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.
▶ 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 July 1, 2013, and ending June 30, 20 14

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

C Name of organization: Lake Taylor Transitional Care Hospital Foundation
Doing Business As
Number and street (or P O box if mail is not delivered to street address): 1309 Kemspville Road
Room/suite
City or town, state or province, country, and ZIP or foreign postal code: Norfolk, VA 23502

D Employer identification number: 51-0506412
E Telephone number: 757-461-5001
G Gross receipts $ 444,607

F Name and address of principal officer: Thomas J. Orsini, President/CEO
1309 Kempsville Road, Norfolk, VA 23502

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.laketaylor.org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶
L Year of formation 2005
M State of legal domicile VA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: To support the operations of the Hospital Authority of Norfolk, t/a Lake Taylor Transitional Care Hospital

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	16
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	
6	Total number of volunteers (estimate if necessary)	6	16
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	
b	Net unrelated business taxable income from Form 990-T, line 34	7b	

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	2,070,266	55,697
	9	Program service revenue (Part VIII, line 2g)	0	0
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	535,437	388,910
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,605,703	444,607
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	32,932	369,434
	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)	36,822	36,322
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	51,594	53,196
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	121,358	458,952
	19	Revenue less expenses. Subtract line 18 from line 12	2,484,350	(14,345)

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	8,767,858	9,455,097
	21	Total liabilities (Part X, line 26)	11,097	23,587
	22	Net assets or fund balances. Subtract line 21 from line 20	5,756,761	9,431,510

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
Thomas J Orsini
Signature of officer
Date 2/4/15
THOMAS J. ORSINI, PRESIDENT/CEO
Type or print name and title

Paid Preparer Use Only

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

Firm's name ▶ Firm's EIN ▶
Firm's address ▶ Phone no

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

For Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y Form **990** (2013)

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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:

To support the operations of the Hospital Authority of Norfolk, t/s Lake Taylor Transitional Care Hospital.

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 $ 369,434 including grants of $ 369,434) (Revenue $)

The sole purpose of the Foundation is to support the Hospital Authority of Norfolk and during this reporting period the signficiant programs accomplished by the Foundation consisted of (1) furniture for the residents in newly renovated healthcare areas, and (2) landscaping in courtyards throughout the facility, providing walkways and shade structures frequently visited by residents and their families.

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 ▶ 369,434

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	✓	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	✓	
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		✓
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		✓
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✓
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		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
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		✓
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		✓
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		✓
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		✓
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		✓
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		✓
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		✓
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	✓	
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		✓
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	✓	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		✓
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		✓
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		✓
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		✓
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		✓
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		✓
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		✓
20 a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		✓
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	✓	
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		✓
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	✓	
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		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		✓
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		✓
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✓
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		✓
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		✓
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		✓
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		✓
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✓
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		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
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		✓
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		✓
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	✓	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		✓
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✓
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		✓
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	✓	

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	0			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)			2b		
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		✓
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		✓
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		✓
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		✓
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		✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		✓
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		✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		✓
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		✓
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . **1a** 16 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b	Enter the number of voting members included in line 1a, above, who are independent . **1b** 15			
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		✓
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		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	✓	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		✓
6	Did the organization have members or stockholders?	6		✓
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		✓
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		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✓	
b	Each committee with authority to act on behalf of the governing body?	8b	✓	
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		✓

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		✓
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		✓
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	✓	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓	
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	✓	
13	Did the organization have a written whistleblower policy?	13		✓
14	Did the organization have a written document retention and destruction policy?	14		✓
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	✓	
b	Other officers or key employees of the organization	15b		✓
	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		✓
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ none

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

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

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ Robert Fogg, Dir. of Fin., Lake Taylor Transitional Care Hospital, 1309 Kempsville Rd, Norfolk, VA 23502 757-461-5001

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

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

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

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

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

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

☐ Check this box if neither the organization nor any related 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: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) Conrad A Greif Chairperson	5 1	✓		✓				0	0	0
(2) Anita O. Poston Vice Chairperson	1 3	✓		✓				0	0	0
(3) Caroline S. Oliver Treasurer	3 0	✓		✓				0	0	0
(4) Deborah B. Bauman Secretary	1 1	✓		✓				0	0	0
(5) Willette L. LeHew Member	1 1	✓						0	0	0
(6) Maryellen Baldwin Member	1 0	✓						0	0	0
(7) Eleanor F. Bradshaw Member	1 0	✓						0	0	0
(8) Carol H. Jarvis Member	1 0	✓						0	0	0
(9) Calvin A. Durham, D. Min. Member	1 1	✓						0	0	0
(10) Edward L. Lilly, MD Member	1 1	✓						0	0	0
(11) Brad N. Robinson, D.C. Member	1 0	✓						0	0	0
(12) George W. Ricks Member	1 0	✓						0	0	0
(13) Thomas Graves III Member	1 0	✓						0	0	0
(14) Kimberly Adams-Tufts, DNP, FAAH Member	1 0	✓						0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(15) W Randy Wright Member	1 0	✓						0	0	0
(16) Thomas J. Orsini President	1 40	✓		✓				0	367,408	367,408
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total ▶								0	367,408	367,408
c Total from continuation sheets to Part VII, Section A ▶								0	0	0
d Total (add lines 1b and 1c) ▶								0	367,408	367,408

