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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 07-01-2013 , 2013, and ending 06-30-2014

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

C Name of organization
CHILDREN'S HOSPITAL LOS ANGELES

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
4650 SUNSET BOULEVARD

City or town, state or province, country, and ZIP or foreign postal code
LOS ANGELES, CA 900270982

D Employer identification number
95-1690977

E Telephone number
(323) 660-2450

G Gross receipts $ 1,292,972,937

F Name and address of principal officer
DIEMLAN LANNIE TONNU
4650 SUNSET BOULEVARD
LOS ANGELES, CA 900270982

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 CHLA ORG

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

L Year of formation 1901

M State of legal domicile CA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROMOTION AND ADVANCEMENT OF CHILDREN'S HEALTH THROUGH PATIENT CARE, RESEARCH, AND EDUCATION

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	69
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	51
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	5,811
6	Total number of volunteers (estimate if necessary)	**6**	500
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	36,294
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	115,036,083	101,182,945
9	Program service revenue (Part VIII, line 2g)	735,921,091	676,537,449
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14,622,702	38,838,537
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,093,891	6,482,850
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	869,673,767	823,041,781
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	7,223,810	3,611,905
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)	400,984,720	422,880,718
16a	Professional fundraising fees (Part IX, column (A), line 11e)	348,364	400,619
b	Total fundraising expenses (Part IX, column (D), line 25) ▶14,162,616		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	424,900,286	442,572,681
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	833,457,180	869,465,923
19	Revenue less expenses Subtract line 18 from line 12	36,216,587	-46,424,142

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,745,766,595	1,714,611,002
21	Total liabilities (Part X, line 26)	621,479,251	606,737,237
22	Net assets or fund balances Subtract line 21 from line 20	1,124,287,344	1,107,873,765

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2015-05-14

DIEMLAN LANNIE TONNU SVP AND CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DIANA J MCCUTCHEN				P00545657

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

Firm's address ▶ 655 WEST BROADWAY SUITE 700
SAN DIEGO, CA 921018590 — Phone no (619) 232-6500

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE HOSPITAL'S PRINCIPAL MISSION IS TO PROMOTE AND ADVANCE THE STATE OF CHILDREN'S HEALTH, FOCUSING ON TERTIARY AND QUATERNARY SPECIALTIES IN PATIENT CARE, RESEARCH, AND EDUCATION

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 $ 577,800,409 including grants of $ 3,611,905) (Revenue $ 635,216,758)

MEDICAL CARE PROVIDED TO CHILDRENIT IS THE POLICY OF THE HOSPITAL TO STRIVE TO MAINTAIN QUALITY HEALTH CARE DELIVERY IN A MANNER THAT RESPECTS THE DIGNITY OF THE INDIVIDUAL AND FAMILY, REGARDLESS OF THE ABILITY TO PAY UNDER THE HOSPITAL'S POLICY, MEDICAL CARE MAY BE PROVIDED WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES TO PEOPLE WHO ARE UNINSURED OR UNDERINSURED AND CANNOT AFFORD TO PAY FOR THEIR OWN MEDICAL CARE THE HOSPITAL PROVIDES ADDITIONAL COMMUNITY SUPPORT BY PROVIDING CARE TO PATIENTS WHO PARTICIPATE IN PROGRAMS, LIKE MEDI-CAL, THAT DO NOT PAY FULL CHARGES APPROXIMATELY THREE-FOURTHS OF THE HOSPITAL'S PATIENTS ARE COVERED BY MEDI-CAL PROGRAMS

4b (Code) (Expenses $ 46,595,740 including grants of $) (Revenue $ 31,423,682)

GRADUATE MEDICAL EDUCATION PROVIDES TRAINING AND EDUCATION TO MEDICAL STUDENTS IN LOS ANGELES COUNTY WHO, IN TURN, PROVIDE SERVICES TO PATIENTS AT THE HOSPITAL ALSO, INCLUDES EDUCATION REVENUE FROM THE RESIDENCY AND FELLOWSHIP PROGRAMS AT CHLA THE HOSPITAL SUBSIDIZES A LARGE PART OF THE COST OF TRAINING PHYSICIANS, ALLIED HEALTH PROFESSIONALS, AND OTHER HEALTH CARE WORKERS IN ITS EMERGENCY ROOM, CLINICS, INPATIENT AREAS, AND OTHER PARTS OF ITS FACILITIES

4c (Code) (Expenses $ 80,350,483 including grants of $) (Revenue $ 9,897,009)

RESEARCH REVENUES FURTHER THE EXEMPT PURPOSE OF CHLA BY PROVIDING THE PATIENTS OF CHLA ACCESS TO NEW TECHNOLOGIES, DISCOVERIES AND MEDICATIONS FOR TREATMENT RESULTS OF THIS RESEARCH IS DISSEMINATED THROUGH PUBLICATIONS IN SCIENTIFIC JOURNALS AND PRESENTATIONS BY THE PRINCIPAL INVESTIGATORS THE HOSPITAL SUBSIDIZES A LARGE PART OF THE COST OF MEDICAL RESEARCH TAKING PLACE IN ITS FACILITIES

(Code) (Expenses $ 543,615 including grants of $) (Revenue $ 558,553)

OTHER PROGRAM SERVICE REVENUES ALSO INCLUDE RESIDENTS HOUSING AND MISCELLANEOUS TUITION AND EDUCATION INCOME

4d Other program services (Describe in Schedule O)

(Expenses $ 543,615 including grants of $) (Revenue $ 558,553)

4e **Total program service expenses** ▶ 705,290,247

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	554		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	5,811		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	0		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	69		
	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**	51		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

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

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

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

▶ GRACE OH 4650 SUNSET BLVD
LOS ANGELES, CA 900270980 (323) 361-7450

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								8,900,712	0	833,736

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 ▶ 889

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

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
COMFORCE TECHNICAL SERVICES INC 999 STEWART AVENUE SUITE 100 BETHPAGE NY 11714	HEALTHCARE WORKFORCE MGMT	2,233,009
RUDOLPH AND SLETTEN INC 1600 SEAPORT BOULEVARD SUITE 350 REDWOOD CITY CA 94063	CONSTRUCTION MGMT	1,204,351
THE HALE CORPORATION 513 SOUTH MYRTLE AVENUE A MONROVIA CA 91016	CONSTRUCTION MGMT	1,184,634
PARKING COMPANY OF AMERICA 523 WEST 6TH STREET SUITE 528 LOS ANGELES CA 90014	PARKING SERVICES	1,064,991
INTER-CON SECURITY SYSTEMS INC 210 SOUTH DE LACEY AVENUE PASADENA CA 91105	SECURITY SERVICES	851,727

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 ▶ 60

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	43,644,810			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	57,538,135			
	g	Noncash contributions included in lines 1a-1f $		832,981			
	h	**Total.** Add lines 1a-1f . . . . . ▶		101,182,945			
Program Service Revenue			Business Code				
	2a	PATIENT REVENUE	621110	635,216,758	635,216,758		
	b	EDUCATION REVENUE	900099	22,927,682	22,927,682		
	c	RESEARCH REVENUE	900099	9,897,009	9,897,009		
	d	GRADUATE MEDICAL EDUCATION	900099	8,496,000	8,496,000		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		676,537,449			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		9,677,693		25,735	9,651,958
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶		284,111			284,111

		(i) Real	(ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) . . . . . ▶					

		(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory	499,092,000				
	b	Less cost or other basis and sales expenses	469,635,160	295,996			
	c	Gain or (loss)	29,456,840	-295,996			
	d	Net gain or (loss) . . . . . ▶		29,160,844			29,160,844
Other Revenue	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	PARKING GARAGE	812930	2,715,192			2,715,192
	b	CHILD DEVELOPMENT CENTER	624410	1,236,726			1,236,726
	c	RESIDENT'S HOUSING	900099	470,305	470,305		
	d	All other revenue		1,776,516	88,248	10,559	1,677,709
	e	**Total.** Add lines 11a–11d . . . . . ▶		6,198,739			
	12	**Total revenue.** See Instructions . . . . . ▶		823,041,781	677,096,002	36,294	44,726,540

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	3,611,905	3,611,905		
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	4,350,957	472,823	3,467,129	411,005
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	353,317,518	285,858,339	60,103,249	7,355,930
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	6,906,727	5,764,818	993,613	148,296
9 Other employee benefits	33,547,445	29,611,861	3,081,784	853,800
10 Payroll taxes	24,758,071	20,291,114	3,904,111	562,846
11 Fees for services (non-employees)				
a Management	86,203	86,086	117	
b Legal	1,135,837	142,766	993,071	
c Accounting	608,897		608,897	
d Lobbying	56,842		56,842	
e Professional fundraising services See Part IV, line 17	400,619			400,619
f Investment management fees	1,304,185		1,304,185	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	144,731,591	93,818,847	48,137,513	2,775,231
12 Advertising and promotion	3,773,501	3,773,501		
13 Office expenses	116,575,616	112,637,580	3,719,442	218,594
14 Information technology	32,200,000	19,169,689	13,026,329	3,982
15 Royalties . .	140,027	140,027		
16 Occupancy	5,093,046	3,075,517	1,277,313	740,216
17 Travel	3,138,949	2,208,327	807,668	122,954
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	2,431,326	1,386,619	723,130	321,577
20 Interest	22,767,467	21,581,282	1,186,185	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	51,291,261	48,889,018	2,402,243	
23 Insurance	2,606,510	2,470,711	135,799	
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 HOSPITAL FEE PROGRAM	17,491,375	17,491,375	0	0
b UTILITIES	11,599,220	11,020,144	578,701	375
c PROVISION FOR BAD DEBTS	8,385,995	8,385,995	0	0
d MINOR EQUIPMENT	2,397,305	2,271,153	108,508	17,644
e All other expenses	14,757,528	11,130,750	3,397,231	229,547
25 **Total functional expenses.** Add lines 1 through 24e	869,465,923	705,290,247	150,013,060	14,162,616
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		393,731	1	6,095
	2	Savings and temporary cash investments		26,671,972	2	4,982,972
	3	Pledges and grants receivable, net		86,184,393	3	77,697,300
	4	Accounts receivable, net		120,085,788	4	125,010,396
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		291,294	5	221,379
	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		832,482	7	580,000
	8	Inventories for sale or use		6,802,184	8	7,687,746
	9	Prepaid expenses and deferred charges		4,554,792	9	9,712,061
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,459,152,995			
	b	Less accumulated depreciation	10b 542,379,829	911,087,506	10c	916,773,166
	11	Investments—publicly traded securities		507,618,625	11	539,405,599
	12	Investments—other securities See Part IV, line 11		5,121,549	12	5,371,846
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		76,122,279	15	27,162,442
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,745,766,595	16	1,714,611,002
Liabilities	17	Accounts payable and accrued expenses		83,872,499	17	79,441,047
	18	Grants payable			18	
	19	Deferred revenue		10,468,538	19	2,885,291
	20	Tax-exempt bond liabilities		487,314,409	20	486,309,228
	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		39,823,805	25	38,101,671
	26	**Total liabilities.** Add lines 17 through 25		621,479,251	26	606,737,237
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		834,693,032	27	808,486,179
	28	Temporarily restricted net assets		139,982,752	28	146,844,484
	29	Permanently restricted net assets		149,611,560	29	152,543,102
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		1,124,287,344	33	1,107,873,765
	34	Total liabilities and net assets/fund balances		1,745,766,595	34	1,714,611,002

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	823,041,781
2	Total expenses (must equal Part IX, column (A), line 25)	2	869,465,923
3	Revenue less expenses Subtract line 2 from line 1	3	-46,424,142
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,124,287,344
5	Net unrealized gains (losses) on investments	5	31,740,167
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-1,729,604
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,107,873,765

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:
Software Version:
EIN: 95-1690977
Name: CHILDREN'S HOSPITAL LOS ANGELES

