARRA related to the hospital and eligible physician use of an EHR

(i) Tax Exempt Status--Cincinnati Children's and CHSN are recognized by the Internal Revenue Service as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as charitable organizations qualifying under Section 501(c)(3) River City is a captive insurance company and has no income tax obligations NKCMS, Burnet and TSHCH are limited liability corporations whose income is taxable to Cincinnati Children's The income tax provisions recorded in the accompanying consolidated financial statements are immaterial for the years ended June 30, 2014 and 2013

Cincinnati Children's accounts for income taxes in accordance with Accounting Standards Codification Topic (ASC) 740 "Income Taxes" It is Cincinnati Children's policy to classify the expense related to interest and penalties, if any, to be paid on underpayments of income taxes within other expenses. There were no material penalties or interest recognized in fiscal 2014 and 2013.

Listed below are the tax years that remain subject to examination by major tax jurisdiction.

Federal – 2011 to 2014
State – 2011 to 2014

(j) Cash Equivalents--Cash equivalents consist primarily of money market investments (including money market mutual funds), certificates of deposit and demand deposits Cash is held primarily in one bank

(k) Inventories –Inventories consist of medical supplies and pharmaceuticals and are valued on an average cost method

(l) Marketable Securities-- Cincinnati Children's accounts for its investments under ASC 958-320 "Not-for-Profit Entities – Investments – Debt and Equity Securities" Cincinnati Children's carries its marketable securities at fair value with unrealized gains and losses included in the Consolidated Statements of Operations and Changes in Net Assets At June 30, 2014, there were $39,272 and

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

$37,361 of pending purchases and sales of marketable securities, respectively. At June 30, 2013, there were no such pending transactions

At June 30, 2014, Cincinnati Children's marketable securities included 33% in U S Treasury securities and 12% in FNMA securities. At June 30, 2013, Cincinnati Children's marketable securities included 24% in U S Treasury securities and 10% in FNMA securities

(m) Assets Limited As To Use--Assets limited as to use include funds in trust (Note 4). Assets limited as to use are carried at fair value with unrealized gains and losses included in investment income in the accompanying Consolidated Statements of Operations and Changes in Net Assets At June 30, 2014 and 2013, assets limited as to use were invested as follows

	2014	2013
Cash Equivalents	$13,075	$ 7,911
Corporate Bonds	24,022	51,888
U S Government Securities	1,000	3,004
	$38,097	$62,803

(n) Investment Income--The following details the components of investment income on marketable securities and funds in trust for the years ended June 30, 2014 and 2013

	2014	**2013**
Interest income	$13,530	$11,294
Unrealized and realized gains (losses), net	610	(1,811)
Investment income	$14,140	$ 9,483

Unrealized gains and losses related to temporarily restricted funds are recorded as an addition/reduction, as appropriate, to temporarily restricted net assets

(o) Fair Value Measurements—Cincinnati Children's accounts for its assets and liabilities under ASC 820 "Fair Value Measurements" As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date In order to increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels, which are described below

Level 1 Quoted Prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date for assets and liabilities The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly These include quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are a few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or

among market makers, or in which little information is released publicly and inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 Unobservable inputs, developed using Cincinnati Children's estimates and assumptions, which reflect those that the market participants would use Such inputs are used when little or no market data is available The fair value hierarchy gives the lowest priority to Level 3 inputs

Determining where an asset or liability falls within the hierarchy depends on the lowest level input that is significant to the fair value measurement as a whole In determining fair value, Cincinnati Children's utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers counterparty credit risk in the assessment of fair value

The table below includes the major categorization for debt and equity securities on the basis of the nature and risk of the investments at June 30, 2014

	Level 1	Level 2	Level 3
Marketable Securities.			
U S Government and treasury securities	$ -	$225,808	$ -
Municipal bonds		2,383	-
Certificates of Deposit	-	251	-
Common Stock	163	-	-
Corporate obligations	-	160,534	-
	163	388,976	-

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

	Level 1	Level 2	Level 3
Assets Limited As To Use:			
Corporate bonds	-	24,022	-
Money market mutual funds	13,075	-	-
U S government securities	-	1,000	-
	13,075	25,022	-
Investments in Private Investment Funds (included in Other Assets):			
High Yield Corporate Obligations	-	34	-
	-	34	-
Deferred Compensation Plans (included in Other Assets):			
Common Stock	3,184	-	-
Mutual Funds:			
Money Market	242	-	-
Equity	2,513	-	-
International Equity	1,818	-	-
Bond	1,013	-	-
Lifecycle	2,548	-	-
Real Estate	139	-	-

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

	Level 1	Level 2	Level 3
Variable Annuities:			
Bond	-	230	-
Equity	-	883	-
International Equity	-	180	-
Money Market	-	23	-
Real Estate Pooled	-	217	-
Guaranteed Insurance	-	-	5,251
	11,457	1,533	5,251
Total	$24,695	$415,565	$5,251

The table below includes the major categorization for debt and equity securities on the basis of the nature and risk of the investments at June 30, 2013.