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

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		✓
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	✓	
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		✓

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
None		

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

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 55,697				
	g	Noncash contributions included in lines 1a-1f: $					
	h	**Total.** Add lines 1a–1f ▶		55,697			
Program Service Revenue			Business Code				
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue .					
	g	**Total.** Add lines 2a–2f ▶					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		247,863			247,863
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less. rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶					
	7a	Gross amount from sales of assets other than inventory	(i) Securities 141,047 / (ii) Other				
	b	Less. cost or other basis and sales expenses	(i) 0				
	c	Gain or (loss)	(i) 141,047				
	d	Net gain or (loss) ▶		141,047			141,047
	8a	Gross income from fundraising events (not including $ ____ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less. direct expenses	b				
	c	Net income or (loss) from fundraising events ▶					
	9a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities ▶					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d ▶					
	12	**Total revenue.** See instructions. ▶		444,607			388,910

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	369,434	369,434		
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				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	32,143		16,072	16,071
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	1,800		900	900
10 Payroll taxes	2,379		1,190	1,189
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	28,894		28,894	
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	12,734			12,734
13 Office expenses	493		493	
14 Information technology	3,714		1,857	1,857
15 Royalties				
16 Occupancy				
17 Travel	56		28	28
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	837		837	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
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 Gift Annuity Beneficiary distribution	6,100		6,100	
b Sponsorship	325		325	
c Postage	18		18	
d State Corporation Commission fee	25		25	
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	458,952	369,434	56,739	32,779
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	1,715,751	2	598,891
	3	Pledges and grants receivable, net	18,694	3	260
	4	Accounts receivable, net		4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a			
	b	Less: accumulated depreciation — 10b		10c	
	11	Investments—publicly traded securities	7,026,656	11	8,848,600
	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	6,757	15	7,346
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	8,767,858	16	9,455,097
Liabilities	17	Accounts payable and accrued expenses	11,097	17	23,587
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	11,097	26	23,587
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	8,756,761	27	9,431,510
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		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	8,756,761	33	9,431,510
	34	Total liabilities and net assets/fund balances	8,767,858	34	9,455,097

Part XI Reconciliation 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	444,607
2	Total expenses (must equal Part IX, column (A), line 25)	2	458,952
3	Revenue less expenses. Subtract line 2 from line 1	3	(14,345)
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	8,756,761
5	Net unrealized gains (losses) on investments	5	689,094
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	9,431,510

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? 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	2a		✓
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis	2b	✓	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	✓	
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		✓
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		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization	Employer identification number
Lake Taylor Transitional Care Hospital Foundation	51-0506412

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 33⅓% 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 33⅓% 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? Yes	No	(v) Did you notify the organization in col (i) of your support? Yes	No	(vi) Is the organization in col (i) organized in the U S? Yes	No	(vii) Amount of monetary support
(A) Hospital Authority of Norfolk	54-1453192	6	✓		✓		✓		369,434
(B)									
(C)									
(D)									
(E)									
Total									369,434

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 section 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 from 2012 Schedule A, Part II, line 14 . . . 15 %

16a **33⅓% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33⅓% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓% 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 section 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).

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047
2013
Open to Public Inspection

Name of the organization: Lake Taylor Transitional Care Hospital Foundation
Employer identification number: 51-0506412

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

			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					
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

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

a Board designated or quasi-endowment ▶ ________ %

b Permanent endowment ▶ ________ %

c Temporarily restricted endowment ▶ ________ %

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

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

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

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

Part VI Land, Buildings, and Equipment.
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				
b	Buildings				
c	Leasehold improvements				
d	Equipment				
e	Other				
	Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				

Part VII **Investments—Other Securities.**
Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII **Investments—Program Related.**
Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

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

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

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

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

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return. Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information.

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.

The Foundation is exempt from income tax under the Internal Revenue Code Section 501(c)(3) and the tax statutes of the Commonwealth of Virginia; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Foundation has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2014 and 2013. Fiscal years ending on or after June 30, 2011, remain subject to examination by federal and state taxing authorities.