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
RICHARD CORDOVA PRESIDENT & CEO/TRUSTEE	40 00	X		X				774,110	0	49,557
MARY DEE HACKER TRUSTEE/VP PATIENT CARE	40 00	X		X				441,362	0	71,586
HENRI FORD MD TRUSTEE/FAC PHYSICIAN/VP	40 00	X		X				722,156	0	0
STUART SIEGEL MD TRUSTEE/FACULTY PHYSICIAN	40 00	X						343,859	0	0
BRENT POLK MD TRUSTEE/FACULTY PHYSICIAN	40 00	X		X				583,191	0	0
BONNIE MCCLURE TRUSTEE/FUNDRAISER COORD	30 00	X						64,000	0	0
MARK D KRIEGER MD TRUSTEE/FACULTY PHYSICIAN	40 00	X						200,250	0	0
CARL GRUSHKIN MD TRUSTEE/FACULTY PHYSICIAN	2 00	X						209,445	0	0
ARNOLD KLEINER TRUSTEE	2 00	X						0	0	0
ELIZABETH LOWE TRUSTEE	2 00	X						0	0	0
CATHY SIEGEL WEISS TRUSTEE	2 00	X						0	0	0
MARION ANDERSON TRUSTEE	2 00	X						0	0	0
JOHN JACK PETTKER TRUSTEE	2 00	X						0	0	0
THEODORE SAMUELS TRUSTEE	2 00	X						0	0	0
BROOKE ANDERSON TRUSTEE	1 00	X						0	0	0
ASHWIN ADARKAR TRUSTEE	1 00	X						0	0	0
JUNE BANTA TRUSTEE	1 00	X						0	0	0
LYNDA BOONE FETTER TRUSTEE	2 00	X						0	0	0
ALEX CHAVES SR TRUSTEE	1 00	X						0	0	0
MARTHA CORBETT TRUSTEE	2 00	X						0	0	0
MARGARET EBERHARDT TRUSTEE	1 00	X						0	0	0
RICHARD FARMAN TRUSTEE	2 00	X						0	0	0
PEGGY GALBRAITH TRUSTEE	1 00	X						0	0	0
MARY HART TRUSTEE	1 00	X						0	0	0
MEGAN M HERNANDEZ TRUSTEE	2 00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARCIA WILSON HOBBS TRUSTEE	2 00	X						0	0	0
JAMES HUNT TRUSTEE	2 00	X						0	0	0
WILLIAM HURT TRUSTEE	2 00	X						0	0	0
TODD E MOLZ TRUSTEE	2 00	X						0	0	0
SUSAN MALLORY TRUSTEE	2 00	X						0	0	0
CAROL MANCINO TRUSTEE	1 00	X						0	0	0
ELIZABETH HUNT PRICE TRUSTEE	1 00	X						0	0	0
ALEX MENESES TRUSTEE	1 00	X						0	0	0
CARYLL SPRAGUE MINGST TRUSTEE	1 00	X						0	0	0
MARY ADAMS O'CONNELL TRUSTEE	1 00	X						0	0	0
CHESTER CHET PIPKIN TRUSTEE	1 00	X						0	0	0
RONALD PREISSMAN TRUSTEE	1 00	X						0	0	0
DR CARMEN PULIAFITO TRUSTEE	1 00	X						0	0	0
ALAN PURWIN TRUSTEE	1 00	X						0	0	0
DAYLE ROATH TRUSTEE	1 00	X						0	0	0
KATHY LUPPEN ROSE TRUSTEE THROUGH MARCH 2014	1 00	X						0	0	0
W SCOTT SANFORD TRUSTEE	2 00	X						0	0	0
PAUL SCHAEFFER TRUSTEE	1 00	X						0	0	0
THOMAS SIMMS TRUSTEE	2 00	X						0	0	0
VICTORIA SIMMS PHD TRUSTEE	1 00	X						0	0	0
LISA STEVENS TRUSTEE	1 00	X						0	0	0
JAMES TERRILE TRUSTEE	2 00	X						0	0	0
HON DICKRAM M TEVRIZIAN TRUSTEE	1 00	X						0	0	0
JOYCE BOGART TRABULUS TRUSTEE	1 00	X						0	0	0
PEGGY TSIANG CHERNG PHD TRUSTEE	1 00	X						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ALYCE WILLIAMSON TRUSTEE	1 00	X						0	0	0
ALAN WILSON TRUSTEE	1 00	X						0	0	0
JEFFREY WORTHE TRUSTEE	2 00	X						0	0	0
DICK ZIEGLER TRUSTEE	1 00	X						0	0	0
KEVIN BROGAN TRUSTEE	1 00	X						0	0	0
GARY COHEN TRUSTEE	1 00	X						0	0	0
DEBBIE FREUND TRUSTEE	1 00	X						0	0	0
KATHLEEN MCCARTHY KOSTLAN TRUSTEE	1 00	X						0	0	0
EUGENE MITCHELL TRUSTEE	2 00	X						0	0	0
ELIZABETH RAHN TRUSTEE	1 00	X						0	0	0
STEVEN ROUNTREE TRUSTEE	1 00	X						0	0	0
ALAN RUDNICK TRUSTEE	2 00	X						0	0	0
RICHARD ZAPANTA MD TRUSTEE	1 00	X						0	0	0
KIMBERLY SHEPHERD TRUSTEE	1 00	X						0	0	0
JAIME LEE CURTIS TRUSTEE	1 00	X						0	0	0
JIHEE HUH TRUSTEE	1 00	X						0	0	0
WILLIAM WARDLAW TRUSTEE	1 00	X						0	0	0
GLORIA HOLDEN TRUSTEE	1 00	X						0	0	0
MICHAEL MADDEN TRUSTEE	1 00	X						0	0	0
JAY CARSON TRUSTEE	1 00	X						0	0	0
DIEMLAN LANNIE TONNU SVP/CFO/TREASURER	40 00			X				598,827	0	103,070
LAWRENCE FOUST SVP-GEN COUNSEL/SEC	40 00			X				509,777	0	82,575
MICHELLE CRONKHITE ASSISTANT SECRETARY	40 00			X				69,359	0	9,317
DEANN MARSHALL SVP, CHIEF DEV & MKTG OFFICER	40 00				X			508,893	0	105,223
RODNEY HANNERS SVP OPERATIONS/COO	40 00				X			846,126	0	99,028

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
GAIL MARGOLIS VP, GOVERNMENT & PUBLIC POLICY	40 00					X		314,753	0	57,827
GRACE OH AVP, ASSOC GEN COUNSEL	40 00					X		362,181	0	70,540
TIM MALSEED AVP, CHIEF APPLICATIONS OFFICER	40 00					X		358,775	0	46,065
MARTY MILLER VP, CHIEF INFORMATION OFFICER	40 00					X		397,008	0	70,879
KEITH HOBBS VP, ANCILLARY & SUPPORT SERVICES	40 00					X		343,500	0	59,480
CLAUDIA LOONEY FORMER SVP-DEVELOPMENT	40 00						X	391,217	0	8,589
ROBERT ADLER MD FORMER TRUSTEE/FACULTY PHYSICIAN	40 00						X	398,678	0	0
ROBERT KAY MD FORMER TRUSTEE/FACULTY PHYSICIAN	40 00						X	153,525	0	0
ROBERTA WILLIAMS MD FORMER TRUSTEE/FACULTY PHYSICIAN	40 00						X	309,720	0	0

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
CHILDREN'S HOSPITAL LOS ANGELES	95-1690977

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)	56,842	
c Total lobbying expenditures (add lines 1a and 1b)	56,842	
d Other exempt purpose expenditures	705,233,405	
e Total exempt purpose expenditures (add lines 1c and 1d)	705,290,247	
f Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h Subtract line 1g from line 1a If zero or less, enter -0-	0	
i Subtract line 1f from line 1c If zero or less, enter -0-	0	

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	61,012	49,816	46,582	56,842	214,252
d Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures					

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

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

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	570,394,064	528,012,698	542,188,938	495,093,405	471,903,453
b	Contributions	43,017,518	49,282,881	39,523,985	32,136,775	30,649,271
c	Net investment earnings, gains, and losses	70,018,758	46,289,884	-69,784	63,246,838	45,036,808
d	Grants or scholarships					
e	Other expenditures for facilities and programs	64,511,013	53,191,399	53,630,441	48,288,079	52,496,127
f	Administrative expenses					
g	End of year balance	618,919,327	570,394,064	528,012,698	542,188,939	495,093,405

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

- a Board designated or quasi-endowment ▶ 71 120 %
- b Permanent endowment ▶ 24 650 %
- c Temporarily restricted endowment ▶ 4 230 %

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

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

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

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

Part VI Land, Buildings, and Equipment. 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		25,551,282		25,551,282
b Buildings		1,042,834,954	286,446,560	756,388,394
c Leasehold improvements				
d Equipment		350,647,457	250,964,064	99,683,393
e Other		40,119,302	4,969,205	35,150,097
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				916,773,166

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

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

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

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

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

(a) Description	(b) Book value
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
Federal income taxes	
INTEREST RATE SWAP	10,194,563
WORKERS COMPENSATION INSURANCE RESERVE	12,808,281
DEFERRED BENEFITS	6,181,059
MALPRACTICE TAIL RESERVE	3,800,000
LIABILITY UNDER UNITRUST AGREEMENTS	3,017,477
DEFERRED REVENUE/DEPOSITS LT	2,100,291
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	38,101,671

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

Return Reference	Explanation
PART V, LINE 4	ENDOWMENT FUNDS ARE INTENDED TO BE USED ACCORDING TO THE DONOR'S WISHES WHICH VARY FROM ONGOING PROGRAM SUPPORT, TO SPECIFIC RESEARCH, TO BUILDING OR ASSET ACQUISITION, OR SUPPORT OF ACADEMIC CHAIRS WITHIN THE ORGANIZATION
PART X, LINE 2	THE HOSPITAL ACCOUNTS FOR INCOME TAXES IN ACCORDANCE WITH FASB ASC 740, INCOME TAXES FASB ASC 740 PRESCRIBES A COMPREHENSIVE MODEL FOR HOW A COMPANY SHOULD RECOGNIZE, MEASURE, PRESENT, AND DISCLOSE IN ITS CONSOLIDATED FINANCIAL STATEMENTS UNCERTAIN TAX POSITIONS THAT THE COMPANY HAS TAKEN, OR EXPECTS TO TAKE, ON A TAX RETURN DURING THE YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2013, THE HOSPITAL DID NOT RECORD ANY LIABILITY FOR UNRECOGNIZED TAX BENEFITS

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

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

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

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

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

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

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	**(iii)** No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1	CHILDREN'S MIRACLE NETWORK 205 WEST 700 SOUTH SALT LAKE CITY, UT 84101	GENERAL FUNDRAISING		No	4,009,924	400,619	3,609,305
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶					4,009,924	400,619	3,609,305

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

CA

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

		(a) Event #1 (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts				
	2 Less Contributions				
	3 Gross income (line 1 minus line 2)				
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses				
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				( )
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				

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

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

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

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

b If "No," explain _____

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

b If "Yes," explain _____

11

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

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

13 Indicate the percentage of gaming activity operated in

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

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

Name ▶ .....

Address ▶ .....

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

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

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

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

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

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

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

Return Reference	Explanation
SCHEDULE G, PART I, LINE 2B, COLUMN (V)	FUNDS SUBMITTED DIRECTLY TO CHILDREN'S MIRACLE NETWORK BY SPONSOR PARTNERS ARE REMITTED TO MEMBER HOSPITALS ON A QUARTERLY BASIS BY CHILDREN'S MIRACLE NETWORK FUNDS REMITTED DIRECTLY TO MEMBER HOSPITALS AS A RESULT OF A CHILDREN'S MIRACLE NETWORK FUNDRAISING PROGRAM ARE REPORTED BACK TO CHILDREN'S MIRACLE NETWORK FOR THE PURPOSES TRACKING FUNDRAISING RESULTS BUT THOSE ARE DEPOSITED BY THE MEMBER HOSPITAL MEMBER HOSPITALS PAY AN ANNUAL MEMBERSHIP FEE, WHICH DIFFERS FOR EACH MEMBER HOSPITAL AND DEPENDS LARGELY ON ITS MARKET TERRITORY POPULATION THESE FEES ARE ANALOGOUS TO FRANCHISE FEES, WHERE HOSPITALS "OWN" MARKET TERRITORY IN WHICH THEY FUNDRAISE USING THE CHILDREN'S MIRACLE NETWORK BRAND CHILDREN'S MIRACLE NETWORK FURNISHES FUNDRAISING MATERIALS THAT ARE ESSENTIAL TO THE CAMPAIGNS SUCH MATERIALS INCLUDE THE PAPER ICONS, COLLATERAL MATERIALS, AND COIN CANNISTERS MATERIALS ARE SENT DIRECTLY TO LOCATIONS OF SPONSOR PARTNERS (SUCH AS AN INDIVIDUAL COSTCO WAREHOUSE) IT IS THE RESPONSIBILITY OF EACH HOSPITAL TO PAY FOR THE COST OF THESE MATERIALS MATERIALS COSTS ARE BILLED SEPARATE FROM THE ANNUAL MEMBERSHIP FEE AND ARE SENT INTERMITTENTLY DEPENDING ON THE FREQUENCY OF THE CAMPAIGNS

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)	1	3,200	3,231,659		3,231,659	0 380 %
b Medicaid (from Worksheet 3, column a)			176,165,611	95,793,498	80,372,113	9 330 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs	1	3,200	179,397,270	95,793,498	83,603,772	9 710 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	17	193,146	1,562,318		1,562,318	0 180 %
f Health professions education (from Worksheet 5)	7	7,335	64,561,407	44,544,017	20,017,390	2 320 %
g Subsidized health services (from Worksheet 6)	1	5,283	4,028,090		4,028,090	0 470 %
h Research (from Worksheet 7)	1		110,553,901	77,368,768	33,185,133	3 850 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	4	13,400	4,387,986		4,387,986	0 510 %
j **Total.** Other Benefits	30	219,164	185,093,702	121,912,785	63,180,917	7 330 %
k **Total.** Add lines 7d and 7j	31	222,364	364,490,972	217,706,283	146,784,689	17 040 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	1	7,500	40,000		40,000	0 %
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy	2	200,000	220,000		220,000	0 030 %
8	Workforce development	5	18,193	867,068		867,068	0 100 %
9	Other						
10	**Total**	8	225,693	1,127,068		1,127,068	0 130 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	8,385,995		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	2,032,878		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	2,032,878		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7			
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 1

	Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group CHILDREN'S HOSPITAL LOS ANGELES

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

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

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 100 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 350 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☑ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☑ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
See Additional Data Table	