	Level 1	Level 2	Level 3
Marketable Securities			
U S Government and treasury securities	$ -	$137,523	$ -
Municipal bonds		2,443	-
Certificates of Deposit	-	1,506	-
Common Stock	156	-	-
Corporate obligations	-	118,288	-
	156	259,760	-
Assets Limited As To Use:			
Corporate bonds	-	51,888	-
Money market mutual funds	7,911	-	-

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

	Level 1	Level 2	Level 3
U S government securities	-	3,004	-
	7,911	54,892	-
Investments in Private Investment Funds (included in Other Assets):			
High Yield Corporate Obligations	-	17,276	-
	-	17,276	-
Deferred Compensation Plans (included in Other Assets):			
Common Stock	2,631	-	-
Mutual Funds:			
Money Market	589	-	-
Equity	2,536	-	-
Bond	598	-	-
Lifecycle	2,292	-	-
Variable Annuities:			
Bond	-	546	-
Equity	-	2,236	-
Money Market	-	23	-
Real Estate Pooled	-	432	-
Guaranteed Insurance	-	-	5,150
	8,646	3,237	5,150
Total	$16,713	$335,165	$5,150

The valuation methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date

Cincinnati Children's uses quoted market prices in active markets to determine the fair value of common stock and mutual funds, such items are classified as Level 1 in the fair value hierarchy

Cincinnati Children's primarily bases fair value for investments in fixed income securities, including US government securities, municipal bonds and corporate obligations on a calculation using interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and considers the counterparty credit rating Such items are classified as Level 2 in the fair value hierarchy

Investments in private investment funds are valued by net asset value, as published and determined by the fund manager

Cincinnati Children's investment in High Yield Corporate Obligations is an investment in a limited liability company whose investment objective is to achieve superior fixed income returns on invested funds through exposure to higher quality, less volatile, high yield debt securities As set forth in the LLC agreement, the LLC will dissolve on March 29, 2040, but may dissolve earlier under certain conditions Any Investing Member may elect to withdraw, in whole or in part from the LLC on the last business day of any month or at such other date, as determined by the manager

ASC 825 permits entities to choose to measure many financial instruments and certain other items at fair value Entities that elect the fair value option will report unrealized gains and losses in earnings at each subsequent reporting date Cincinnati Children's elected to measure its high yield corporate obligation investment fund under the provisions of ASC 825. In the future, Cincinnati Children's may elect to measure certain additional financial instruments at fair value in accordance with this standard

The guaranteed insurance contract is recorded based on discounted cash flows, which is an approximation of fair value.

Cincinnati Children's Level 3 investments are primarily in investment partnerships and a guaranteed insurance contract These investments are classified as Level 2 or Level 3 based on time restrictions for redemption An investment in an investment partnership is classified as a Level 2 investment if it can be liquidated in 90 days or less, otherwise it is classified as a Level 3 investment

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

The following is a reconciliation of the roll forward of the fair value measurements using significant unobservable inputs for fiscal 2014

Balance at July 1, 2013	$5,150
Purchases	2,742
Unrealized gains	149
Sales	(2,790)
Balance at June 30, 2014	$5,251
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses related to assets still held at June 30, 2014	$149

The following is a reconciliation of the roll forward of the fair value measurements using significant unobservable inputs for fiscal 2013

Balance at July 1, 2012	$14,966
Purchases	3,351
Unrealized gains	78
Sales	(693)
Other reclassification	(12,552)
Balance at June 30, 2013	$ 5,150
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses related to assets still held at June 30, 2014	$78

Cincinnati Children's policy is to recognize transfers in and out as of the actual date of the event or change in circumstances that caused the transfer For the years ended June 30, 2014 and 2013, there were no significant transfers in or out of Levels 1, 2 or 3

(p) Property and Equipment--Property and equipment are stated at cost Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, ranging from three to forty years, as follows

Land Improvements	3-25 years
Buildings and Building Improvements	5-40 years
Equipment	3-25 years

Amortization of assets leased under capital leases is included in depreciation.

Cincinnati Children's evaluates long-lived assets under the provisions of ASC 360 "Property Plant and Equipment". During fiscal 2014, Cincinnati Children's recorded a non-recurring loss of $8,101,

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

related to impairment of land values based on a fair market value assessment of the estimated sales price Cincinnati Children's would expect to receive upon sale of this land During fiscal 2013, Cincinnati Children's did not record any impairment losses

(q) Costs of Borrowing--Interest incurred on borrowed funds, net of interest earned on restricted bond funds, during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. In fiscal 2014 and fiscal 2013, Cincinnati Children's capitalized $336 and $1,323 of interest related to construction in progress Total cash paid for interest was approximately $14,629 and $15,635 in fiscal 2014 and 2013, respectively

Deferred bond issuance costs and original issue discounts are amortized using the effective interest method over the period the related obligation is outstanding

(r) Temporarily Restricted Net Assets--Temporarily restricted net assets are those whose use by Cincinnati Children's has been limited by donors to a specific purpose Temporarily restricted net assets and net assets released from donor restrictions are primarily comprised of net assets restricted to support operations Substantially all of these net assets are restricted by donors to support research, education and other advances in clinical care and prevention The amount of temporarily restricted net assets whose use by Cincinnati Children's has been limited by donors for a specific purpose was $135,348 and $143,741 at June 30, 2014 and 2013, respectively

Temporarily restricted net assets related to assets held in endowments at supporting organizations on Cincinnati Children's behalf are either donor restricted to support research at Cincinnati Children's or deferred gift programs where the restriction is a time restriction tied to the life expectancy of the donor The amount of temporarily restricted net assets held at supporting organizations was $17,961 and $26,696 at June 30, 2014 and 2013, respectively

(s) Permanently Restricted Net Assets--Permanently restricted net assets are restricted by the donor to be maintained in perpetuity and are recorded in Interest in Net Assets of Supporting Organizations in the accompanying Consolidated Balance Sheets as they are held by supporting organizations As of June 30, 2014 and 2013, permanently restricted net assets consisted of the following amounts with expendable investment income restricted by donors to be used for the following purposes

	2014	2013
Research activities	$1,080,199	$ 904,417
Clinical activities	200,529	180,537
	$1,280,728	$1,084,954

The assets underlying Cincinnati Children's permanently restricted net assets have been invested by supporting organizations in primarily marketable securities

(t) Excess of Revenues Over Expenses--The Consolidated Statements of Operations and Changes in Net Assets include "excess of revenues over expenses " Changes in unrestricted net assets which are excluded from excess of revenues over expenses include receipts from supporting organizations, transfers to supporting organizations, pension and post retirement health liability adjustment, and contributions of long-lived assets (including assets acquired using contributions which by donor restrictions were to be used for the purpose of acquiring such assets)