Part XIII **Supplemental Information** *(continued)*

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: Lake Taylor Transitional Care Hospital Foundation

Employer identification number: 51-0506412

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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Hospital Authority of Norfolk	54-1453192		338,748	0	cash	na	furniture
(2) Hospital Authority of Norfolk	54-1453192		26,294	0	cash	na	landscaping
(3) Hospital Authority of Norfolk	54-1453192		4,392	0	cash	na	various small items
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

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

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

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

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

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

Lake Taylor Transitional Care Hospital Foundation's sole purpose is to support the Hospital Authority of Norfolk. The Hospital Authority of Norfolk used the funds to purchase goods and services for the betterment of the Hospital and to provide healthcare related services to the residents.

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" on 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: Lake Taylor Transitional Care Hospital Foundation

Employer identification number: 51-0506412

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification 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 on 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, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4a		✓
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	✓	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III	4c		✓
	Only section 501(c)(3) and 501(c)(4) organizations 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		✓
b	Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	5b		✓
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		✓
b	Any related organization? If "Yes" to line 6a or 6b, describe in Part III	6b		✓
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		✓
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		✓
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Thomas J. Orsini, President/CEO	(i)	0	0	0	0	0	0	0
	(ii)	315,520	10,662	0	23,000	18,226	367,408	0
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

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.

Part I, 4b: Thomas J. Orsini, $50,000 was contributed to the deferred compensation plan during this tax period.

In 2007 the Hospital Authority of Norfolk (Hospital) entered into a deferred compensation agreement under IRC Section 457(f) which covers a key executive of the Hospital. The Hospital has committed to contribute $50,000 per year through calendar year 2016 to a grantor trust established for the benefit of this executive. The vesting of this account begins in 2015 and vests at a rate of 20% per year, until the executive becomes fully vested on January 1, 2019.

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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization	Employer identification number
Lake Taylor Transitional Care Hospital Foundation	51-0506412

Form 990, Part VI, Section A. Governing Body and Management

4: The Foundation's Bylaws were amended in February 2014. New Bylaws are attached.

Form 990, Part VI, Section B. Policies

11b Form 990 and associated Schedules were reviewed by PBMares, our external auditing firm, prior to filing.

12c: Annually the policy and attestations are reviewed and signed by each Board Member. The process has not changed from prior year.

15a. The Board of Directors undertook an independent survey of the local market place during the hiring process for an Executive Director in the fall of 2009. Since then annual reviews have been completed by the Authority's President/CEO and Chariman of the Foundation's Board.

Form 990, Part VI, Section C. Disclosure:

19. Available upon request at the office of the Director of Finance, Lake Taylor Transitional Care Hospital, 1309 Kempsville Road, Norfolk, VA 23502-2205 (Telephone No. 757-461-5001).

Form 990, Part IX, Statement of Functional Expenses:

7. Other salaries and wages: The Foundation reimburses the Authority 50% of the compensation paid to the Executive Director of the Foundation. The Executive Director of the Foundation is an employee of the Authority and the W-2 is generated by the Authority.

Form 990, Part XII, Financial Statements & Reporting.

2c. No changes were made from prior year.

Name of the organization	Employer identification number
Lake Taylor Transitional Care Hospital Foundation	51-0506412

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: Lake Taylor Transitional Care Hospital Foundation

Employer identification number: 51-0506412

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)					
(2)					
(3)					
(4)					
(5)					
(6)					

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	No
(1) Hospital Authority of Norfolk, t/a Lake Taylor Transitional Care Hospital, 1309 Kempsville Road, Norfolk, VA 23502 EIN 54-1453192	Healthcare	VA	170				✓
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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?		(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	
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

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	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

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 organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a		✓
b	Gift, grant, or capital contribution to related organization(s)	1b	✓	
c	Gift, grant, or capital contribution from related organization(s)	1c		✓
d	Loans or loan guarantees to or for related organization(s)	1d		✓
e	Loans or loan guarantees by related organization(s)	1e		✓
f	Dividends from related organization(s)	1f		✓
g	Sale of assets to related organization(s)	1g		✓
h	Purchase of assets from related organization(s)	1h		✓
i	Exchange of assets with related organization(s)	1i		✓
j	Lease of facilities, equipment, or other assets to related organization(s)	1j		✓
k	Lease of facilities, equipment, or other assets from related organization(s)	1k		✓
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l		✓
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m		✓
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	✓	
o	Sharing of paid employees with related organization(s)	1o	✓	
p	Reimbursement paid to related organization(s) for expenses	1p	✓	
q	Reimbursement paid by related organization(s) for expenses	1q		✓
r	Other transfer of cash or property to related organization(s)	1r		✓
s	Other transfer of cash or property from related organization(s)	1s		✓

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) Hospital Authority of Norfolk, t/a Lake Taylor Transitional Care Hospital	1b	369,434	cash paid
(2)			
(3)			
(4)			
(5)			
(6)			

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) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII **Supplemental Information**

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

BYLAWS

OF THE

LAKE TAYLOR TRANSITIONAL CARE HOSPITAL FOUNDATION

Amended and Restated as of February 5. 2014
All previous Bylaws are hereby rescinded.