Part V Facility Information *(continued)*

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

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

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

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 7	IN OCTOBER 2010, CMS APPROVED LEGISLATION ENACTED BY THE STATE OF CALIFORNIA THAT PROVIDED FOR SUPPLEMENTAL MEDI-CAL PAYMENTS TO BE PAID TO CERTAIN HOSPITALS FROM FUNDS COLLECTED FROM PARTICIPATING HOSPITALS UNDER THE STATE'S QUALITY ASSURANCE FEE PROGRAM SUCH AMOUNTS WERE ALLOCATED AND PAID TO CHLA BASED ON PRIOR YEAR PATIENT DATA, WHICH INCLUDES MEDI-CAL PATIENTS IF THESE AMOUNTS HAD NOT BEEN INCLUDED, THE HOSPITAL WOULD HAVE REPORTED A TOTAL COMMUNITY BENEFIT PERCENTAGE IN EXCESS OF 19% DUE TO THE TIMING OF THE PAYMENTS, CHLA RECEIVED LESS REVENUE FROM THE HOSPITAL FEE PROGRAM FOR THE FISCAL YEAR ENDED JUNE 30, 2014 CHLA WILL REPORT MORE REVENUE FROM THE HOSPITAL FEE PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2015

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 8,385,995

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	THE HOSPITAL SPONSORS VARIOUS COMMUNITY SERVICES TO BENEFIT THE PHYSICALLY, MENTALLY AND GENETICALLY DISABLED AS PART OF ITS CHARITABLE MISSION THESE SERVICES INCLUDE PARENTAL COUNSELING, EDUCATIONAL SEMINARS, FAMILY SUPPORT GROUPS, AND AN OUTREACH ORGANIZATION FOR FAMILIES ADMINISTERED BY THE HOSPITAL IN AN AGENCY RELATIONSHIP AND FUNDED BY THE STATE OF CALIFORNIA ADDITIONALLY, A LARGE NUMBER OF HEALTH-RELATED EDUCATIONAL PROGRAMS ARE PROVIDED FOR THE BENEFIT OF THE COMMUNITY, INCLUDING HEALTH ENHANCEMENTS AND WELLNESS, TELEPHONE INFORMATION SERVICES, AND PROGRAMS DESIGNED TO IMPROVE THE GENERAL STANDARDS OF THE HEALTH OF THE COMMUNITY

Form and Line Reference	Explanation
PART III, LINE 4	THE HOSPITAL RECOGNIZES PATIENT SERVICE REVENUE ON THE BASIS OF CONTRACTUAL RATES FOR THE SERVICES RENDERED FOR THOSE PATIENTS WHO HAVE THIRD-PARTY PAYOR COVERAGE FOR UNINSURED PATIENTS WHO DO NOT QUALIFY FOR CHARITY CARE, THE HOSPITAL RECOGNIZES REVENUE ON THE BASIS OF ITS STANDARD RATES (OR ON THE BASIS OF DISCOUNTED RATES, IF NEGOTIATED OR PROVIDED BY POLICY) PATIENTS COVERED BY INSURANCE, BUT REQUIRED TO PAY DEDUCTIBLES OR COPAYMENTS, ARE CONSIDERED TO BE UNINSURED FOR THOSE PORTIONS BASED ON HISTORICAL EXPERIENCE, THE HOSPITAL BELIEVES THAT A SIGNIFICANT PORTION OF ITS PATIENT ACCOUNTS WILL BE UNCOLLECTIBLE THUS, IT RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS RELATED TO PATIENT ACCOUNTS IN THE PERIOD THE SERVICES ARE PROVIDED BAD DEBTS ARE NOT INCLUDED AS COMMUNITY BENEFITS AND CONTAIN -0- CHARITY COST BAD DEBTS ARE CALCULATED BASED ON UNCOLLECTIBLE ACCOUNTS NET OF CONTRACTUALS

Form and Line Reference	Explanation
PART III, LINE 8	CHLA IS NOT INCLUDING ANY MEDICARE SHORTFALL AS PART OF ITS COMMUNITY BENEFIT FURTHER, CHLA USES FEDERAL MEDICARE COST ALLOCATION METHODOLOGY, AS REPORTED IN ITS MEDICARE COST REPORT, TO DETERMINE THE ALLOWABLE COSTS OF CARE RELATING TO MEDICARE PAYMENTS RECEIVED

Form and Line Reference	Explanation
PART III, LINE 9B	THE HOSPITAL'S POLICY STATES THAT IF THE PATIENT/GUARANTOR IS UNABLE TO PAY FOR SERVICES DUE TO THEIR CURRENT FINANCIAL SITUATION, THEY COULD BE ELIGIBLE FOR UNCOMPENSATED CARE, IN WHICH CASE THE HOSPITAL'S APPLICABLE POLICY AND PROCEDURE IS FURTHER REFERENCED IF THE PATIENT/GUARANTOR DOES NOT QUALIFY, THE HOSPITAL FOLLOWS ALL APPLICABLE FEDERAL AND STATE GUIDELINES FOR DEBT COLLECTION, INCLUDING THE REQUIREMENT OF FAIR TREATMENT, THE PROHIBITION OF MAKING FALSE STATEMENTS AND RESTRICTIONS ON THE TIME OF DAY THAT DEBT COLLECTORS MAY CONTACT THE DEBTOR

Form and Line Reference	Explanation
PART VI, LINE 2	CHILDREN'S HOSPITAL LOS ANGELES RECOGNIZES THE IMPORTANCE OF KNOWING AND UNDERSTANDING THE KEY INDICATORS OF ITS COMMUNITY'S HEALTH AND THE ISSUES THAT AFFECT PATIENTS, PARENTS, AND COMMUNITY ORGANIZATIONS THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS CONDUCTED BY THE ADVANCEMENT PROJECT HEALTHY CITY, BIEL CONSULTING AND THE OFFICE OF COMMUNITY AFFAIRS AT CHILDREN'S HOSPITAL LOS ANGELES OTHER INSTITUTIONS, ORGANIZATIONS AND AGENCIES-AS WELL AS MEMBERS OF THE CHILDREN'S HOSPITAL COMMUNITY BENEFIT ADVISORY COMMITTEE-ALSO CONTRIBUTED TIME AND RESOURCES TO ASSIST WITH THIS ASSESSMENT CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT IS ONE OF THE MANY WAYS THAT CHILDREN'S HOSPITAL LOS ANGELES STRENGTHENS ITS COMMITMENT TO UNDERSTANDING THE HEALTH NEEDS OF THE COMMUNITIES IT SERVES NEEDS ASSESSMENTS ARE THE PRIMARY TOOLS USED TO DETERMINE A HOSPITAL'S "COMMUNITY BENEFIT" PLAN, THAT IS, HOW THE HOSPITAL WILL ADDRESS UNMET COMMUNITY NEEDS THROUGH THE PROVISION OF COMMUNITY HEALTH SERVICES

Form and Line Reference	Explanation
PART VI, LINE 3	THE OFFICE OF COMMUNITY AFFAIRS AT CHILDREN'S HOSPITAL LOS ANGELES HELPS FAMILIES ACCESS AVAILABLE COMMUNITY RESOURCES, INCLUDING LOW-COST HEALTH INSURANCE COVERAGE AND HEALTH PROGRAMS CALIFORNIA WAS THE FIRST STATE TO PASS LEGISLATION TO ESTABLISH A HEALTH INSURANCE EXCHANGE UNDER THE FEDERAL HEALTH CARE REFORM LAW, THE PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA) COMMONLY REFERRED TO AS THE ACA-OR OBAMACARE THROUGH CHLA'S HEALTH INSURANCE ASSISTANCE PROGRAM, PART OF THE OFFICE OF COMMUNITY AFFAIRS, FAMILIES FIND HELP GETTING ACCESS TO COVERED CALIFORNIA RESOURCES AND LEARN ABOUT OTHER LOW-COST HEALTH INSURANCE PROGRAMS IN LOS ANGELES COUNTY TO INCREASE ACCESS TO HEALTH CARE RESOURCES AND PROVIDE AWARENESS OF COVERED CALIFORNIA BENEFITS, THE PROGRAM HAS PARTNERED WITH A LOCAL COLLABORATIVE TO CONDUCT OUTREACH AND EDUCATION IN THE PAST YEAR, THE COVERED CALIFORNIA CERTIFIED EDUCATORS AT THE OFFICE OF COMMUNITY AFFAIRS HELPED MORE THAN 100 FAMILIES ENROLL IN QUALIFIED HEALTH PLANS THROUGH COVERED CALIFORNIA OR MEDI-CAL THE TEAM REACHED MORE THAN 12,000 INDIVIDUALS THROUGH OUTREACH CAMPAIGNS AT MORE THAN 60 COMMUNITY EVENTS, INCLUDING INFORMATION KIOSKS, ENROLLMENT WORKSHOPS, ELIGIBILITY DETERMINATION EVENTS, PRESENTATIONS AND ONE-ON-ONE CONSULTATIONS

Form and Line Reference	Explanation
PART VI, LINE 4	OUR HOSPITAL SERVICES REACH THOUSANDS ACROSS LOS ANGELES COUNTY--A REGION THAT SPANS 4,057 SQUARE MILES AND INCLUDES VAST URBAN COMMUNITIES, SUBURBAN AREAS AND RURAL NEIGHBORHOODS LOS ANGELES COUNTY IS HOME TO MORE THAN 10 MILLION RESIDENTS, APPROXIMATELY 26 PERCENT OF THE STATE'S POPULATION, WHO COME FROM AROUND THE WORLD AND SPEAK MORE THAN 140 LANGUAGES IT IS THE MOST POPULOUS COUNTY IN THE NATION--AND ONE OF THE MOST ETHNICALLY AND RACIALLY DIVERSE THE HOSPITAL IS PHYSICALLY LOCATED IN THE METRO AREA OF THE CITY OF LOS ANGELES IT IS A REGIONAL, TERTIARY HEALTHCARE FACILITY THAT SERVES PATIENTS THROUGHOUT L A COUNTY AND BEYOND AND IS THE ONLY LEVEL 1 PEDIATRIC TRAUMA CENTER BETWEEN SAN FRANCISCO AND SAN DIEGO