(u) Use of Estimates--The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

(v) New Accounting Pronouncements-- In May 2011, the FASB issued ASU 2011-4, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U S GAAP and IFRSs," related to amendments to certain measurement principles and disclosures regarding fair value measurements The amendments in this update improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U S Generally Accepted Accounting Principles and International Financial Reporting Standards For nonpublic entities, the amendments are effective for annual periods beginning after December 15, 2011 Cincinnati Children's adopted the new guidance, effective July 1, 2012, which did not have a material impact on the consolidated financial statements and related disclosures

In July 2011, the FASB issued ASU 2011-7, "Health Care Entities (Topic 954), Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities " In accordance with ASU 2011-7, the Cincinnati Children's is required to present its provision for doubtful accounts as a deduction from revenue, similar to contractual discounts Accordingly, the Medical Center's revenue is required to be reported net of both contractual discounts and its provision for doubtful accounts Additionally, ASU 2011-7 requires the Medical Center to make certain additional disclosures designed to help users understand how contractual discounts and bad debts affect recorded revenue in both interim and annual financial statements ASU 2011-7 is required to be applied retrospectively, for nonpublic entities, the amendments are effective for the first annual period ending after December 15, 2012, and interim and annual periods thereafter, with early adoption permitted The adoption of ASU 2011-7 impacted the presentation of the Consolidated Statements of Operations and Changes in Net Assets as it relates to the classification of bad debt expense and was adjusted retrospectively and additional disclosures The adoption does not change net results or net assets

In December 2012, the FASB issued ASU 2011-11, "Balance Sheet (Topic 210) - Disclosures about Offsetting Assets and Liabilities," which requires companies to disclose information about financial instruments that have been offset and related arrangements to enable users of their financial statements to understand the effect of those arrangements on their financial position Companies will be required to provide both net (offset amounts) and gross information in the notes to the financial statements for relevant assets and liabilities that are offset ASU 2011-11 is effective for fiscal years, and interim periods within those years, beginning on or after January 1, 2013 Cincinnati Children's adopted the new guidance effective July 1, 2013, which did not have a material impact on the consolidated financial statements and related disclosures

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606) " ASU 2014-09 will eliminate the transaction- and industry-specific revenue recognition guidance currently in place under generally accepted accounting principles and will replace it with a principle-based approach for determining revenue recognition ASU 2014-09 will be effective for annual and interim periods beginning after December 15, 2017, and early adoption is prohibited

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Management has not yet evaluated the impact of ASU 2014-09 on the consolidated financial statements

(2) Losses on the Provision of Uncompensated Care-

In accordance with its mission and purpose, Cincinnati Children's maintains a policy of providing medically necessary services to pediatric patients within its primary service area regardless of ability to pay. This primary service area has been defined to include the four counties in Ohio, three counties in Kentucky and one county in Indiana that geographically surround Cincinnati. Under certain circumstances, Cincinnati Children's accepts patients from outside the primary service area regardless of their ability to pay. Cincinnati Children's defines indigent patient care as services rendered to patients whose families' annual income or net worth falls below certain minimum standards. As such, losses absorbed by the Medical Center in rendering services to patients who are covered under governmental programs which are designed to aid low income families (primarily the Medicaid program) are considered indigent patient care.

The following information summarizes uncompensated care provided during the years ended June 30, 2014 and 2013:

2014			
CHARGES	**Hospital**	**Physician**	**Total**
Charges under Medicaid and other entitlement programs	$1,013,866	$253,415	$1,267,281
Charity care not eligible for Medicaid assistance, at established charges	35,072	4,665	39,737
Other uncollectible self pay, at established charges	26,141	10,838	36,979
Total Medicaid, charity care and other uncollectible self pay charges	$1,075,079	$268,918	$1,343,997
COSTS/LOSSES			
Estimated costs to provide uncompensated care	$ 470,086	$ 131,502	$601,588
Reimbursement from Medicaid programs	(377,063)	(41,696)	(418,759)
Losses on the provision of uncompensated care	(93,023)	(89,806)	(182,829)
Funds received from HCAP and tax levy	29,641	-	29,641
Losses on provision of uncompensated care net of HCAP and tax levy	($63,382)	($89,806)	($153,188)

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

2013 CHARGES	Hospital	Physician	Total
Charges under Medicaid and other entitlement programs	$1,059,868	$260,729	$ 1,320,597
Charity care not eligible for Medicaid assistance, at established charges	49,065	1,940	51,005
Other uncollectible self pay, at established charges	20,802	10,531	31,333
Total Medicaid, charity care and other uncollectible self pay charges	$1,129,735	$273,200	$1,402,602
COSTS/LOSSES			
Estimated costs to provide uncompensated care	$ 518,477	$ 142,064	$660,541
Reimbursement from Medicaid programs	(322,847)	(36,184)	(359,031)
Losses on the provision of uncompensated care	(195,630)	(105,880)	(301,510)
Funds received from HCAP and tax levy	19,317	-	19,317
Losses on provision of uncompensated care net of HCAP and tax levy	($176,313)	($105,880)	($282,193)

The 2014 and 2013 cost amounts reflected in the tables above are calculated using cost to charge ratios calculated from prior year cost reports as the current year cost report is not yet available. Management does not believe that the difference in the cost report year would have a material impact on the amounts calculated

(3) Tax Levy Funds-

Under an agreement with Hamilton County, Ohio (the County), Cincinnati Children's receives tax-supported funding from the County to reimburse Cincinnati Children's for the provision of charity care to the County's indigent residents During fiscal 2014 and 2013, Cincinnati Children's recognized $5,200 and $5,200, respectively, of tax levy reimbursement in the accompanying Consolidated Statements of Operations and Changes in Net Assets