TABLE OF CONTENTS

ARTICLE VI - COMMITTEES

ARTICLE VIII - GENERAL PROVISIONS

FIRST AMENDED AND RESTATED

OF

LAKE TAYLOR TRANSITIONAL CARE HOSPITAL FOUNDATION

ARTICLE I

NAME AND MAIN OFFICE

1. Name. The name of the Corporation is Lake Taylor Transitional Care Hospital Foundation (the "Corporation").

2. Office. The principal office of the Corporation shall be located in the City of Norfolk, Virginia, or at such place as from time to time may be fixed by the Member of the Corporation.

ARTICLE II

PURPOSES AND OBJECTIVES

1. Purposes. The Corporation is organized exclusively for charitable, educational and scientific purposes, and it is intended that the Corporation qualify as an exempt organization under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended ("Code"), or any corresponding section of any future federal tax code, or for such of said purposes as the Board of Directors of the Corporation may from time to time deem most appropriate. (Unless otherwise specified, each reference to the Code means such section of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any subsequent federal tax law.)

More particularly, the Corporation is organized and shall be operated exclusively for the benefit of and to carry out the charitable, educational and scientific purposes of the Hospital

Authority of Norfolk, trading as Lake Taylor Transitional Care Hospital, a government unit described in Section 170(b)(1)(A)(v) of the Code and a political subdivision of the Commonwealth of Virginia created by resolution adopted by the City of Norfolk as authorized by Sections 15.2-5302 and 15.2-5203 of the Code of Virginia (1950), as amended, (hereinafter "the Authority"), and such other organizations as may be operated, supervised or controlled by the Authority and are described in Section 501(c)(3) and Section 509(a)(1), Section 509(a)(2), or Section 509(a)(3) of the Code. The Corporation is organized and shall be operated exclusively as a supporting organization (as described in Section 509(a)(3) of the Code) with respect to the Authority and shall receive, maintain and administer assets in perpetuity at all times hereafter exclusively for the benefit and financial support of the Authority, and otherwise to carry out and promote the functions, activities, programs, practices, facilities, growth and purposes of the Authority.

2. Implementation of Purposes. The purposes and objectives of the Corporation may be accomplished by all appropriate means as determined by the Board of Directors which are permitted under applicable law for the Corporation to become and remain qualified as a tax-exempt entity under Section 501(c)(3) and 509(a)(3) of the Code, or corresponding provisions of any subsequent federal law, and which are not inconsistent with the Articles of Incorporation, these Bylaws, or applicable law.

ARTICLE III

MEMBERSHIP

The Corporation shall have one class of member, which shall have full voting rights, and there shall be one member of that class, which shall be the Authority, (sometimes hereinafter referred to as the "Member" or the "Authority"). The Authority shall have the sole right (a) to appoint and remove Directors of the Corporation, and to fill any vacancies on the Board of

Directors; (b) to alter or amend the Articles of Incorporation of the Corporation; (c) to alter, amend or repeal these Bylaws; (d) to change the range for the size of the Corporation's Board of Directors or change from a fixed to a variable-range size Board or vice versa; (e) to adopt a plan of merger; (f) to sell, lease, exchange, or otherwise dispose of all, or substantially all, of the Corporation's property, with or without the good will, otherwise than in the usual and regular course of business; and (g) to authorize the dissolution (or the revocation of dissolution) of the Corporation, the liquidation of the Corporation, the termination of its corporate existence, and the distribution of its assets in liquidation.

ARTICLE IV

BOARD OF DIRECTORS

1. General Powers. The property, affairs and business of the Corporation shall be managed under the direction of its Board of Directors, duly constituted as provided herein, who shall be the governing body of the Corporation. The Board of Directors shall have the duty and authority to perform all acts consistent with these Bylaws, the Articles of Incorporation and any amendments thereto, and applicable law.

2. Composition of the Board of Directors. The number of Directors which shall constitute the entire Board of Directors shall be not fewer than one (1) nor more than eighteen (18), as specified or fixed from time to time by the Authority. With the exception of *ex officio* Directors, all Directors shall be appointed by the Authority.

3. Appointment of Directors.

Except as hereinafter provided in this section 3, each Director shall be appointed by the Authority for a term of three (3) years, or until that Director's successor is appointed and takes office. In 2014, approximately one-third of the Directors shall be appointed for a term of one (1) year; one-third shall be appointed for a term of two (2) years; and one-third shall be appointed for a term of three (3) years. Directors may serve additional terms, without limitation, if duly appointed by the Authority.