Form and Line Reference	Explanation
PART VI, LINE 5	AT CHILDREN'S HOSPITAL LOS ANGELES, PROVIDING HEALTH CARE TO PATIENTS AND THEIR FAMILIES D OESN'T STOP AT THE HOSPITAL WALLS OUR COMMUNITY BENEFIT SERVICES AND ACTIVITIES ENSURE WE REMAIN RESPONSIVE TO THE NEEDS OF OUR COMMUNITY AND BUILD ON OUR COMMUNITY NETWORK OF CAR E OUR COMMUNITY BENEFIT INVESTMENT HELPS MAKE A DIFFERENCE IN THE LIVES OF THE THOUSANDS OF CHILDREN, ADOLESCENTS AND FAMILIES WE SERVE THROUGHOUT THE LOS ANGELES COUNTY REGION, A S WELL AS THE THOUSANDS REACHED THROUGH OUR NATIONAL AND INTERNATIONAL EFFORTS -- HELPING CHILDHOOD CANCER SURVIVORS - SUCCESS IN TREATING CHILDHOOD CANCER HAS LED TO AN OVERALL SU RVIVAL RATE OF MORE THAN 80 PERCENT TODAY, THERE ARE MORE THAN 350,000 SURVIVORS OF CHILD HOOD CANCER IN THE UNITED STATES THE LONG-TERM INFORMATION, FOLLOW-UP AND EVALUATION (LIF E) CANCER SURVIVORSHIP AND TRANSITION PROGRAM AT THE CHILDREN'S CENTER FOR CANCER AND BLOO D DISEASES AT CHLA HAS BEEN PROVIDING SERVICES TO SURVIVORS OF CHILDHOOD AND ADOLESCENT CA NCER FOR NEARLY 25 YEARS THIS PAST YEAR, THE TEAM PROVIDED INITIAL ASSESSMENT SERVICES TO APPROXIMATELY 200 SURVIVORS, CONDUCTED ANNUAL FOLLOW-UPS FOR APPROXIMATELY 300 SURVIVORS AND TRANSITIONED MORE THAN 150 YOUNG-ADULT SURVIVORS TO THE USC NORRIS COMPREHENSIVE CANCE R CENTER FOR ONGOING FOLLOW-UP IN AN ADULT SETTING -- REACHING OUT TO HEAL - THIS PAST YEA R, CHILDREN'S HOSPITAL LOS ANGELES PILOTED A TWO-YEAR, FAITH-BASED OBESITY/DIABETES INITIA TIVE TARGETING CHILDREN, ADOLESCENTS AND FAMILIES IN SOUTH LOS ANGELES THE PROGRAM, PROJE CT HEAL (HEALTHY ENVIRONMENT AND ACTIVE LIVING), IS A PARTNERSHIP BETWEEN CHLA AND THE NEW MOUNT CALVARY MISSIONARY BAPTIST CHURCH IN SOUTH LOS ANGELES, THE CECIL MURRAY CENTER FOR COMMUNITY ENGAGEMENT AND A CONSORTIUM OF SOUTH LOS ANGELES COMMUNITY CLINICS PROJECT HEA L WAS DESIGNED TO RAISE AWARENESS AND SHIFT NORMS IN THE CHURCH COMMUNITY TO IMPROVE HEALT H AND WELLNESS OF CHURCH CONGREGANTS THE PARTNERSHIP IS SUPPORTED BY THE DIVISION OF ENDO CRINOLOGY/METABOLISM AND THE DIVISION OF ADOLESCENT AND YOUNG ADULT MEDICINE AT CHLA, ALON G WITH THE CALIFORNIA COMMUNITY FOUNDATION/CENTINELA MEDICAL FUND THROUGH HEAL, PROGRAM L EADERS AND CLINICIANS HAVE WORKED CLOSELY WITH CHURCH LEADERSHIP AND CONGREGANTS TO IMPLEM ENT LIFESTYLE INTERVENTIONS FOR CHILDREN, YOUTH AND ADULTS, SUPPORT CONGREGATION-WIDE EVEN TS PROMOTING HEALTHY NUTRITION AND PHYSICAL ACTIVITY, AND PROVIDE LINKAGE TO LOCAL HEALTH CARE AND RESOURCES -- GANG REDUCTION YOUTH DEVELOPMENT ("GRYD") - IN RESPONSE TO THE CITY 'S NEED FOR A COMPREHENSIVE, COMMUNITY-BASED STRATEGY TO REDUCE GANG CRIME AND VIOLENCE IN LOS ANGELES' MOST GANG-PLAGUED COMMUNITIES, THE DIVISION OF ADOLESCENT AND YOUNG ADULT ME DICINE AT CHLA LAUNCHED A COMPREHENSIVE MULTIAGENCY GANG PREVENTION PROGRAM IN 1996 CHILD REN'S HOSPITAL LOS ANGELES IS THE LEAD AGENCY FOR THE CYPRESS PARK/NORTHEAST LOS ANGELES A ND SECONDARY HOLLYWOOD GRYD ZONES THE GRYD PROGRAM PROVIDES ELIGIBLE YOUTH AND THEIR FAMI LIES WITH INTENSIVE AND COMPREHENSIVE CASE MANAGEMENT SERVICES, INCLUDING HOME VISITATION, INDIVIDUAL AND FAMILY COUNSELING, MENTORSHIPS, CULTURAL AND RECREATIONAL ACTIVITIES AND C OMMUNITY MOBILIZATION AND PARENT LEADERSHIP WORKSHOPS SINCE ITS LAUNCH, THE GRYD PROGRAMS AT CHLA HAVE RECEIVED OVER 2,300 REFERRALS EVERY YEAR THE GRYD PROGRAMS SERVE MORE THAN 200 YOUTH AND THEIR FAMILIES IN THE COMMUNITY -- OBESITY PREVENTION - SUSTAINED COMMUNITY PARTNERSHIPS - THROUGHOUT LOS ANGELES COUNTY, THERE ARE WIDE DISPARITIES IN THE PREVALENCE OF BOTH ADULT AND CHILDHOOD OBESITY THE COMMUNITY DIABETES INITIATIVE (CDI) IS A PARTNER SHIP BETWEEN CHLA AND THE UNIVERSITY OF SOUTHERN CALIFORNIA (USC) THAT HAS BEEN ENGAGING L EADERS, ADVOCATES AND RESIDENTS OF EAST AND SOUTH LOS ANGELES COMMUNITIES SINCE 2004 THE GOAL TO IDENTIFY FACTORS CONTRIBUTING TO DISPROPORTIONATELY HIGH RATES OF OBESITY, AND WO RK TOGETHER TO DEVELOP AND IMPLEMENT STRATEGIES APPROPRIATE TO COMMUNITY NEEDS AND RESOURC ES THE CDI TEAM HAS WORKED IN CONCERT WITH COMMUNITY RESIDENTS TO GATHER SURVEYS, INTERVI EWS AND OBSERVATIONS THAT HIGHLIGHT THE COMPLEX, INTERSECTING FACTORS THAT CONTRIBUTE TO A ND EXACERBATE RISK FOR OBESITY NEARLY 50 PERCENT OF RESIDENTS INTERVIEWED BY THE TEAM REP ORTED THAT IN THE PAST YEAR THERE WAS AT LEAST ONE MONTH THEY WERE UNABLE TO AFFORD FOOD F OR THEIR FAMILY A STRATEGY OF COMMUNITY COLLABORATION HAS BROUGHT ABOUT THE ACTIVE PARTIC IPATION OF NEIGHBORHOOD RESIDENTS AND LEADERS, WHO HAVE HELPED BY CONDUCTING GROCERY STORE TOURS, PROVIDING COOKING CLASSES FOR THE COMMUNITY AND OFFERING NUTRITION TRAINING AT LOC AL ELEMENTARY SCHOOLS -- YOUNG LUNGS AT PLAY - THIS PAST YEAR, CHILDREN'S HOSPITAL LOS AN GELES JOINED NEIGHBORING INSTITUTIONS TO BECOME A SMOKE-FREE AND TOBACCO-FREE CAMPUS, EXPA NDING A LOCAL SMOKE- AND TOBACCO-FREE ZONE A RECENT LOS ANGELES COUNTY HEALTH SURVEY REVE ALED THAT, ALTHOUGH THE COUNTY'S SMOKING RATE IS AMONG THE LOWEST OF ANY U S METROPOLITAN AREA, SMOKING PREVALENCE AMONG RESIDENTS HAS REMA

Form and Line Reference	Explanation
PART VI, LINE 5	INED FAIRLY STEADY SINCE 2002 CIGARETTE SMOKING MAY ALSO EXPOSE CHILDREN, ADOLESCENTS, FA MILIES AND THE GENERAL PUBLIC TO SECONDHAND SMOKE, WHICH CAUSES A BROAD RANGE OF ADVERSE H EALTH ISSUES CIGARETTE SMOKING REMAINS ONE OF THE LEADING PREVENTABLE CAUSES OF DISEASE A ND DISABILITY IN LOS ANGELES COUNTY THE HOSPITAL POLICY ALSO SUPPORTS STAFF AND COMMUNITY MEMBERS WHO ARE TRYING TO QUIT SMOKING A COMMITTEE OF HOSPITAL STAFF AND EXECUTIVE LEADE RS DEVELOPED RESOURCES AND KITS TO SUPPORT SMOKING CESSATION -- COORDINATING CARE FOR MOT HER AND FETUS - THE INSTITUTE FOR MATERNAL-FETAL HEALTH (IMFH) IS ONE OF ONLY A HANDFUL OF COMPREHENSIVE MATERNAL AND FETAL DIAGNOSTIC AND TREATMENT CENTERS NATIONWIDE MADE UP OF A MULTIDISCIPLINARY GROUP OF OBSTETRICIANS, CHLA SPECIALTY PHYSICIANS, NURSE CARE MANAGERS AND PSYCHOSOCIAL COUNSELORS, THE IMFH TEAM PROVIDES A FULL SCOPE OF SERVICES TO FETUSES A ND MOTHERS WITH HIGH-RISK PREGNANCIES AT THE IMFH, NURSE CARE MANAGERS LEAD THE COORDINAT ION OF CARE, ASSIST FAMILIES IN THE CARE OF THEIR UNBORN BABIES, AND PROVIDE SUPPORT AND E DUCATION FROM THE TIME OF DIAGNOSIS THROUGH THE CHILD'S ADMISSION TO CHLA AND BEYOND SINC E OPENING IN 2003, THE IMFH HAS RECEIVED MORE THAN 4,000 REFERRALS, AND NUMBERS CONTINUE T O INCREASE EVERY YEAR -- COMING TOGETHER FOR HEALTHY BABIES - THIS PAST MARCH, GAIL MARGO LIS, ESQ , VICE PRESIDENT, GOVERNMENT, BUSINESS AND COMMUNITY RELATIONS AT CHLA AND MEMBER OF THE CALIFORNIA STATE MARCH OF DIMES BOARD, WAS HONORED BY THE MARCH OF DIMES NATIONAL BOARD OF TRUSTEES ADVOCACY COMMITTEE AT THE NATIONAL PUBLIC AFFAIRS MARCH ON WASHINGTON CO NFERENCE MARGOLIS WAS RECOGNIZED AS ONE OF THE TOP ADVOCATES FOR HEALTHY PREGNANCIES AND HEALTHY BABIES AND FOR ALL OF HER CONTRIBUTIONS TO MARCH OF DIMES' WORK IN CALIFORNIA THE MARCH OF DIMES IS A NATIONAL NONPROFIT ORGANIZATION THAT WORKS TO IMPROVE HEALTH OUTCOMES OF MOTHERS AND BABIES AS A RESULT OF MARGOLIS' ADVOCACY EFFORTS AND COLLABORATION WITH TH E MARCH OF DIMES, CHLA IS ONE OF ONLY A FEW CALIFORNIA HOSPITALS TO HOST A PERSONALIZED FA MILY SUPPORT PROGRAM FOR FAMILIES IN OUR NEWBORN AND INFANT CRITICAL CARE UNIT (NICCU) SI NCE ITS INCEPTION, THE PROGRAM HAS PROVIDED MORE THAN 140 PARENT ACTIVITIES, INCLUDING PAR ENT EDUCATION HOURS, AWARENESS WORKSHOPS, SUPPORT GROUPS, PARENT PANELS AND PARENT ADVOCAC Y PROJECTS FOR MORE THAN 900 NICCU FAMILIES -- COMING TOGETHER TO FIGHT OBESITY - CHILDREN 'S HOSPITAL RECENTLY LAUNCHED THE EMPOWER (ENERGY MANAGEMENT FOR PERSONALIZED WEIGHT REDUC TION) WEIGHT MANAGEMENT CLINIC FOR OVERWEIGHT OR OBESE CHILDREN AND TEENS THE CLINIC'S TE AM OF SPECIALISTS-A PHYSICIAN, DIETITIAN, PSYCHOLOGIST AND PHYSICAL THERAPIST-WORK TOGETHE R TO CREATE A CUSTOMIZED CARE PLAN FOR EACH PATIENT AND FAMILY THE PROGRAM IS TAKING ITS EXPERTISE TO THE COMMUNITY ITS NEWEST INITIATIVE IS A FAITH-BASED PILOT PROGRAM OFFERED I N PARTNERSHIP WITH THE NEW MOUNT CALVARY MISSIONARY BAPTIST CHURCH IN SOUTH LOS ANGELES -- DISASTER PREPAREDNESS DEVELOPING RESILIENT COMMUNITIES - PEDIATRIC HOSPITALS PLAY A CRIT ICAL ROLE IN COMMUNITIES, AND THAT IS PARTICULARLY TRUE IN THE CASE OF A DISASTER THE PED IATRIC DISASTER RESOURCE AND TRAINING CENTER (PDRTC) WAS CREATED TO ENSURE COMMUNITIES WIL L BE ABLE TO CARE FOR THE NEEDS OF CHILDREN DURING AND AFTER A DISASTER THE CENTER SUPPOR TS THE DEVELOPMENT OF RESILIENT COMMUNITIES-ONES THAT, WHEN FACED WITH DISASTER, WILL BE A BLE TO BOUNCE BACK TO NORMALCY MORE QUICKLY THAN COMMUNITIES WITHOUT THIS TYPE OF SUPPORT THE PDRTC LEADS SEVERAL PREPAREDNESS EFFORTS THROUGHOUT LOS ANGELES COUNTY AND SERVES AS A NATIONAL CONSULTANT CHLA REMAINS A COMMITTED PARTNER OF THE HOSPITAL PREPAREDNESS PROGR AM (HPP) IN LOS ANGELES COUNTY AS THE COUNTY'S PEDIATRIC DISASTER RESOURCE CENTER, THE HO SPITAL WORKED CLOSELY WITH THE L A COUNTY EMERGENCY MEDICAL SERVICES (EMS) AGENCY TO DEVE LOP A COUNTYWIDE PLAN FOR AN EVENT THAT WOULD DISPROPORTIONATELY AFFECT CHILDREN

Form and Line Reference	Explanation
PART VI, LINE 6	CHILDREN'S HOSPITAL LOS ANGELES IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM

Form and Line Reference	Explanation
PART VI, LINE 7, REPORTS FILED WITH STATES	CA

Additional Data

Software ID:
Software Version:
EIN: 95-1690977
Name: CHILDREN'S HOSPITAL LOS ANGELES

990 Schedule H, Supplemental Information

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

Form and Line Reference	Explanation
CHILDREN'S HOSPITAL LOS ANGELES	
CHILDREN'S HOSPITAL LOS ANGELES	PART V, SECTION B, LINE 7 AS PART OF THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), HEALTH AND SOCIAL NEEDS WERE IDENTIFIED THROUGH AN EXAMINATION OF PRIMARY AND SECONDARY DATA AND THEN PRIORITIZED THROUGH A STRUCTURED PROCESS USING THE RELATIVE WORTH METHOD THIS METHOD IS A RANKING STRATEGY WHERE EACH PARTICIPANT IN THE PROCESS RECEIVED A FIXED NUMBER OF POINTS TO RANK EACH IDENTIFIED NEED THE PRIORITY AREAS THAT ARE BEING ADDRESSED ARE ACCESS TO CARE, HEALTH PROMOTION AND PREVENTION, OBESITY AND WORKFORCE DEVELOPMENT OTHER HEALTH AND SOCIAL NEEDS THAT WERE IDENTIFIED, SUCH AS MENTAL HEALTH, CHRONIC DISEASE CONDITIONS, COMMUNITY SAFETY, AND EARLY CHILDHOOD DEVELOPMENT, ARE ALREADY BEING ADDRESSED BY OTHER LOCAL AND REGIONAL COMMUNITY ORGANIZATIONS CHLA'S IMPLEMENTATION STRATEGY CAN BE FOUND ON THEIR WEBSITE AT WWW CHLA ORG
CHILDREN'S HOSPITAL LOS ANGELES	PART V, SECTION B, LINE 20D THE HOSPITAL WILL CHARGE THE GREATER OF THE MAXIMUM AMOUNTS THAT CAN BE CHARGED TO FAP-ELIGIBLE INDIVIDUALS DETERMINED BY THE FOLLOWING METHODS - LOWEST NEGOTIATED COMMERCIAL INSURANCE RATE - AVERAGE OF ITS THREE LOWEST NEGOTIATED COMMERCIAL INSURANCE RATES - MEDICARE RATES