The current tax levy agreement covers the period of the approved three year tax levy renewal, January 1, 2012 through December 31, 2014, which is subject to renewal by the voters of Hamilton County, Ohio The amount distributed by the County from the Tax Levy proceeds to Cincinnati Children's during each year of the Term hereof is subject to an annual appropriation at the discretion of the Board of County Commissioners On an annual basis, Cincinnati Children's shall render hospital inpatient and outpatient health and hospitalization services to medically indigent Hamilton County residents who are "Eligible Individuals" that have a total cost of at least the amount of the annual payments distributed to the Hospital under this Agreement for that year

The vote on the next tax levy renewal will be held in November 2014 The Hamilton County Commissioners are recommending that Cincinnati Children's portion of the tax levy, if passed by voters, will be approximately $4,900 annually over a three year period

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

(4) Funds in Trust-

Cincinnati Children's has certain funds, which are invested and held in trust for various specified purposes The amounts of such funds, at carrying value, and the specified purposes for which such funds may be used, are set forth below

	June 30,	
	2014	**2013**
Self-insurance Funds-		
Professional liability (A)	$ 161	$ 162
Employee health and workers' compensation (B)	893	473
Health Network Escrow (C)	3,637	-
Bond interest escrow funds (D)	4,001	2,794
2012 Construction fund (E)	27,104	59,360
Performance Bid Bond (F)	2,301	-
Tomorrow fund	-	14
	$38,097	$62,803

(A) Cincinnati Children's has established an irrevocable trust fund for the payment of professional liability claim settlements. See Note 6 for further discussion of professional liability self-insurance

(B) Cincinnati Children's has established a trust fund for the payment of claims related to certain self-insured employee health care and other programs.

(C) Cincinnati Children's maintains an escrow fund with a bank as part of the arrangement with an Ohio Medicaid Managed Care Company under its division called Health Network to cover estimated incurred but not reported claims for Cincinnati Children's providers, home care and mental health services as well non-Cincinnati Children's providers

(D) Cincinnati Children's maintains bond interest escrow funds as required under the terms of the related bond indentures to hold interest payments until the required payment dates to bondholders.

(E) Cincinnati Children's borrowed $60,000 in December 2012 in the form of a taxable note, the proceeds of which are being used to fund a portion of the cost of building a new clinical sciences building In fiscal 2014, Cincinnati Children's drew down $32,256 The remaining draws from the trust are expected to occur in fiscal 2015

(F) Cincinnati Children's executed a Performance Bid bond related to a submission of a proposal to perform consulting services The bid bond expired in July 2014 and was repaid to Cincinnati Children's

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

(5) Property and Equipment-

Property and equipment consists of the following

	June 30,	
	2014	**2013**
Land	$ 41,614	$ 47,809
Land improvements	18,724	18,352
Buildings and building improvements	1,123,604	1,091,017
Equipment	531,609	554,281
Construction in progress	139,763	46,988
	1,855,314	1,758,447
Accumulated depreciation	(856,917)	(849,912)
Property and equipment, net	$998,397	$ 908,535

(6) Professional Liability-

The Medical Center's insurance program includes a self-insured retention for losses arising out of healthcare professional liability claims The self-insured retention for the claims that are currently asserted is as follows

For claims made between:	
October 1, 2004 and September 30, 2006	$10,000 ($20,000 in aggregate)
For claims made subsequent to:	
October 1, 2006	$10,000 ($25,000 in aggregate)

During this same time period, the Medical Center annually purchased excess healthcare professional liability insurance on a claims made basis The aggregate limit for that excess insurance was $50,000 through the policy year ending May 31, 2008 That excess coverage was increased to $60,000 for the policy year beginning June 1, 2008 and it remains at that limit in the current policy year.

The actuarial present value of expected costs (including incurred, but not reported claims) for the healthcare professional liability program of $45,940 and $23,781 for 2014 and 2013, respectively, has been accrued in the accompanying Consolidated Balance Sheets Accrued healthcare professional liability losses have been discounted at a rate of approximately 4% at June 30, 2014 and 2013, respectively The costs of the Medical Center's healthcare professional liability program, including premiums paid for excess re-insurance, legal fees, settlements, judgments, and other administrative costs are included in Supplies.

Drugs and Other in the accompanying Consolidated Statements of Operations and Changes in Net Assets. On an ongoing basis, management reviews the status of all healthcare professional liability claims, as well as legal proceedings, and, based upon consultation with a professional actuary, adjusts the accrued losses and self-insured retention funding levels to reflect its best estimate of the present value of expected costs for the healthcare professional liability claims Healthcare professional liability expense amounted to $35,847 and $4,701 for fiscal 2014 and 2013, respectively

(7) Capital Lease Obligations-

The Medical Center leases certain equipment under capital leases The aggregate future minimum lease payments total $3,783, with $1,709 due in fiscal 2015 There were no new capital leases entered into in fiscal 2014 and 2013

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

(8) Tax Exempt Bonds Payable and Notes Payable-

Bonds payable and notes payable for the years ended June 30, 2014 and 2013 consist of the following

	2014	2013
Bonds payable and notes payable:		
Series 1997, variable interest (0 06% at June 30, 2014), due through 2017	$ 26,420	$29,810
Series 1998, 4 75% to 5 00% due through 2028, net of unamortized discount of $2,106 in 2013	-	49,283
Series 2000, variable interest (0 06% at June 30, 2014), due through 2028	47,540	48,075
Series 2002, variable interest (0 06% at June 30, 2014), due Through 2028	19,575	20,630
Series 2004, 4 50% to 5 50% due through 2034, net of unamortized discount of $185 in 2013	-	81,120
Series 2006, 4 25% to 5 00%, due through 2032, net of unamortized premium of $386 in 2014 and $399 in 2013	63,461	63,474
Series 2007, variable interest (0 05% due at June 30, 2014), due through 2037	30,615	30,615
Series 2008, variable interest (0 15% due at June 30, 2014), due through 2036	19,045	19,045
Series 2009, 4 20% due through 2019	15,000	18,000
Series 2010, 2 27% due through 2020	18,000	21,000
Series 2011, (2 18% in 2014 and 2 207% in 2013) due through 2022	48,205	53,100
Series 2014, 3 0% to 5 0% due through 2034, net of unamortized premium of $10,463 in 2014	133,979	-
Term Note Payable, 2 20% due through 2022	48,000	54,000
Note Payable on Vernon Manor Property, interest at 4 045%	26,551	27,752
Total bonds payable and notes payable	496,391	515,904
Less- current portion	(30,900)	(25,310)
Tax exempt bonds payable and notes payable - long-term	$465,491	$490,594