The Chair of the Board of Commissioners of the Authority, or such other Commissioner of the Authority as such Chair shall designate and the President and Chief Executive Officer of the Authority shall, by virtue of their respective offices, serve as *ex-offico* Directors of this Corporation

4. Removal, Resignation, and Vacancies. Any Director may be removed, with or without cause, by the Authority. Removal as a Director shall also cause the forfeiture of such Director's position as an officer, if any. A Director may resign at any time by delivering written notice to the Board of Directors, the Chair or the Secretary of the Corporation. The resignation is effective when delivered unless it specifies a later effective date. If a later effective date is specified, the Authority may fill the pending vacancy before the effective date, so long as it is provided that the successor does not take office until the effective date of his or her predecessor's resignation

If a vacancy occurs on the Board of Directors, the Authority may appoint a Director to serve for the unexpired portion of the term.

5. Annual Meeting. The Annual Meeting of the Board of Directors shall be held each year during the first quarter of the calendar year or at such other time as may be determined by the Board of Directors, and at such place and hour as the Board of Directors may determine. The failure to hold an Annual Meeting at the time stated in or fixed in accordance with these Bylaws does not affect the validity of any corporate action which is otherwise valid.

6 Regular Board Meetings. Regular meetings of the Board of Directors may be held at such places and at such times as the Board of Directors may determine.

7. Special Board Meetings. Other meetings of the Board of Directors shall be held at places within or without the Commonwealth of Virginia and at times fixed by resolution of the Board of Directors, or upon call of the Chair, a majority of the Directors, or the Authority.

8. Notice. The Secretary or agent of the Corporation performing the Secretary's duties shall give not less than three (3) days' notice of all meetings of the Board of Directors by (a) letter, telephone, or in person, or (b) by a form of electronic transmission (e.g., facsimile telecommunication or electronic mail) which is consented to by the Director to whom the notice is given. Provided, however, that notice need not be given of regular meetings held at times and places fixed by resolution of the Board of Directors Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting. Except as otherwise provided herein, the notice of meetings of the Board of Directors need not state the purpose of the meeting Directors or members of any committee designated thereby may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

9. Quorum and Voting. A majority of the Directors holding office at the time of any given meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A Director who is present at a meeting of the Board of Directors or of a committee is deemed to have consented to the meeting and the action taken unless he or she objects at the beginning of the meeting, or promptly upon his or her arrival, to holding the meeting or to transacting specified business, or unless he or she votes against or abstains from the actions taken. Each Director shall be entitled to one vote on all matters. Less than a quorum may adjourn any meeting.

10. Manner of Acting. The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

11. Action by Directors or Committee Without Meeting. Action may be taken pursuant to Section 13 1-865 of the Code of Virginia, as amended, by the Directors or by a committee without a meeting if it is taken by all Directors or all of the members of the committee, as the case may be, and is evidenced by one or more identical written consents stating the action taken signed by each Director or committee member, as the case may be, either before or after the action taken. The action so taken is effective when the consent is signed by the last Director or committee member, as the case may be, unless the consent states a different effective date in addition to stating the date of execution by each Director or committee member, as the case may be.

12. Compensation. Directors shall serve without compensation; however, this provision shall not prevent the Board of Directors from reimbursing any Director for expenses actually, necessarily and reasonably incurred in the performance of his or her duties as Director, or from entering into a contract in the best interests of the Corporation and on fair and reasonable terms, as determined by a vote of Directors not having a material financial interest in the matter.

13. Director Conflicts of Interests. A conflict of interests transaction is a transaction with the Corporation in which a Director of the Corporation has a direct or indirect personal interest. A Director has an indirect personal interest in a transaction if (a) another entity in which he or she has a material financial interest or in which he or she is a general partner, managing partner, or holds any other equivalent position, is a party to the transaction, or (b) another entity of which he or she is a director, officer or trustee is a party to the transaction and the transaction is or should be considered by the Board of Directors of the Corporation. A vote or consent of an

entity in which the Director has an interest described in the preceding sentence is deemed to be a vote or consent of the Director for purposes of this section.

A conflict of interests transaction shall not be voidable by the Corporation solely because of the Director's interest in the transaction if the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors, and the Board of Directors authorized, approved or ratified the transaction.

A conflict of interests transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors then serving on the Board of Directors who have no direct or indirect personal interest in the transaction, but a transaction may not be authorized, approved, or ratified by a single Director. If a majority of the Directors then serving who have no direct or indirect personal interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence of, or a vote cast by, a Director with a direct or indirect personal interest in the transaction does not affect the validity of such action if the transaction is otherwise authorized, approved or ratified as provided in this paragraph.

ARTICLE V

OFFICERS

1. Officers. The officers of the Corporation shall consist of a Chair, a Vice Chair, a President, a Secretary, a Treasurer and such other officers, as may from time to time be authorized by the Board of Directors. An officer of the Corporation may, but need not, be a Director of the Corporation. Any person may hold more than one office, except the offices of President and Secretary which may not be held by the same person. The President of the Authority shall serve as the *ex officio* President of the Corporation.