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Part I General Information on Grants and Assistance

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

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

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) CALIFORNIA HEALTH FOUNDATION AND TRUST 1215 K STREET SUITE 800 SACRAMENTO,CA 95814	94-1498687	501(C)(3)	3,611,905	0			SUPPORT CHARITABLE ACTIVITIES AT HOSPITALS AND HEALTH SYSTEMS IN CALIFORNIA

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

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

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

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

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

Return Reference	Explanation
PART I, LINE 2	GRANTS WILL ONLY BE MADE TO 501(C)(3) ORGANIZATIONS TO ENSURE THE FUNDS WILL BE USED PROPERLY

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 1A	HENRI FORD RECEIVED A HOUSING ALLOWANCE OF $121,406 IN CALENDAR YEAR 2013, WHICH WAS TREATED AS TAXABLE COMPENSATION RICHARD CORDOVA HAS A DISCRETIONARY SPENDING ACCOUNT OF $36,000 FOR CALENDAR YEAR 2013 THIS ACCOUNT IS TO BE USED FOR CHLA BUSINESS ACTIVITIES IN HIS ROLE AS CEO THIS AMOUNT WAS REPORTED AS TAXABLE INCOME ON HIS FORM W-2
PART I, LINE 4B	THE FOLLOWING INDIVIDUALS PARTICIPATED IN CHLA'S 457(F) PLAN, A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN AMOUNTS DEFERRED UNDER SECTION 457(F) PLAN ARE SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE THESE AMOUNTS WILL BE REPORTED AS COMPENSATION FOR THE YEAR PAID AMOUNTS RECOGNIZED AS TAXABLE COMPENSATION ON THE EMPLOYEE'S 2013 FORM W-2 REFLECT PAYMENTS RECEIVED BY THE EMPLOYEE DURING CALENDAR YEAR 2013 THAT WERE PREVIOUSLY REPORTED AS DEFERRED COMPENSATION IN PRIOR YEAR FORM 990S GRACE OH - $30,898 DEANN MARSHALL - $49,306 TIM MALSEED - $26,101 MARTY MILLER - $30,748 RODNEY HANNERS - $300,164 DIEMLAN (LANNIE) TONNU - $65,758 CLAUDIA LOONEY - $195,274 LAWRENCE FOUST - $63,671 MARY DEE HACKER - $95,867 KEITH HOBBS - $35,893
PART I, LINE 7	CHLA MAINTAINS AN EXECUTIVE BONUS PROGRAM THAT AWARDS INCENTIVE COMPENSATION BASED UPON ACHIEVEMENT OF ORGANIZATIONAL OBJECTIVES INCLUDING HEALTH OUTCOMES, QUALITY IMPROVEMENT, LEVEL OF COMMUNITY BENEFIT PROVIDED AND OTHER MEASURES AS DETERMINED ANNUALLY BY THE COMPENSATION COMMITTEE ALTHOUGH THE AMOUNT OF BONUS INCENTIVES THAT EACH EMPLOYEE MAY BE GRANTED IS BASED ON A FIXED FORMULA, THE COMPENSATION COMMITTEE HAS THE DISCRETION TO DETERMINE THE EXTENT OF THE GOALS THAT HAVE BEEN MET BY EACH EMPLOYEE PURSUANT TO THE AFFILIATE AGREEMENT WITH THE UNIVERSITY OF SOUTHERN CALIFORNIA ("USC"), AN UNRELATED ORGANIZATION, THE FOLLOWING COMPENSATION AMOUNTS WERE PAID TO THE FOLLOWING LISTED INDIVIDUALS BY USC USC WAS SUBSEQUENTLY REIMBURSED BY CHLA FOR THE AMOUNTS ROBERT ADLER, M D (FORMER) - $398,678 HENRI FORD, M D - $600,750 ROBERT KAY, M D (FORMER) - $153,525 STUART E SIEGEL, M D - $343,859 ROBERTA G WILLIAMS, M D (FORMER) - $309,720 BRENT POLK, M D - $583,191 MARK D KRIEGER, M D - $200,250 CARL GRUSHKIN, M D - $209,445 IN ADDITION TO HER FUNDRAISING ACTIVITIES, BONNIE MCCLURE ALSO ADMINISTERS THE HOSPITAL'S PHOTOGRAPHIC AND MEMORABILIA ARCHIVES AND ADMINISTERS THE TOUR DOCENT PROGRAM SHE WAS COMPENSATED $64,000 FOR HER SERVICES

Additional Data

Software ID:
Software Version:
EIN: 95-1690977
Name: CHILDREN'S HOSPITAL LOS ANGELES

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
RICHARD CORDOVA PRESIDENT & CEO/TRUSTEE	(I) (II)	637,921 0	100,000 0	36,189 0	7,650 0	41,907 0	823,667 0	0 0
MARY DEE HACKER TRUSTEE/VP PATIENT CARE	(I) (II)	254,360 0	62,000 0	125,002 0	49,268 0	22,318 0	512,948 0	95,867 0
HENRI FORD MD TRUSTEE/FAC PHYSICIAN/VP	(I) (II)	600,750 0	0 0	121,406 0	0 0	0 0	722,156 0	0 0
STUART SIEGEL MD TRUSTEE/FACULTY PHYSICIAN	(I) (II)	343,859 0	0 0	0 0	0 0	0 0	343,859 0	0 0
BRENT POLK MD TRUSTEE/FACULTY PHYSICIAN	(I) (II)	583,191 0	0 0	0 0	0 0	0 0	583,191 0	0 0
MARK D KRIEGER MD TRUSTEE/FACULTY PHYSICIAN	(I) (II)	200,250 0	0 0	0 0	0 0	0 0	200,250 0	0 0
CARL GRUSHKIN MD TRUSTEE/FACULTY PHYSICIAN	(I) (II)	209,445 0	0 0	0 0	0 0	0 0	209,445 0	0 0
DIEMLAN LANNIE TONNU SVP/CFO/TREASURER	(I) (II)	394,996 0	103,000 0	100,831 0	74,722 0	28,348 0	701,897 0	65,758 0
LAWRENCE FOUST SVP-GEN COUNSEL/SEC	(I) (II)	337,606 0	91,000 0	81,171 0	66,421 0	16,154 0	592,352 0	63,671 0
DEANN MARSHALL SVP, CHIEF DEV & MKTG OFFICER	(I) (II)	311,412 0	89,000 0	108,481 0	85,558 0	19,665 0	614,116 0	49,306 0
RODNEY HANNERS SVP OPERATIONS/COO	(I) (II)	406,240 0	102,000 0	337,886 0	58,861 0	40,167 0	945,154 0	300,164 0
GAIL MARGOLIS VP, GOVERNMENT & PUBLIC POLICY	(I) (II)	235,269 0	56,000 0	23,484 0	36,628 0	21,199 0	372,580 0	0 0
GRACE OH AVP, ASSOC GEN COUNSEL	(I) (II)	271,979 0	58,003 0	32,199 0	38,525 0	32,015 0	432,721 0	30,898 0
TIM MALSEED AVP, CHIEF APPLICATIONS OFFICER	(I) (II)	266,476 0	55,170 0	37,129 0	44,107 0	1,958 0	404,840 0	26,101 0
MARTY MILLER VP, CHIEF INFORMATION OFFICER	(I) (II)	276,054 0	70,000 0	50,954 0	37,968 0	32,911 0	467,887 0	30,748 0
KEITH HOBBS VP, ANCILLARY & SUPPORT SERVICES	(I) (II)	238,308 0	59,000 0	46,192 0	37,323 0	22,157 0	402,980 0	35,893 0
CLAUDIA LOONEY FORMER SVP- DEVELOPMENT	(I) (II)	26,727 0	98,271 0	266,219 0	1,177 0	7,412 0	399,806 0	195,274 0
ROBERT ADLER MD FORMER TRUSTEE/FACULTY PHYSICIAN	(I) (II)	398,678 0	0 0	0 0	0 0	0 0	398,678 0	0 0
ROBERT KAY MD FORMER TRUSTEE/FACULTY PHYSICIAN	(I) (II)	153,525 0	0 0	0 0	0 0	0 0	153,525 0	0 0
ROBERTA WILLIAMS MD FORMER TRUSTEE/FACULTY PHYSICIAN	(I) (II)	309,720 0	0 0	0 0	0 0	0 0	309,720 0	0 0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY INSURED REVENUE BOND	68-0164610	130795CQ8	04-24-2007	170,792,342	FINANCED THE COSTS OF MAJOR EXPANSION AND MODERNIZATION OF THE HOSPITAL		X		X		X
B	CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY INSURED REVENUE BOND	68-0164610	NONEAVAIL	12-18-2009	29,865,000	REFUNDED SERIES 2008 BONDS	X			X		X
C	CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY INSURED REVENUE BONDS	52-1643828	13033LHC4	05-20-2010	186,024,080	REFUNDED SERIES 2004 & 2008 BONDS AND A PORTION OF SERIES 1999 CERTIFICATE	X			X		X
D	CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY INSURED REVENUE BONDS	52-1643828	13033LB22	08-15-2012	182,930,717	REFUNDED SERIES 2009 AND 2010B AND 1999		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased		30,000,000	51,000,000	
3	Total proceeds of issue	170,792,342	29,865,000	186,024,080	182,930,717
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	1,500,000		2,644,798	2,310,722
8	Credit enhancement from proceeds			5,213,423	
9	Working capital expenditures from proceeds	9,301,225			
10	Capital expenditures from proceeds	159,991,117			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2009	2010	2011	2013

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X			X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?		X						
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 800 %						
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5		0 800 %						
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X		X		X		X

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X		X		X
b	Exception to rebate?		X		X		X		X
c	No rebate due?	X		X		X			X
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X	X		X		X	
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X			X		X		X
b	Name of provider	GOLDMAN SACHS & CO							
c	Term of hedge	0 100000000000							
d	Was the hedge superintegrated?		X						
e	Was the hedge terminated?	X							

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?	X			X		X		X
b	Name of provider	AIG MATCHED FUNDING							
c	Term of GIC	1 400000000000							
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
6	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7	Has the organization established written procedures to monitor the requirements of section 148?		X		X		X		X

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
SCHEDULE K SUPPLENTAL INFORMATION	PART III, LINE 3B AND 3D WHILE CHLA DOES NOT ROUTINELY ENGAGE BOND COUNSEL OR OTHER OUTSIDE COUNSEL TO REVIEW ANY CONTRACTS OR AGREEMENTS RELATING TO TAX-EXEMPT BOND-FINANCED PROPERTY, CHLA UTILIZES ITS FULL-TIME IN-HOUSE LEGAL DEPARTMENT TO REVIEW ANY SUCH CONTRACTS CHLA'S GENERAL COUNSEL'S OFFICE HAS DEVELOPED INTERNAL PROCEDURES FOR REVIEWING CONTRACTS RELATING TO TAX-EXEMPT BOND-FINANCED PROPERTIES TO ENSURE COMPLIANCE WITH PROPER SAFE HARBORS PART IV, LINE 4C, COLUMN A THERE WERE TWO CONTRACTS WITH THE PROVIDER, ONE WITH A TERM OF 1 3 YEARS, THE OTHER WITH A TERM OF 2 3 YEARS

Return Reference	Explanation
PART III, LINE 9	CHLA DOES NOT HAVE ANY NONQUALIFIED BONDS

Return Reference	Explanation
PART IV, LINE 2C	BOND A CALCULATION PERFORMED ON 04/24/2014 BOND B BOND WAS DEFEASED ON 08/15/2012 BOND C CALCULATION PERFORMED ON 05/20/2014 BOND D CALCULATION PERFORMED ON 08/15/2014

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
(1) HENRI FORD	DIRECTOR OF CHLAMG, VICE PRESIDENT AND CHIEF OF SURGERY	HOUSING ASSISTANCE		X	237,495	22,574		No	Yes		Yes	
(2) DEANN MARSHALL	SVP, CHIEF DEV & MKTG OFFICER	HOUSING ASSISTANCE		X	300,000	87,500		No	Yes		Yes	
(3) DEANN MARSHALL	SVP, CHIEF DEV & MKTG OFFICER	HOUSING ASSISTANCE		X	100,000	111,305		No	Yes		Yes	
Total ▶ $						221,379						

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

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

Part V Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 95-1690977
Name: CHILDREN'S HOSPITAL LOS ANGELES