(a) Tax Exempt Bonds Payable—Cincinnati Children's has pledged their gross revenues, as defined, to secure the payment of Series 1997, 1998, 2000, 2002, 2004, 2006, 2007, 2008, 2009, 2010, 2011 and 2014 bonds Cincinnati Children's is bound by certain financial covenants included in the bond indentures, letters of credit (fully securing the 1997, 2000, 2002, 2007 and 2008 issuances) and related agreements Among other restrictions is a requirement to maintain a minimum Debt Service Coverage Ratio, as defined

Payment of the principal of, and the interest on, the Series 1998, 2004 and 2006 bonds is insured by a policy of municipal bond insurance The 1997, 2000, 2002, 2007 and 2008 bonds may be tendered to a remarketing agent by bondholders on business days for full payment of principal and accrued interest Cincinnati Children's has entered into standby letters of credit totaling $143,195 which commits major banks to make funds available to purchase the bonds that are not remarketed

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Cincinnati Children's is required to maintain these or similar agreements until the bonds have been paid or converted to fixed rate obligations

The interest rates on the 1997, 2000, 2002, 2007 and 2008 variable rate bonds are reset weekly by a rate-setting agent

(b) Future Debt Maturities --
The following is a schedule of future debt maturities, excluding discounts/premiums

2015	$ 30,900
2016	31,587
2017	32,220
2018	32,002
2019	24,903
Thereafter	333,929
	$485,541

(c) Lines of Credit -- In August 2008, Cincinnati Children's secured a $40,000 line of credit In fiscal 2012, Cincinnati Children's reduced the line of credit to $30,000 The line of credit expired in February 2013 and bore interest at the monthly LIBOR rate plus 100 basis points There were no draws on the line of credit during fiscal 2013

In March 2014, Cincinnati Children's secured a $150,000 line of credit. The line of credit expires in March 2017 and bears interest at LIBOR plus 65 basis points There were no draws on the line of credit during fiscal 2014

(d) Note Payable on Vernon Manor Property -- Cincinnati Children's entered into an agreement with a Developer to renovate and occupy the Vernon Manor property to be used primarily for administrative office space The property is located near the main campus Additionally, a parking garage was constructed on adjacent property in order to provide parking for the occupants of the building As part of the agreement, Cincinnati Children's agreed to make fixed monthly payments over the seventeen year term of the agreement The present value of such fixed payments at June 30, 2014 and 2013 is $26,551 and $27,752, respectively, using Cincinnati Children's estimated tax-exempt interest rate at the time of the agreement of 4 045% The agreement also calls for variable payments monthly to cover operating expenses for the office building and the parking garage Additionally, the agreement has a provision that Cincinnati Children's can purchase the facility at the end of seven years (2019) for the then fair market value

(e) Loss on Early Extinguishment of Tax Exempt Bonds Payable – In January 2014, Cincinnati Children's refinanced $49,283 of the outstanding 1998 tax exempt bonds and $81,120 of outstanding 2004 tax exempt bonds with a $123,515 tax exempt bond offering, with a premium recorded of $11,179 The obligations bear interest at a fixed rate ranging from 3% to 5% As part of the refunding, Cincinnati Children's recorded a $3,967 loss on early extinguishment of tax exempt bonds payable in fiscal 2014

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Additionally in June 2014, Cincinnati Children's refinanced $48,205 of series 2011 bonds in order to extend the maturity date to 2022 from 2019. As part of the refinancing, Cincinnati Children's recorded a $70 loss on refinancing.

(9) Employee Benefit Plans-

The Cincinnati Children's maintains non-contributory retirement plans covering substantially all employees. Among these plans is a defined benefit plan where benefits are based on a formula which reflects years of service and salary levels. The Cincinnati Children's 's funding policy for its defined benefit plan meets the funding standards established by the Employee Retirement Income Security Act of 1974 (ERISA).

The Cincinnati Children's investment strategy with respect to pension assets is designed to achieve a moderate level of overall portfolio risk in keeping with desired risk objective, which is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. The Investment Policy for the portfolio contains a long-term target allocation as follows:

Long Duration Treasury Bonds	10.0%
Long Duration Corporate Bonds	10.0%
High Yield Fixed Income	5.0%
Emerging Markets Fixed Income	5.0%
Global Developed Markets Equity	44.0%
Emerging Markets Equity	11.0%
Private Equity	6.0%
Real Estate	6.0%
Commodities	3.0%

In order to maintain the portfolio's actual asset allocation in line with the target allocations specified above, the assets are re-allocated or rebalanced regularly within each asset class to the above minimum and maximum allocations. Because of the illiquid nature of private equity and real estate, it is not anticipated that these asset classes will be rebalanced on a regular basis. As of June 30, 2014, the Cincinnati Children's made $43,000 in funding commitments in four investment partnerships of which $15,800 had been funded. Additionally, the Cincinnati Children's had made $25,000 in funding commitments in three real estate investment partnerships of which $14,100 had been funded. It is anticipated that these commitments will be funded from liquid investments in the plan and any required funding contributions.