2. Election of Officers. All officers shall be elected by majority vote of the Board of Directors at the Annual Meeting of the Board at which officers are elected and take office. All officers shall be elected for a term of two (2) years or until their respective successors are elected and take office. If duly re-elected, an officer may serve for one additional two (2) year term.

3. Removal, Resignation, and Vacancies. Any officer of the Corporation may be removed from office, with or without cause, by a resolution passed by affirmative vote of a majority of all of the Directors then in office. An officer may resign at any time by delivering notice to the Board of Directors, the Chair or the Secretary of the Corporation. A resignation is deemed effective when delivered, unless a later effective date is specified in the resignation. If a resignation is made effective at a later date and the Board of Directors accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the successor does not take office until the effective date. The Board of Directors by majority vote may fill any vacancy. The term of office of any officer elected to fill a vacancy shall expire at the next Annual Meeting at which officers are elected and take office.

4. Duties. The officers of the Corporation shall have such duties as generally pertain to their respective offices, as well as such powers and duties as are prescribed by law or are hereinafter provided or as from time to time shall be conferred by the Board of Directors. The Board of Directors may require any officer to give such bond for the faithful performance of his or her duties as the Board may see fit.

5. Duties of the Chair. The Chair shall have general supervision over the business of the Corporation and over its officers, subject, however, to the control of the Board of Directors and to the respective powers herein expressly granted to and vested in the other officers of the Corporation. The Chair shall preside at all meetings of the Board of Directors. The Chair shall appoint members to special and standing committees and may designate the chairs thereof. The

Chair shall see that all orders and resolutions of the Board of Directors are carried into effect Except as otherwise provided by resolution duly adopted at any meeting of the Board of Directors, or unless the Chair otherwise delegates, the Chair shall sign for the Corporation all deeds, leases, contracts for services, and other agreements and formal instruments. The Chair shall be an *ex officio* member of all committees

6. Duties of the Vice Chair. The Vice Chair shall perform duties as required by the Chair or the Board of Directors In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all powers of and be subject to all the restrictions upon the Chair.

7 Duties of the Secretary. The Secretary shall record all proceedings of meetings of the Board of Directors to be kept for that purpose, and shall perform like duties for the committees when required The Secretary shall (a) see that all notices required to be given by the Corporation are duly given and served; (b) have custody of all deeds, leases, contracts, and other important corporate documents, (c) have charge of the books, records and papers of the Corporation relating to its organization and management as a corporation; (d) see that all reports, statements and other documents required by law (except tax returns) are properly filed, including the filing of any reports with the Virginia Office of Consumer Affairs, (e) have charge of and be responsible for maintaining a record of all donors and the amount of their contributions; (f) be responsible for the written acknowledgment of all contributions; and (g) generally perform such duties and exercise such powers usually pertaining to the office of secretary of a corporation, and such further duties and exercise such powers as may be assigned to him or her by the Board of Directors or the Chair. The Secretary shall have custody of the corporate seal (if any) of the Corporation and shall have authority to affix the same to any instrument requiring it, and so affixed, it may be attested by his or her signature. The Board of Directors may give general

authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature.

8. Duties of the Treasurer. The Treasurer shall (a) have the custody of the Corporation's funds and securities; (b) cause to be kept full and accurate accounts of receipts and disbursements in a book belonging to the Corporation; (c) cause to be deposited all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as its Board of Directors may select: (d) maintain adequate financial accounts and records in accordance with generally accepted accounting practices; (e) prepare appropriate operating budgets and financial statements; (f) report on the financial status of the Corporation; (g) prepare and file all tax returns required by law; and (h) perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Directors or the Chair. The Treasurer (or such agent of the Corporation to whom the Treasurer may delegate such duties) shall take proper vouchers for disbursements and shall render to the Chair and to the Board of Directors, at its regular meetings or when the Board of Directors requires, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

The Treasurer shall also render to the Authority, upon request and at least annually, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

9. President. The President shall, subject to the direction of the Board of Directors, have primary responsibility for the day-to-day operation and administration of the Corporation and for the implementation of all policy and other decisions made by the Board of Directors and the officers thereof. The President, if any, shall serve as chief administrative officer responsible

to the Board of Directors, and shall have general administrative charge of the personnel, records and operating property of the corporation.

10. Compensation. All officers shall serve without compensation; however, this provision shall not prevent the Board of Directors from reimbursing any officer for expenses actually, necessarily and reasonably incurred in the performance of his or her duties as officer, or from entering into a contract in the best interests of the Corporation and on fair and reasonable terms, as determined by a vote of Directors not having a material financial interest in the matter. Nothing herein shall be construed to prevent an officer of the Corporation from receiving compensation from the Authority or the Corporation for his or her services (if any) as an employee of the Authority or the Corporation.