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

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues?	
				Yes	**No**
(1) MR WILLIAM H HURT TRUSTEE	CHAIRMAN OF CAPITAL STRATEGY RESEARCH, INC (AN AFFILIATE OF CGT)	271,071	THE HOSPITAL HAS INVESTMENT ACCOUNTS WITH CAPITAL GUARDIAN TRUST (CGT)		No
(2) MR ALAN PURWIN TRUSTEE	PRESIDENT OF HELINET AVIATION	212,367	PROVIDES TRANSPORTATION SERVICES FOR THE HOSPITAL		No
(3) MR ALEX CHAVES SR TRUSTEE	OWNER OF PARKING COMPANY OF AMERICA	3,760,745	PROVIDES PARKING SERVICES FOR THE HOSPITAL		No
(4) THEODORE R SAMUELS TRUSTEE	SR VP AND DIRECTOR OF CAPITAL GUARDIAN TRUST COMPANY	271,071	PAYMENT FOR INVESTMENT SERVICES TO THE HOSPITAL		No
(5) CARL GRUSHKIN MD TRUSTEE	PRESIDENT FOR CHILDREN'S HOSPITAL LOS ANGELES MEDICAL GROUP ("CHLAMG")	10,955,805	CHLAMG IS THE PEDIATRIC FACULTY PHYSICIAN PLAN FOR THE UNIVERSITY OF SOUTHERN CALIFORNIA AT CHLA PAYMENT IS FOR ADMINISTRATIVE AND COVERAGE SERVICES PROVIDED BY FACULTY PHYSICIANS		No
(6) HENRI R FORD MD TRUSTEE	DIRECTOR FOR CHLAMG, CHIEF OF SURGERY	10,955,805	CHLAMG IS THE PEDIATRIC FACULTY PHYSICIAN PLAN FOR THE UNIVERSITY OF SOUTHERN CALIFORNIA AT CHLA PAYMENT IS FOR ADMINISTRATIVE AND COVERAGE SERVICES PROVIDED BY FACULTY PHYSICIANS		No
(7) LISA STEVENS TRUSTEE	EXECUTIVE VP AND REGIONAL PRESIDENT OF WELLS FARGO & CO	307,903	PAYMENT FOR BANKING SERVICES AS WELL AS REPAYMENT OF HOUSING MORTGAGE		No
(8) KIMBERLY SHEPHERD TRUSTEE	HER MOTHER IS A TRUSTEE OF UNIVERSITY OF SOUTHERN CALIFORNIA	0	REIMBURSEMENT OF FACULTY SALARIES TO USC BY CHLA ZERO AMOUNT REFLECTS REIMBURSEMENT NATURE OF TRANSACTION		No
(9) MEGAN HERNANDEZ TRUSTEE	HUSBAND IS ENRIQUE HERNANDEZ, FOUNDER AND HEAD OF INTER-CON SECURITY SYSTEM	2,820,484	PROVIDES PRIVATE SECURITY SERVICES FOR THE HOSPITAL		No
(10) BRENT POLK TRUSTEE	CHAIR, DEPT OF PEDIATRICS AND VP OF ACADEMIC AFFAIRS	10,955,805	CHLAMG IS THE PEDIATRIC FACULTY PHYSICIAN PLAN FOR THE UNIVERSITY OF SOUTHERN CALIFORNIA AT CHLA PAYMENT IS FOR ADMINISTRATIVE AND COVERAGE SERVICES PROVIDED BY FACULTY PHYSICIANS		No
(11) ROBERT ADLER FORMER TRUSTEE	DIRECTOR FOR CHLAMG	10,955,805	CHLAMG IS THE PEDIATRIC FACULTY PHYSICIAN PLAN FOR THE UNIVERSITY OF SOUTHERN CALIFORNIA AT CHLA PAYMENT IS FOR ADMINISTRATIVE AND COVERAGE SERVICES PROVIDED BY FACULTY PHYSICIANS		No
(12) CARMEN PULIAFITO TRUSTEE	DEAN OF USC AND DIRECTOR FOR CHLAMG	10,955,805	CHLAMG IS THE PEDIATRIC FACULTY PHYSICIAN PLAN FOR THE UNIVERSITY OF SOUTHERN CALIFORNIA AT CHLA PAYMENT IS FOR ADMINISTRATIVE AND COVERAGE SERVICES PROVIDED BY FACULTY PHYSICIANS		No
(13) ALAN WILSON TRUSTEE	SR VP AND DIRECTOR OF CAPITAL GUARDIAN TRUST COMPANY	271,071	PAYMENT FOR INVESTMENT SERVICES TO THE HOSPITAL		No
(14) MR JAMES TERRILE TRUSTEE	OFFICER OF CAPITAL RESEARCH GLOBAL INVESTORS (AN AFFILIATE OF CGT)	271,071	THE HOSPITAL HAS INVESTMENT ACCOUNTS WITH CAPITAL GUARDIAN TRUST (CGT)		No
(15) MR LAWRENCE FOUST FORMER GENERAL	DIRECTOR OF BETA HEALTHCARE GROUP	1,699,053	THE HOSPITAL USES BETA AS ITS INSURANCE PROVIDER		No

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	51	832,981	COST OR SELLING PRICE
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . **29** 0

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

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

Return Reference	Explanation
PART I, COLUMN (B)	CHLA IS REPORTING THE NUMBER OF CONTRIBUTIONS
PART I, LINE 32B	THE HOSPITAL USES BROKERAGE HOUSES TO SELL NON-CASH CONTRIBUTIONS

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1	THE EXECUTIVE COMMITTEE CONSISTS OF ONLY ACTIVE, VOTING MEMBERS OF THE BOARD OF TRUSTEES AND IS COMPOSED OF THE CO-CHAIRPERSONS OF THE BOARD, THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOSPITAL, THE CHAIRPERSONS OF THE BOARD'S ADVANCEMENT, FINANCE, AUDIT, SAFETY AND QUALITY, SERVICE AND ACCESS, COMPENSATION, GOVERNMENT RELATIONS, INVESTMENT, GOVERNANCE, NOMINATING, AND RESEARCH INSTITUTE COMMITTEES AND SEVERAL OTHER TRUSTEES ELECTED BY THE BOARD OF TRUSTEES THE EXECUTIVE COMMITTEE MAY ACT WITH THE FULL AUTHORITY OF THE BOARD OF TRUSTEES EXCEPT ON THOSE MATTERS THAT ARE REQUIRED BY LAW OR THE BYLAWS TO BE DECIDED BY THE FULL BOARD OF TRUSTEES ALL ACTIONS OF THE EXECUTIVE COMMITTEE ARE REFLECTED IN MINUTES OF THE COMMITTEE, CONTEMPORANEOUSLY DOCUMENTED AND REPORTED TO BOTH THE EXECUTIVE COMMITTEE AND THE FULL BOARD OF TRUSTEES AT THEIR NEXT MEETINGS

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	1 ALAN WILSON (TRUSTEE) - BUSINESS RELATIONSHIPS AMONG THEODORE SAMUELS (TRUSTEE), WILLIAM HURT (TRUSTEE) AND JAMES TERRILE (TRUSTEE) 2 SUSAN MALLORY (TRUSTEE) - BUSINESS RELATIONSHIPS AMONG MARION ANDERSON (TRUSTEE) AND MARCIA HOBBS (TRUSTEE) 3 ELIZABETH RAHN (TRUSTEE) - BUSINESS RELATIONSHIP WITH SUSAN MALLORY (TRUSTEE) 4 MARCIA HOBBS (TRUSTEE) - FAMILY RELATIONSHIP WITH BONNIE MCCLURE (TRUSTEE) 5 CARL GRUSHKIN (TRUSTEE) - BUSINESS RELATIONSHIP WITH ROBERT ADLER (FORMER TRUSTEE)

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 4	THE FOLLOWING CHANGES WERE MADE TO THE BYLAWS DURING THE YEAR - CHAIR OR VICE CHAIR OF A COMMITTEE MAY NOW SERVE 2 TERMS WITH THE FIRST TERM LASTING 2 YEARS INSTEAD OF 1 OR TWO YEARS - COMMITTEE CHAIRS SHALL NOT HOLD THEIR RESPECTIVE OFFICES FOR MORE THAN TWO CONSECUTIVE TERMS INSTEAD OF 1 - THERE IS NO TERM LIMIT FOR VICE CHAIRS, WHO MAY SERVE AN UNLIMITED NUMBER OF ONE OR TWO YEAR RENEWAL TERMS - COMMITTEE CHAIRS AND VICE CHAIRS SERVE AT THE PLEASURE OF THE CO-CHAIRS AND MAY BE REMOVED BY THE CO-CHAIRS BEFORE THE EXPIRATION OF THEIR FULL TERMS - THE NOMINATING COMMITTEE IS MERGED INTO THE GOVERNANCE COMMITTEE - CHLA SHALL HAVE A SERVICE AND ACCESS COMMITTEE CONSISTING OF AT LEAST 5 ACTIVE TRUSTEES - CHLA'S SAFETY, QUALITY AND SERVICE COMMITTEE SHALL NOW BE CALLED SAFETY AND QUALITY COMMITTEE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 IS PREPARED BY DELOITTE TAX LLP, WORKING IN CONJUNCTION WITH CHLA'S FINANCE DEPARTMENT CHLA'S DIRECTOR OF ACCOUNTING HAS DIRECT RESPONSIBILITY FOR THIS EFFORT, SUBJECT TO SUPERVISION BY THE CHIEF FINANCIAL OFFICER AFTER AN INITIAL DRAFT OF THE FORM 990 IS PREPARED, IT IS CIRCULATED FOR REVIEW AND COMMENT BY RELEVANT MEMBERS OF THE EXECUTIVE TEAM WHO HAVE RESPONSIBILITY AND/OR KNOWLEDGE ABOUT THE VARIOUS MATTERS DISCLOSED AND/OR DESCRIBED IN THE FORM THE CHIEF FINANCIAL OFFICER AND GENERAL COUNSEL, IN PARTICULAR, REVIEW THE FORM 990 AND ENSURE ACCURACY OF DESCRIPTIONS AND THAT DISCLOSURE IS COMPLETE THE DRAFT FORM 990 IS REVIEWED BY THE AUDIT COMMITTEE OF CHLA, ACTING ON BEHALF OF THE BOARD OF TRUSTEES OF CHLA ONCE THE DRAFT FORM 990 HAS BEEN REVIEWED AND DISCUSSED BY THE AUDIT COMMITTEE, ANY CHANGES RESULTING FROM THEIR REVIEW IS INCORPORATED INTO THE FINAL DRAFT OF THE FORM 990 THE FINAL DRAFT OF THE FORM 990 IS THEN DISTRIBUTED TO THE BOARD OF TRUSTEES VIA A SECURE WEB SITE FOR THEIR REVIEW AND COMMENTS PRIOR TO THE FILING OF THE FORM 990

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	CHLA REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY THROUGH ANNUAL CIRCULATION OF A CONFLICT OF INTEREST QUESTIONNAIRE WHICH IS REQUIRED TO BE ANSWERED BY ALL OFFICERS AND MEMBERS OF THE BOARD OF TRUSTEES, KEY MEDICAL STAFF MEMBERS, AS WELL AS CERTAIN KEY EMPLOYEES THAT ARE DESIGNATED ANNUALLY BY THE GOVERNANCE COMMITTEE. THESE ANNUAL DISCLOSURES ARE REVIEWED BY A COMBINATION OF CHLA'S GENERAL COUNSEL, COMPLIANCE OFFICER, CHIEF EXECUTIVE OFFICER, GOVERNANCE COMMITTEE OF THE BOARD AND THE FULL BOARD OF TRUSTEES, DEPENDING ON THE INDIVIDUAL MAKING THE DISCLOSURE. ADDITIONALLY, THE LEGAL DEPARTMENT OF CHLA REVIEWS CONTRACTUAL RELATIONSHIPS ENTERED INTO BY CHLA. FURTHERMORE, BOARD MEMBERS AND OFFICERS ARE ASKED TO DISCLOSE ANY POTENTIAL CONFLICTS OF INTEREST ON A CONTINUOUS BASIS THROUGHOUT THE YEAR. IF A POTENTIAL CONFLICT EXISTS, THE BOARD OR COMMITTEE DETERMINES WHETHER THE BOARD MEMBER OR OFFICER SHOULD BE EXCLUDED FROM VOTING ON THAT PARTICULAR MATTER