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

The Cincinnati Children's defined benefit plan investment allocation at the actuarial measurement date of June 30, 2014 and 2013 by asset category is as follows

	2014	2013
Cash and cash equivalents	1 7%	6 9%
Bond mutual funds	9 9%	17 3%
Common stock	6 4%	5 2%
Corporate bonds	5 6%	5 9%
Government bonds	-	0 1%
Investment Partnerships		
Equity	1 8%	12 1%
Commodities	-	2 6%
Bond	16 6%	15 4%
International equity	56 4%	34 0%
Real estate	1 6%	0 5%
	100 0%	100 0%

At June 30, 2014, the fair value and its placement in the fair value hierarchy of the underlying assets of the Plan that are required to be measured at fair value are as follows (see Note 1(o) for further discussion on the fair value hierarchy and fair value principles)

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 14,316	$ -	$ -
Bond mutual funds	84,937	-	-
Corporate bonds	-	48,205	-
Common stock	54,889	-	-
Government bonds	-	851	-
Investment Partnerships			
Equity	-		15,217
Bond	-	111,172	30,711
International equity	-	481,390	-
Real Estate	-	-	13,523
	$154,142	$641,618	$59,451

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

At June 30, 2013, the fair value and its placement in the fair value hierarchy of the underlying assets of the Plan that are required to be measured at fair value are as follows (see Note 1(o) for further discussion on the fair value hierarchy and fair value principles).

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 49,303	$ -	$ -
Bond mutual funds	123,861	-	-
Corporate bonds	-	41,970	-
Common stock	37,330	-	-
Government bonds	-	1,152	-
Investment Partnerships			
Equity	-	78,774	8,140
Commodities	-	18,416	-
Bond	-	110,351	-
International equity	-	244,043	-
Real Estate	-	-	3,680
	$210,494	$494,706	$11,820

The fair values of Level 1 investments are based on quoted prices in active markets The Level 2 and Level 3 investments in private investment funds are valued using the net asset value reported by the managers of the funds and as supported by the unit prices of actual purchase and sale transactions The Level 3 investments in investment partnerships generally are associated with liquidation restrictions that may range from 91 days to the life of the fund (up to fifteen years) and may require redemption penalties

Balance at July 1, 2013	$ 11,820
Purchases	47,673
Unrealized gains	1,987
Sales	(2,029)
Balance at June 30, 2014	$ 59,451
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses related to assets still held at June 30, 2014	$1,987

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Balance at July 1, 2012	$ -
Purchases	12,217
Unrealized gains	438
Sales	(835)
Balance at June 30, 2013	$ 11,820
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses related to assets still held at June 30, 2013	$438

The following table reflects the weighted average assumptions utilized to determine benefit obligations

	2014	2013
Discount rate used to determine actuarial present value of the projected benefit obligation	4 31%	4 84%
Assumed rate of increase in compensation levels	4 00%	4 00%
Long-term rate of return	7 50%	7 50%

The following table sets forth the funded status of the plan and amounts recognized in the accompanying Consolidated Balance Sheets as of June 30, 2014 and 2013, utilizing actuarial measurement dates as of June 30, 2014 and 2013

	2014	2013
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	$ 963,780	$1,014,433
Service cost	50,089	56,176
Interest cost	46,312	42,029
Plan amendments	(159,299)	-
Other actuarial (gains) losses	112,182	(138,247)
Benefits paid	(13,496)	(10,611)
Projected benefit obligation at end of year	999,568	963,780
Change in plan assets		
Fair value of plan assets at beginning of year	717,020	614,743
Actual return on plan assets	101,587	53,888
Employer contributions	50,100	59,000
Benefits paid	(13,496)	(10,611)
Fair value of plan assets at end of year	855,211	717,020
Funded status	(144,357)	(246,760)
Net accrued pension liability in Consolidated Balance Sheets	$(144,357)	$ (246,760)

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

In June 2014, management announced that effective January 1, 2015, the Plan would be amended to eliminate future benefit accruals under the Traditional Plan formula (as defined in the Plan document) as of December 31, 2014 All future benefit accruals after December 31, 2014 will be determined under the Stable Value Plan formula (as defined in the Plan document). Additionally, the Plan amendment allows for lump sum payments to be made on all future benefit payments The changes are being accounted for as negative plan amendments as of June 30, 2014

Amounts included in Unrestricted Net Assets but not yet recognized in pension cost consist of

	2014	2013
Net actuarial loss	$ 401,039	$356,572
Net prior service credit	(159,299)	-
	$ 241,740	$356,572

The estimated actuarial loss and prior service credit that will be amortized from Unrestricted Net Assets into net pension cost in fiscal 2015 are $24,789 and $(11,571), respectively

The table below reflects the following weighted average assumptions utilized to determine benefit costs were

	2014	2013
Discount rate used to determine actuarial present value of the projected benefit obligation	4 84%	4 17%
Assumed rate of increase in compensation levels	4 00%	4 00%
Expected long-term rate of return on plan assets	7 50%	7 50%

The Cincinnati Children's expected long-term rate of return on plan assets is based on the expected average returns based on the portfolio mix of plan assets and is reassessed on an annual basis

Net periodic pension cost for 2014 and 2013 related to the defined benefit plan consisted of the following components

	2014	2013
Service cost	$50,089	$56,176
Interest cost	46,312	42,029
Return on plan assets	(53,260)	(45,324)
Amortization of prior service cost	-	38
Recognized net actuarial loss	19,297	32,775
Net periodic pension cost	$62,438	$85,694

Based on preliminary estimates, we do not expect any required fiscal 2015 contributions for the qualified defined benefit plan under the current funding regulations

The accumulated benefit obligation for the pension plan was $978,477 and $809,752 at June 30, 2014 and 2013, respectively

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Cincinnati Children's estimated benefit payments in each of the next five fiscal years and in aggregate for the five fiscal years thereafter are as follows:

2015	$ 24,183
2016	37,653
2017	47,189
2018	56,086
2019	64,397
2020-2024	396,409

All other retirement plans maintained by Cincinnati Children's are defined contribution plans Cincinnati Children's contributions to these plans are generally based on ten percent of salaries up to established ERISA limits Total expense related to these other plans was approximately $20,420 and $19,063 in fiscal 2014 and 2013, respectively Through December 31, 2012, Cincinnati Children's maintained a matching contribution related to non-faculty, non-senior management employees in which the Cincinnati Children's contributed one dollar for every dollar an employee contributes to a 403(b) plan up to 1% of an employees salary subject to certain restrictions, including a three year vesting schedule and employee contributions made each pay period The total amount expensed in fiscal 2013 related to this plan was approximately $1,904

Cincinnati Children's has a nonqualified deferred compensation plan, which permits eligible officers, directors and key employees to defer a portion of their compensation The deferred compensation amounts are in participant directed investments and are considered trading securities The participants have the option of deferring the amounts for no less than two years, but no greater than retirement age If a participant chooses to defer amounts to less than retirement age they have one option to extend the deferral term or to be paid out the fair value of the assets, net of taxes upon expiration The amounts are at a substantial risk of forfeiture and will revert back to the Cincinnati Children's if the employee is not actively employed at the vesting date The fair value of the assets and liability to participants included in the accompanying Consolidated Balance Sheets were $11,981 and $11,688 at June 30, 2014 and 2013, respectively The amount of deferred compensation expense recognized in fiscal 2014 and 2013 was $1,682 and $1,160, respectively Additionally, Cincinnati Children's provides for individual nonqualified deferred compensation benefits for retention of key employees with varying terms The fair value of the assets and liability to participants related to these individual agreements in the accompanying Consolidated Balance Sheets were $6,260 and $5,345, respectively at June 30, 2014 and 2013

In addition to providing pension benefits, Cincinnati Children's makes available medical and dental benefits for certain eligible employees upon retirement from the Cincinnati Children's at cost Substantially all employees may become eligible for such benefits upon retiring from active employment of the Medical Center Former employees who retired prior to March 1, 1997 are entitled to subsidized medical and dental benefits In June 2012, Cincinnati Children's notified retirees that effective January 1, 2013, the retiree's health benefits will be provided through a third party arrangement versus Cincinnati Children's self-insured plans

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

The postretirement benefit obligations, included within other long-term liabilities, as of June 30, 2014 and 2013 were as follows

	2014	2013
Change in benefit obligation.		
Benefit obligation at beginning of year	$3,691	$4,475
Interest cost	112	116
Plan participants contributions	159	336
Medicare Part D subsidy	7	191
Actuarial (gains) losses	379	(233)
Benefits paid	(579)	(1,194)
Benefit obligation at end of year	$3,769	$3,691

Amounts included in Unrestricted Net Assets but not yet recognized in postretirement cost consist of

	2014	2013
Net actuarial loss	$ 3,739	$3,806
Net prior service cost	(3,758)	(4,604)
	$ (19)	$ (798)

The estimated actuarial loss and prior service cost which will be amortized from Unrestricted Net Assets into net postretirement cost in fiscal 2015 are $435 and $(754) respectively

The above table reflects the following weighted average assumptions to determine postretirement obligations:

	2014	2013
Discount rate	3 00%	3 26%
Health care cost trend rate	5 00%	5 00%

Net periodic cost for 2014 and 2013 related to the medical and dental postretirement benefits consisted of the following components

	2014	2013
Interest cost	$ 112	$ 116
Amortization of unrecognized net gain and prior service credit	(399)	(343)
	$(287)	$(227)

For fiscal 2014 and fiscal 2013, the discount rate used to determine the net periodic postretirement costs was 3 26% and 2.79%, respectively

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

Assumed healthcare cost trend rates have a significant effect on the amounts reported for healthcare plans. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects

	1-Percentage-Point Increase	1-Percentage-Point Decrease
Effect on total of service and interest cost components	$ 715	$ (649)
Effect on accumulated postretirement benefit obligation	21,151	(19,229)

Cincinnati Children's expects to make the future benefit payments, which reflect expected future service, as appropriate The following benefit payments are expected to be paid (or received) over each of the next five years and thereafter

	Payments
2015	$ 506
2016	468
2017	430
2018	394
2019	358
2020-2024	1,300

(10) Commitments and Contingencies-

(a) Litigation-- Cincinnati Children's is engaged from time to time in a variety of litigation and regulatory compliance matters in addition to professional and general liability matters Management assesses the probable outcome of unresolved litigation and records estimated reserves consistent with ASC No 450, "Contingencies" After consultation with legal counsel, management believes that all such currently existing matters will be resolved without material adverse impact to the consolidated financial position or results of operations of Cincinnati Children's

(b) Laws and Regulations--The healthcare industry is subject to numerous laws and regulations of federal, state and local governments Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to review and interpretation, as well as regulatory actions unknown or unasserted at this time Federal and State government activity continues with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties, as well as significant repayment of previously billed and collected revenue from patient services Management believes that the Cincinnati Children's is in compliance, in all material respects, with fraud and abuse as well as other applicable government laws and regulations. Cincinnati Children's has recorded reserves for routine regulatory compliance issues and believes these reserves are adequate to cover any potential repayment of previously billed and collected revenue from patient services

(c) Capital Commitments—Cincinnati Children's has entered into agreements with general contractors for several new construction projects, renovation projects, equipment and information system

technology projects. The Medical Center has committed to spend an additional approximately $169,000 in connection with current active projects as of June 30, 2014 The projects are expected to be completed in fiscal 2015 and fiscal 2016