11. Assistant Secretaries and Treasurers. The Board of Directors of the Corporation may appoint one or more persons who need not be Directors to serve as Assistant Secretaries and/or Assistant Treasurers and to assist the Secretary or Treasurer in the performance of his or her duties. An Assistant Secretary shall carry out those responsibilities which are delegated to him or her by the Board of Directors of the Corporation, or by the Secretary, and shall report to the Secretary. An Assistant Treasurer shall carry out those responsibilities which are delegated to him or her by the Board of Directors of the Corporation, or by the Treasurer, and shall report to the Treasurer.

ARTICLE VI

COMMITTEES

1. Committees. The Board of Directors shall have the authority in its discretion to establish, appoint and empower one or more committees, and to establish the mission or charge of each such committee, which committee shall have authority to act for the Board of Directors

to the extent the Board of Directors so directs. The members of all such committees shall be appointed by the Board of Directors or the Chair, shall include at least one (1) member of the Board of Directors, and shall be governed by the provisions of Section 13.1-869 of the Code of Virginia, as amended. The members and chair of all committees shall be appointed by the Board of Directors or the Chair for a one (1) year term or until their successors are duly elected and assume office, but shall be subject to removal at any time by vote of a majority of the Board of Directors then in office.

Each committee shall keep written minutes of its meetings. A chair of each committee, who shall have been appointed by the Board of Directors or the Chair, shall report to the Chair and the Board of Directors regarding all actions of such committee.

No committee shall (a) approve or recommend to the Member any action that is required to be approved by the Authority, (b) fill vacancies on the Board of Directors or any of its committees, (c) amend the Articles of Incorporation, (d) adopt, amend, or repeal these Bylaws, (e) approve a plan of merger or consolidation, (f) otherwise take any action required to be taken solely by the Directors or the Authority, or (g) overturn or invalidate any action of the Board of Directors or the Authority.

2. Meetings. Except as otherwise expressly provided in this Article, regular and special meetings of any committee established pursuant to this Article shall be called and held subject to the same requirements with respect to time, place and notice as are specified in these Bylaws for regular and special meetings of the Board of Directors.

3. Quorum and Manner of Acting. A majority of the members of any committee serving at the time of any meeting thereof shall constitute a quorum for the transaction of business at such meeting. The action of a majority of those members present at a committee meeting at which a quorum is present shall constitute the act of the committee.

4. Resignation and Vacancies. Any member of a committee may resign at any time by giving written notice to the Board of Directors, the Chair or the Secretary of the Corporation. Any vacancy occurring in a committee resulting from any cause whatsoever may be filled by the Chair or the Board of Directors.

5. Standards of Conduct and Conflicts of Interest. The representatives of all committees and sub-committees shall at all times comply with all requirements relating to standards of conduct and conflicts of interest applicable to the Board of Directors.

ARTICLE VII

PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No director, officer, employee, member of a committee, or any person connected with the Corporation or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided that this provision shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All such persons shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors shall be distributed as provided in Article VIII(8).

ARTICLE VIII

GENERAL PROVISIONS

1. Corporate Seal. The Corporation may adopt a corporate seal, which shall consist of a flat-faced circular die, of which there may be any number of counterparts, and on which

there shall be engraved the word "Seal" and the name of the Corporation.

2. Fiscal Year. The fiscal year of the Corporation shall commence on July 1 and end on June 30 of each year.

3. Corporate Property. All property received by the Corporation, whether by gift, bequest, devise or otherwise, shall be used exclusively to promote, carry on, and further the activities, objectives, and purposes set forth in the Articles of Incorporation and these Bylaws.

4. Amendment of the Articles of Incorporation. As provided by Section 13.1-886 of the Code of Virginia, as amended, the Board of Directors may propose one or more amendments to the Articles of Incorporation to the Authority, and shall recommend the amendment to the Authority unless the Board of Directors determines that because of conflict of interests or other special circumstances it should make no recommendation and communicates the basis for its determination to the Authority with the amendment. Notice of the proposed amendment, including a copy of the proposed amendment, shall be given to the Authority by its Board of Commissioners not less than twenty-five (25) nor more than sixty (60) days before the date of the meeting at which the Authority will act on such amendment. Such amendment may be adopted upon the affirmative vote of two-thirds (2/3) of the Commissioners of the Authority present at a meeting of such Board of Commissioners at which a quorum is present.

5. Amendment of the Bylaws. Subject to the Articles of Incorporation and applicable Virginia law, these Bylaws may be altered, amended, or repealed, or new Bylaws may be adopted, only by the Authority, upon the affirmative vote of two-thirds (2/3) of the Commissioners of the Authority present at a meeting of the Board of Commissioners at which a quorum is present. These Bylaws shall be reviewed by the Corporation Board of Directors every two years.