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	15 A THE PROCESS FOR DETERMINING THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER OF CHLA IS CONDUCTED BY THE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES OF CHLA, ACTING ON BEHALF OF THE BOARD OF TRUSTEES OF THE ORGANIZATION THE COMPENSATION COMMITTEE REPORTED ITS DELIBERATIONS AND DECISIONS TO THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES IN DETERMINING THE CHIEF EXECUTIVE OFFICER'S COMPENSATION DURING THE TAX PERIOD OF THIS INFORMATION RETURN THE COMPENSATION COMMITTEE WORKED WITH AND RELIED UPON THE COUNSEL AND EXPERTISE OF MERCER CONSULTING, A FIRM WITH EXPERIENCE AND EXPERTISE IN THE AREA OF NON-PROFIT ORGANIZATION EXECUTIVE COMPENSATION MERCER CONSULTING PROVIDED REPORTS TO THE COMPENSATION COMMITTEE, WHICH FURNISHED THE BASIS FOR THE ESTABLISHMENT OF THE CHIEF EXECUTIVE OFFICER'S COMPENSATION PACKAGE THEIR REPORTS WERE BASED ON A REVIEW OF THE EXECUTIVE COMPENSATION PRACTICES OF A VARIETY OF ORGANIZATIONS THAT ARE CONSIDERED COMPARABLE TO CHLA BASED ON VARIOUS METRICS SUCH AS HOSPITAL TYPE AND REVENUE THE COMPENSATION COMMITTEE DELIBERATED ON THE ISSUE OF THE CHIEF EXECUTIVE OFFICER'S COMPENSATION PACKAGE IN LIGHT OF THESE REPORTS AND QUESTIONS WERE ASKED OF, AND ANSWERED BY, MERCER REGARDING SUCH REPORTS AND OTHER RELEVANT MATTERS BASED ON SUCH DELIBERATIONS, THE COMPENSATION COMMITTEE NEGOTIATED A WRITTEN CONTRACT WITH THE CEO 15 B THE PROCESS FOR DETERMINING THE COMPENSATION OF OFFICERS AND OTHER KEY EMPLOYEES OF CHLA IS CONDUCTED BY THE HUMAN RESOURCES DEPARTMENT OF CHLA, AND THE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES OF CHLA, ACTING ON BEHALF OF THE BOARD OF TRUSTEES OF THE ORGANIZATION IN DETERMINING SUCH EMPLOYEE'S COMPENSATION, DURING THE 2013 COMPENSATION SEASON THE HUMAN RESOURCES DEPARTMENT AND COMPENSATION COMMITTEE WORKED WITH AND RELIED UPON THE COUNSEL AND EXPERTISE OF MERCER CONSULTING, A FIRM WITH EXPERIENCE AND EXPERTISE IN THE AREA OF NON-PROFIT ORGANIZATION EXECUTIVE COMPENSATION MERCER PROVIDED AN EXECUTIVE COMPENSATION REPORT TO THE HUMAN RESOURCES DEPARTMENT AND COMPENSATION COMMITTEE WHICH FURNISHED THE BASIS FOR THE ESTABLISHMENT OF SUCH EMPLOYEES' COMPENSATION PACKAGE DURING THE FOLLOWING YEAR MERCER'S REPORT WAS BASED ON A REVIEW OF EXECUTIVE COMPENSATION PRACTICES OF A VARIETY OF ORGANIZATIONS THAT ARE CONSIDERED COMPARABLE TO CHLA BASED ON VARIOUS METRICS SUCH AS HOSPITAL TYPE AND REVENUE IN ADDITION, THE CHIEF EXECUTIVE OFFICER MADE A RECOMMENDATION TO THE COMPENSATION COMMITTEE WITH RESPECT TO EACH OF SUCH EMPLOYEES' COMPENSATION PACKAGE IN LIGHT OF THE MERCER REPORT AND IN LIGHT OF THE EXECUTIVE'S PERFORMANCE AT THE COMPENSATION COMMITTEE MEETING ADDRESSING SUCH MATTERS, QUESTIONS WERE ASKED OF, AND ANSWERED BY, MERCER REGARDING SUCH REPORT AND OTHER RELEVANT MATTERS BASED ON SUCH DELIBERATIONS, THE COMPENSATION COMMITTEE MADE A DECISION REGARDING THE COMPENSATION PACKAGE FOR SUCH EMPLOYEES FOR THE FOLLOWING YEAR

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	CHLA DOES NOT MAKE ITS GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC CHLA'S FINANCIAL STATEMENTS ARE CONTAINED IN ITS FORM 990, WHICH IS AVAILABLE FOR PUBLIC INSPECTION DURING BUSINESS HOURS

Return Reference	Explanation
FORM 990, PART VII	THE HOURS REPORTED FOR EACH OF THE FACULTY PHYSICIANS RELATES TO THEIR TOTAL COMPENSATION FROM ALL SOURCES AS REPORTED IN COLUMN D OF PART VII

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	PROFESSIONAL MEDICAL FEES PROGRAM SERVICE EXPENSES 75,253,652 MANAGEMENT AND GENERAL EXPENSES 21,934,719 FUNDRAISING EXPENSES 527,691 TOTAL EXPENSES 97,716,062 MEDICAL-RELATED SERVICES PROGRAM SERVICE EXPENSES 10,531,051 MANAGEMENT AND GENERAL EXPENSES 3,846,950 FUNDRAISING EXPENSES 8,368 TOTAL EXPENSES 14,386,369 OTHER PURCHASED SERVICES PROGRAM SERVICE EXPENSES 8,034,144 MANAGEMENT AND GENERAL EXPENSES 22,355,844 FUNDRAISING EXPENSES 2,239,172 TOTAL EXPENSES 32,629,160

Return Reference	Explanation
FORM 990, PART XI, LINE 9	CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -210,138 TRANSFERS AND OTHER -699,193 CHANGE IN SWAP MARK TO MARKET -432,636 INVESTMENT IN DISREGARDED ENTITY -387,637

Return Reference	Explanation
SCHEDULE H, PART VI	LETTER FROM RICHARD CORDOVA, CEO, ON COMMUNITY BENEFIT AT CHILDREN'S HOSPITAL LOS ANGELES OUR CONNECTION WITH COMMUNITIES IS ESSENTIAL TO WHO WE ARE AND WHAT WE DO SINCE 1901, CHILDREN'S HOSPITAL LOS ANGELES HAS DEDICATED ITSELF TO SERVING CHILDREN, ADOLESCENTS, FAMILIES AND THE BROADER COMMUNITY WORKING WITH A BROAD SPECTRUM OF STAKEHOLDERS IS WHAT HELPS US FULFILL OUR MISSION OF CREATING HOPE AND BUILDING HEALTHIER FUTURES FROM FAMILIES TO WHOLE COMMUNITIES, FROM CIVIC TO COMMUNITY-BASED ORGANIZATIONS, FROM RESEARCHERS TO ACADEMIC INSTITUTIONS, FROM ELECTED OFFICIALS TO GOVERNMENT AGENCIES-EACH MEMBER OF OUR COMMUNITY CONTRIBUTES TO OUR UNDERSTANDING OF HOW WE CAN POSITIVELY IMPACT THE LIVES OF CHILDREN AND ADOLESCENTS WELL BEYOND THE WALLS OF OUR HOSPITAL DURING THIS TIME OF UNPRECEDENTED CHANGE IN HEALTH CARE ACROSS OUR COUNTRY, CHILDREN'S HOSPITAL LOS ANGELES REMAINS CONSTANT IN ITS ABILITY TO DELIVER QUALITY CARE TO OUR COMMUNITY OUR STAFF CONTINUE TO DEDICATE THEMSELVES TO ENSURING THAT OUR COMMUNITY HEALTH AND OUTREACH INITIATIVES, PROGRAMS AND EXISTING CONNECTIONS THRIVE THIS REPORT DEMONSTRATES THE DEPTH OF OUR COMMITMENT AND CONNECTION TO THE COMMUNITY-IN 2014, CHLA PROVIDED $222 6 MILLION IN COMMUNITY BENEFIT SERVICES AND ACTIVITIES A FEW OF THESE TREMENDOUS EFFORTS INCLUDE - SICKLE CELL DISEASE RESEARCH - CARING FOR CHILDHOOD CANCER SURVIVORS - OBESITY PREVENTION - INCREASING ACCESS TO HEALTH INSURANCE - WORKFORCE DEVELOPMENT PROGRAMS FOR ADOLESCENTS AND YOUNG ADULTS CHILDREN'S HOSPITAL LOS ANGELES IS PROUD TO HAVE STRONG CONNECTIONS WITH OUR COMMUNITIES ON BEHALF OF OUR INSTITUTION, I LOOK FORWARD TO STRENGTHENING OUR WORK TOGETHER IN THE COMING YEAR THANK YOU FOR TAKING THE TIME TO LEARN MORE ABOUT OUR EFFORTS IN THIS YEAR'S COMMUNITY BENEFIT REPORT SINCERELY, RICHARD D CORDOVA, FACHE PRESIDENT AND CHIEF EXECUTIVE OFFICER CHILDREN'S HOSPITAL LOS ANGELES

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHILDREN'S HOSPITAL LOS ANGELES

Employer identification number
95-1690977

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) CHLA HOLDINGS LLC 4650 SUNSET BLVD LOS ANGELES, CA 900270980 27-3653228	INVESTMENT VEHICLE	CA	35,810	261,977	CHILDREN'S HOSPITAL OF LOS ANGELES
(2) CHILDREN'S HEALTH SYSTEM OF LOS ANGELES LLC 4650 SUNSET BLVD LOS ANGELES, CA 90027 95-1690977	HEALTHCARE SERVICES	CA	0	0	CHILDREN'S HOSPITAL OF LOS ANGELES
(3) CHILDREN'S HOSPITAL LOS ANGELES HEALTH NETWORK LLC 4650 SUNSET BLVD LOS ANGELES, CA 90027 95-1690977	HEALTHCARE SERVICES	CA	0	0	CHILDREN'S HOSPITAL OF LOS ANGELES
(4) CHLA INTERNATIONAL LLC 4650 SUNSET BLVD LOS ANGELES, CA 90027 47-1738947	HEALTHCARE SERVICES	DE	0	0	CHILDREN'S HOSPITAL OF LOS ANGELES

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
See Additional Data Table							

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) CHLA ESBT 4650 SUNSET BOULEVARD LOS ANGELES, CA 90027 20-3115169	INVESTMENT	CA		T	84,687		100 000 %	Yes	
(2) CRUT-11 4650 SUNSET BOULEVARD LOS ANGELES, CA 90027	CHARITABLE TRUST	CA		T					No
(3) CRAT-3 4650 SUNSET BOULEVARD LOS ANGELES, CA 90027	CHARITABLE TRUST	CA		T					No
(4) MMR LIT-1 4650 SUNSET BOULEVARD LOS ANGELES, CA 90027	CHARITABLE TRUST	CA		T					No
(5) CHILDREN'S HOSPITAL LOS ANGELES MEDICAL FOUNDATION 4650 SUNSET BOULEVARD LOS ANGELES, CA 90027 95-1690977	HEALTHCARE SERVICES	CA		C				Yes	

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

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

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 95-1690977
Name: CHILDREN'S HOSPITAL LOS ANGELES

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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) ANCHORS GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118986	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(1) ANTELOPE VALLEY GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118987	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(2) BEL AIR GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118835	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(3) CENTENNIAL GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 14-1878642	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(4) CHILDREN'S CHAIN GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-4559789	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(5) DELLA ROBBIA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118990	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(6) DELTA DELTA DELTA FOR CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 23-7294093	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(7) EL SEGUNDO AUXILIARY GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118991	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(8) FLINTRIDGE GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118993	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(9) FOCUS 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 80-0290181	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(10) FRIENDS OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 14-1878647	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(11) GLENDALE AUXILIARY OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118994	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(12) GREEN HOUSE 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 23-7215226	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(13) HEALING ARTS REACHING KIDS (HARK) 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 20-4459362	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(14) LA PROVIDENCIA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6128178	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(15) LAS HERMANAS GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6128176	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(16) LAS MADRINAS INC 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-1959907	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(17) LAS PRIMERAS GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121928	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(18) MARY DUQUE OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121921	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(19) MARY DUQUE JUNIORS OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-3786303	FUNDRAISING	CA	501(C)(3)	11	N/A		No

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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
(21) MEN'S GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 26-0109744	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(1) MONROVIA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121929	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(2) NORTHRIDGE GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121930	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(3) PASADENA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121932	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(4) PENINSULA COMMITTEE 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 23-7091175	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(5) PROJECT CHLA 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-4524737	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(6) SAN ANTONIO GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121934	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(7) SANTA MONICA BAY AUXILIARY OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 23-7293607	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(8) SIERRA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121935	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(9) SOUTH BAY AUXILIARY OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6118996	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(10) SPIRITUAL CARE OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 20-0872821	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(11) THIS LITTLE LIGHT OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-4445549	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(12) TOLUCA GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6098666	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(13) WESTSIDE GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6059321	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(14) WHITTIER GUILD OF CHILDREN'S HOSPITAL LOS ANGELES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 95-6121939	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(15) BRIGHTEYES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 46-1214808	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(16) TEEN IMPACT AFFILIATES 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 45-4799602	FUNDRAISING	CA	501(C)(3)	11	N/A		No
(17) YOUNG PROFESSIONALS COUNCIL 4650 SUNSET BLVD MS 4 LOS ANGELES, CA 90027 46-1301196	FUNDRAISING	CA	501(C)(3)	11	N/A		No

Children's Hospital Los Angeles

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

CHILDREN'S HOSPITAL LOS ANGELES

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Deloitte

Deloitte & Touche LLP
Suite 200
350 South Grand Avenue
Los Angeles, CA 90071-3462
USA

Tel +1 213 688 0800
Fax +1 213 688 0100
www deloitte com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Children's Hospital Los Angeles

We have audited the accompanying consolidated financial statements of Children's Hospital Los Angeles and its subsidiaries (the "Hospital"), which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of activities, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Deloitte + Touche LLP

November 11, 2014

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2014 AND 2013
(In thousands)