(d) Funding Commitments -- During fiscal 2005, the Board of Trustees of Cincinnati Children's approved a revocable commitment for up to a $15,000 non-recourse loan over seven years to Uptown Consortium Inc These funds are to be used to invest in commercial and residential projects in the uptown area As of June 30, 2014, Cincinnati Children's has provided $12,867 of funding in relation to this commitment

(e) Investment Commitments – Cincinnati Children's has made commitments to invest $12,000 in two limited partnerships that focus on investing in venture capital funds or provide venture capital for companies in the high-growth sectors of the economy, including life sciences, information technology and advanced manufacturing As of June 30, 2014 and 2013, Cincinnati Children's had funded $9,722 of this commitment At June 30, 2014 and 2013, respectively, the value of the investment recorded in Other Assets in the Consolidated Balance Sheets is $11,079 and $10,241 Distributions from the limited partnership are made at the discretion of the General Partner, primarily based on distributions from investee partnerships and sales of securities less partnership expenses and amounts retained for working capital, as provided for in the limited partnership agreement Redemptions of partnership interests prior to termination of the partnership defined in the limited partnership agreement are not anticipated

Cincinnati Children's has made a commitment to invest $5,000 in a limited partnership that focuses on investing in venture capital funds or provides ventures capital for companies in the high growth sectors of the economy, including life sciences, information technology and advanced manufacturing As of June 30, 2014 and 2013, Cincinnati Children's has funded $2,200 and $1,200 of this commitment At June 30, 2014 and 2013, the value of the investment recorded in Other Assets in the Consolidated Balance Sheets is $2,220 and $1,078, respectively Distributions from the limited partnership are made at the discretion of the General Partner, primarily based on distributions from investee partnerships and sales of securities less partnership expenses and amounts retained for working capital, as provided for in the limited partnership agreement Redemptions of partnership interests prior to termination of the partnership defined in the limited partnership agreement are not anticipated

Cincinnati Children's has made a commitment to invest $5,000 in a limited liability corporation (LLC) that focuses on investing in early stage venture capital funds regionally and nationally. The goal is to make the Cincinnati region the place for entrepreneurs and investors to launch new ideas. As of June 30, 2014 and 2013, Cincinnati Children's had funded $375 and $140, respectively, of the commitment At June 30, 2014 and 2013 the value of the investment recorded in Other Assets in the Consolidated Balance Sheets is $318 and $140, respectively. Unless the LLC is dissolved earlier in accordance with defined termination provisions, the term of the LLC shall end on the 12th anniversary of the date of the last sale of membership interests, subject to extension in the three one-year increments with written notice In general, no member shall have the right to withdraw from the LLC.

Cincinnati Children's has made a commitment to invest $3,000 in a limited partnership that invests primarily in high growth Information Technology and healthcare companies that leverage technology

For the Years Ended June 30, 2014 and 2013, respectively (dollars in thousands)

to make their customers' business or products/services better, faster or less expensive. As of June 30, 2014 and 2013, Cincinnati Children's has funded $600 and $300, respectively, of this commitment At June 30, 2014 and 2013, the value of the investment recorded in Other Assets in the Consolidated Balance Sheets is $532 and $256, respectively. Distributions from the limited partnership are made at the discretion of the General Partner, primarily based on distributions from investee partnerships and sales of securities less partnership expenses and amounts retained for working capital, as provided by in the limited partnership agreement Redemptions of partnership interests prior to termination of the partnership defined in the limited partnership agreement are not anticipated

Cincinnati Children's has made a commitment to invest $600 in four limited liability corporations (LLC's) whose purpose is private-public seed-stage investor whose mission is to strengthen the regional economy by driving talent and capital into scalable technology companies in southwest Ohio Cincinnati Children's has satisfied the commitment At June 30, 2014 and 2013, Cincinnati Children's has funded $560 and $400, respectively, of this commitment At June 30, 2014 and 2013, respectively, the value of the investment recorded in Other Assets in the Consolidated Balance Sheets is $878 and $743, respectively Unless the LLC is dissolved earlier in accordance with defined termination provisions, the term of the LLC shall end on the 12th anniversary of the date of the last sale of membership interests, subject to extension in the three one-year increments with written notice In general, no member shall have the right to withdraw from the LLC

(f) Operating Leases – Cincinnati Children's leases certain property for varying periods Rent expense related to such leases was approximately $6,300 and $6,200 in fiscal 2014 and 2013, respectively Future minimum rental commitments under non-cancellable operating leases are as follows

FY 2015	$6,041
FY 2016	6,056
FY 2017	3,137
FY 2018	2,948
FY 2019	2,122
Thereafter	2,333

(11) Functional Expenses-

The functional expenses of Cincinnati Children's are as follows

	2014	2013
Patient services	$1,259,748	$1,159,666
Research and education	424,055	380,764
Support services	264,037	238,255
	$1,947,840	$1,778,685

(12) Fair Value of Financial Instruments-

The following methods and assumptions were used by Cincinnati Children's in estimating its fair value disclosures for financial instruments

Cash and Cash Equivalents--The carrying amounts reported in the Consolidated Balance Sheets approximate fair value

Accounts Receivable and Accounts Payable -- The carrying amounts reported in the Consolidated Balance Sheets approximate fair value because of the relative short maturity of these items

Marketable Securities and Assets Limited As To Use--The carrying amounts reported in the Consolidated Balance Sheets approximate fair value Management, with the assistance from the trustee holding the asset, determined the fair value based on published market prices

Bonds Payable and Notes Payable--The fair values of Cincinnati Children's 's bonds payable and notes payable are estimated by management, with assistance from a third party, based on current rates for debt with similar remaining maturities The fair value of the bonds payable at June 30, 2014 and 2013 was $504,974 and $517,542, respectively These would be classified as Level 2 investments in the fair value hierarchy

(13) Subsequent Events-

Management reviewed subsequent events through October 23, 2014, the date the financial statements were issued, noting no changes were required to the financial statements or footnotes