6 Dissolution. The Corporation may be dissolved only upon approval of the Authority. Upon dissolution, the assets of the Corporation remaining after paying or making provision for the payment of any and all liabilities of the Corporation shall be paid and delivered to the Authority, provided that the Authority is then an organization described in Section 170(b)(1)(A)(iii) and/or Section 170(b)(1)(A)(v) of the Code. Provided, however, if upon the dissolution of the Corporation and the winding up of its affairs, the Authority or its successor is not in existence, or is not an organization described in Section 170(b)(1)(A)(iii) and/or Section 170(b)(1)(A)(v) of the Code, the assets of the Corporation shall be distributed to the City of Norfolk, Virginia, or, if the City of Norfolk, Virginia, is not in existence, to some other political subdivision of the Commonwealth of Virginia which is described in Section 170(b)(1)(A)(v) of the Code selected by the Board of Directors then serving.

Any such assets not so disposed of shall be disposed of by the Circuit Court of the City of Norfolk, Virginia, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for public purposes.

7. Examination of Books Subject to federal and state law, the Board of Directors shall have power to determine from time to time whether and to what extent and under what conditions and limitations the accounts and books of the Corporation, or any of them, shall be open for inspection. Notwithstanding the foregoing, the Authority shall have access to the books and records at any time. A Director is entitled to inspect and copy the books, records and documents of the Corporation at any reasonable time to the extent reasonably related to the performance of his duties as a Director, including duties as a member of a committee, but not for any other purpose or in any manner that would violate any duty to the Corporation.

8. Checks, Notes and Drafts. Checks, notes, drafts, and other orders for the payment of money shall be signed such persons as the Board of Directors from time to time may authorize.

9. Gifts. The Board of Directors may accept (or reject) on behalf of the Corporation any contribution, gift, bequest or devise for its general purposes, or for any special purpose consistent with the purposes set forth in the Articles of Incorporation and these Bylaws. The Board of Directors may also make, on behalf of the Corporation, any contribution or gift consistent with the purposes set forth in the Articles of Incorporation or these Bylaws.

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

11. Indemnification. Subject to applicable laws, the Corporation shall indemnify and hold harmless any and all persons who may serve or have served at any time as Directors or officers or committee members of this Corporation, or who at the request of the Directors may serve or at any time have served as Directors or officers or committee membersof another corporation, and their respective heirs, administrators, successors and assigns, against any and all expenses (including but not limited to amounts paid upon judgments, counsel fees and amounts paid in settlement, before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any complaint, action, suit or proceeding in which they, or any of them, are made parties or a party or which may be asserted against them or any of them by reason of their being or having been Directors or officers or committee members of this Corporation, or of such other corporation, except in relation to matters as to which any such present or former Director or officer or committee member shall be adjudged in

any action, suit or proceeding to be liable for his own willful misconduct or knowing violation of criminal law in the performance of his duty. Such indemnification shall be in addition to any other rights to which those indemnified may be entitled under any law, agreement, vote of the Board of Directors or otherwise. Notwithstanding the foregoing, the Corporation shall not be required to indemnify hereunder for any portion of such expenses for which payment is received by or on behalf of the party to be indemnified pursuant to any policy of insurance. The Corporation may purchase and maintain at its sole expense such insurance as its Board of Directors may deem reasonable against all liabilities or losses it may sustain as consequences of the indemnification provided for herein. The Board of Directors may agree to indemnify employees and agents of the Corporation to the same extent provided for herein. The Board of Directors may, at any time, expand this Section and indemnify such persons to the full extent provided by the laws of Virginia.

12. Annual Financial Reports. The Board of Directors shall take such steps as it deems necessary and advisable to see that, for each fiscal year of the Corporation, a reliable statement is obtained setting forth the income, expenses and balance sheet of the Corporation.

13. Bonding. Appropriate fidelity bond coverage shall be maintained with respect to officers and employees having access to the funds or other assets of the Corporation.

Conrad A. Greif

Conrad A. Greif, Chairman of the Board

Deborah B. Bauman

Deborah B. Bauman, Secretary

Adopted as of this 12th day of February, 2014, by the Lake Taylor Transitional Care Hospital Foundation's Board of Directors

CERTIFICATION

This is to certify that the foregoing By-Laws of the Lake Taylor Transitional Care Hospital Foundation were reviewed and adopted by the Board of Commissioners of the Hospital Authority of Norfolk on February 5, 2014, and that all previous By-Laws are hereby rescinded.

Anita O. Poston

Anita O. Poston
Chairperson

Attest:

Thomas J. Orsini

Thomas J. Orsini
President/CEO

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