ASSETS	2014	2013
CURRENT ASSETS:		
Cash and cash equivalents	$ 4,988	$ 26,676
Patient accounts receivable—net of allowance for doubtful accounts of $10,223 and $6,757 at June 30, 2014 and 2013, respectively (Note 1)	112,166	98,828
Current portion of pledges receivable—net of allowance for uncollectible pledges of $305 and $969 at June 30, 2014 and 2013, respectively (Note 5)	8,621	24,610
Grants receivable	4,807	13,009
Current portion of trustee-held funds (Notes 4, 6, and 14)	4,487	3,309
Receivables under government and state programs (Note 3)	2,254	-
Hospital Fee Program receivables (Note 15)	486	53,378
Other current assets (Notes 13 and 15)	30,245	32,614
Total current assets	168,054	252,424
ASSETS LIMITED AS TO USE (Notes 4, 6, and 14):		
Investments	534,918	504,310
Unitrust investments	5,111	4,861
Total assets limited as to use—net of current portion	540,029	509,171
PLEDGES RECEIVABLE—Net of current portion—net of allowance for uncollectible pledges of $905 and $601 as of June 30, 2014 and 2013, respectively (Note 5)	64,269	48,565
OTHER ASSETS (Note 13)	25,224	23,868
PROPERTY, PLANT, AND EQUIPMENT (Note 7)	916,773	911,088
TOTAL	$1,714,349	$1,745,116

(Continued)

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2014 AND 2013
(In thousands)

LIABILITIES AND NET ASSETS	2014	2013
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 39,804	$ 42,460
Salaries, wages, and related liabilities	39,637	41,412
Current portion of long-term debt (Note 8)	6,600	-
Payables under government and state programs (Note 3)	-	751
Hospital Fee Program—deferred revenue and other liabilities (Note 15)	2,885	10,469
Total current liabilities	88,926	95,092
LONG-TERM DEBT—Net of current portion (Note 8)	479,709	487,314
LIABILITY UNDER UNITRUST AGREEMENTS	3,017	3,032
INTEREST RATE SWAP (Note 8)	10,195	9,762
OTHER NONCURRENT LIABILITIES (Note 9)	24,890	26,279
Total liabilities	606,737	621,479
COMMITMENTS AND CONTINGENCIES (Note 9)		
NET ASSETS:		
Unrestricted:		
Operating	368,005	428,630
Board designated	440,220	405,414
Total unrestricted	808,225	834,044
Temporarily restricted (Note 10)	146,844	139,982
Permanently restricted (Note 10)	152,543	149,611
Total net assets	1,107,612	1,123,637
TOTAL	$1,714,349	$1,745,116

See notes to consolidated financial statements. (Concluded)

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
REVENUES (Note 12)		
Patient service revenue—net of contractual allowances and discounts (Note 15)	$ 586 106	$ 651.451
Provision for doubtful accounts	(8.386)	(6.220)
Net patient service revenue less provision for doubtful accounts (Note 3)	577 720	645.231
Grants, contracts, and other	135 973	134.603
Unrestricted gifts and bequests	39 754	46.960
Investment income used for operations, research, and education (Note 4)	20 946	18.565
Net assets released from restrictions used for operations, research and education	28 922	20.762
Total revenues	803 315	866.121
EXPENSES (Note 12)		
Salaries and employee benefits (Note 11)	434 674	412.620
Professional fees and purchased services (Note 13)	161 169	145.586
Supplies	114 302	113.099
Utilities	13 845	13.044
Rent (Note 9)	7 129	8.167
Insurance	2 607	2.621
Travel, dues, and subscriptions	7 059	5.773
Equipment	3 018	4.296
Hospital Fee Program (Note 15)	17 491	34.983
Other	22 670	14.878
Total expenses before depreciation, amortization, and interest	783 964	755.067
EXCESS OF REVENUES OVER EXPENSES BEFORE DEPRECIATION, AMORTIZATION AND INTEREST	19 351	111.054
DEPRECIATION, AMORTIZATION, AND INTEREST		
Depreciation and amortization	53 044	48.070
Interest	22 768	24.117
Total depreciation, amortization, and interest	75 812	72.187
(DEFICIT) EXCESS OF REVENUES OVER EXPENSES	(56.461)	38.867
OTHER GAINS (LOSSES)		
Net realized and unrealized gain on investments held for trading (Note 4)	42 970	33.788
Other investment loss—net (Note 4)	(16.195)	(11 692)
Interest rate swap mark-to-market (loss) gain (Note 8)	(433)	5.926
Other losses	(73)	(5 785)
Total other gains	26 269	22.237
(DEFICIT) EXCESS OF REVENUES OVER EXPENSES AND OTHER GAINS (LOSSES)	(30.192)	61.104
NET ASSETS RELEASED FROM RESTRICTIONS USED FOR PURCHASE OF PROPERTY AND EQUIPMENT	4 535	790
TRANSFERS AND OTHER	(162)	(1 532)
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	$ (25.819)	$ 60.362

See notes to consolidated financial statements

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
UNRESTRICTED NET ASSETS:		
(Deficit) excess of revenues over expenses and other gains	$ (30,192)	$ 61,104
Net assets released from restrictions used for purchase of property and equipment	4,535	790
Transfers and other	(162)	(1,532)
(Decrease) increase in unrestricted net assets	(25,819)	60,362
TEMPORARILY RESTRICTED NET ASSETS		
Restricted grants, gifts, and bequests	18,952	19,611
Provision for uncollectible pledges (Note 5)	360	(1,239)
Net investment income on restricted gifts and endowments (Note 4)	3,464	2,039
Net realized gain on sale of restricted investments (Note 4)	8,422	4,013
Net unrealized gain on restricted investments (Note 4)	9,268	10,906
Net assets released from restrictions used for operations, research, and education	(28,922)	(20,762)
Net assets released from restrictions used for purchase of property and equipment	(4,535)	(790)
Other	(147)	(1,167)
Increase in temporarily restricted net assets	6,862	12,611
PERMANENTLY RESTRICTED NET ASSETS:		
Contributions	2,994	1,846
Other	(62)	(25)
Increase in permanently restricted net assets	2,932	1,821
CHANGE IN NET ASSETS	(16,025)	74,794
NET ASSETS—Beginning of year	1,123,637	1,048,843
NET ASSETS—End of year	$1,107,612	$1,123,637

See notes to consolidated financial statements.

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (16,025)	$ 74,794
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation of property, plant, and equipment	52,458	47,483
Amortization of bond issuance costs	586	587
Amortization of bond discounts and premiums—net	(1,005)	641
Provision for doubtful accounts	8,386	6,220
Provision for uncollectible pledges	(360)	1,239
Net realized and unrealized gain on investments	(60,660)	(48,707)
Loss on disposal of property & equipment—net	296	-
Contributions temporarily restricted for purchases of long-lived assets	(258)	(1,210)
Permanently restricted contributions	(2,932)	(1,846)
Interest rate swap mark-to-market loss (gain)	433	(5,926)
Changes in operating assets and liabilities		
Patient accounts receivable	(21,724)	(24,258)
Pledges receivable	645	(632)
Grants receivable	8,202	1,168
Hospital Fee Program receivables	52,892	39,681
Other current assets	2,369	(4,434)
Other assets	(2,450)	7,994
Accounts payable and accrued expenses	(4,297)	(5,660)
Salaries, wages, and related liabilities	(1,775)	3,055
Payables under government and state programs	(3,005)	(444)
Hospital Fee Program—deferred revenue and other liabilities	(7,584)	(24,514)
Liability under unitrust agreements	(15)	(80)
Other noncurrent liabilities	(1,389)	3,287
Net cash provided by operating activities	2,788	68,438
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(468,782)	(509,371)
Sale of investments	499,092	504,609
Cost of property, plant, and equipment acquired	(56,798)	(51,622)
Transfers (to) from trustee-held funds	(1,178)	5,313
Net cash used in investing activities	(27,666)	(51,071)

(Continued)

CHILDREN'S HOSPITAL LOS ANGELES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt	$ -	$ (183,735)
Proceeds from issuance of long-term debt	-	182,931
Payment of financing costs	-	(2,311)
Contributions temporarily restricted for purchase of long-lived assets	258	1,210
Proceeds from permanently restricted contributions	2,932	1,846
Net cash provided by (used in) financing activities	3,190	(59)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(21,688)	17,308
CASH AND CASH EQUIVALENTS—Beginning of year	26,676	9,368
CASH AND CASH EQUIVALENTS—End of year	$ 4,988	$ 26,676
SUPPLEMENTAL INFORMATION RELATING TO NONCASH ITEMS—Property and equipment acquisitions included in accounts payable	$ 2,922	$ 1,281

See notes to consolidated financial statements. (Concluded)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization—Children's Hospital Los Angeles (CHLA or Hospital), a not-for-profit corporation organized under the laws of the State of California, is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and similar California statutes and, as such, is exempt from federal income taxes and state franchise taxes

CHLA is the direct controlling entity of CHLA Holdings, LLC; Children's Health System of Los Angeles, LLC, CHLA Health Network, LLC, CHLA Medical Foundation, and CHLA International, LLC The specific purpose of CHLA Holdings, LLC is to hold title to property, collect income therefrom, and turn over the entire amount thereof, less expenses, to CHLA. The specific purpose of Children's Health System of Los Angeles, LLC is to provide or arrange for the provisions of health care services and educational and research activities associated with such health care services by CHLA. The other LLCs have been set up for strategic purposes and, to date, have had no activity

The Hospital's principal mission is to promote and advance the state of children's health, focusing on tertiary and quaternary specialties in patient care, research, and education

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

Excess of Revenues over Expenses and Other Gains (Losses)—Management considers excess of revenues over expenses and other gains (losses) to be a performance indicator Changes in unrestricted net assets, which are excluded from this total, consistent with industry practice, include revenues recognized from permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets (including assets acquired using contributions that by donor restriction were to be used for the purposes of acquiring such assets), and extraordinary funds received directly from public sources

Cash and Cash Equivalents—Cash and cash equivalents include investments with an original maturity of three months or less at the time of purchase, excluding amounts whose use is limited by Board of Trustees (the "Board") designation or other arrangements under trust agreements and cash held by the Hospital's investment managers that will be invested based on the Hospital's long-term investment strategy. The Hospital holds deposits in excess of Federal Deposit Insurance Corporation limits. Uninsured, uncollateralized deposits were approximately $21 7 million and $25 2 million at June 30, 2014 and 2013, respectively These deposits are held by creditworthy, high-quality financial institutions

Net Patient Service Revenues and Patient Accounts Receivable—Patient accounts receivable are recorded on an accrual basis at established billing rates The allowances for contractual adjustments and doubtful accounts are recorded on an accrual basis, using historical experience and established billing rates, to report patient accounts receivable at net realizable value in the consolidated balance sheets

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are estimated and accrued in the period the related services are rendered, and adjusted in future periods as final settlements are determined.

The Hospital manages its collection risk by regularly reviewing its accounts and contracts, and by providing appropriate allowances. Patient accounts receivable are reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. In evaluating the collectibility of accounts receivable, the Hospital estimates the allowance for doubtful accounts by major payor type, based on historical experience for each type The difference between the standard rates (or the discounted rates, if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts The Hospital's allowance for doubtful accounts was $10.2 million and $6 8 million at June 30, 2014 and 2013, respectively

The Hospital has not changed its charity care or uninsured discount policies during fiscal years 2014 or 2013 (see Note 2)

Hospital Fee Program—Funds received and fees paid under the California Hospital Fee Program are recognized in the excess of revenues over expenses and other gains (losses) upon approval of each program segment by the Centers for Medicare and Medicaid Services (CMS). To the extent that funds have been received and fees have been paid prior to final CMS program approval, these amounts are carried in the consolidated balance sheets as Hospital Fee Program—deferred revenue and other liabilities and Hospital Fee Program receivables, respectively Funds or fees not received or paid after CMS program approval are carried in the consolidated balance sheets as Hospital Fee Program receivables and Hospital Fee Program—deferred revenue and other liabilities, respectively (see Note 15)

Pledges Receivable—Pledges due within 12 months are included in current assets, and pledges due after 12 months are included in noncurrent assets The pledges due in greater than one year are reported at net present value using risk-free interest rates at the date of such pledges, which vary between 0.1% and 5.1% in both fiscal years 2014 and 2013 Pledges are reported net of an estimated allowance for uncollectible amounts.

Inventories—Inventories are stated at the lower of cost or market value, which is determined using the weighted-average method, and are included in other current assets in the accompanying consolidated balance sheets The carrying value of inventories is approximately $7.9 million as of June 30, 2014, and $6 8 million as of June 30, 2013

Property, Plant, and Equipment—Property, plant, and equipment acquired by purchase are recorded at cost. Donated items are recorded at estimated fair value at the date of donation Depreciation is computed on the straight-line method over the estimated useful lives of the depreciable assets Estimated useful lives by classification are as follows:

Land improvements	3–20 years
Buildings and improvements	5–40 years
Equipment	3–20 years

Asset Impairment—The Hospital periodically evaluates the carrying value of its long-lived assets for impairment In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 360, *Property, Plant, and Equipment*, the evaluations address the estimated recoverability of the assets' carrying value. When the carrying value of an asset exceeds estimated recoverability, a write-down is recorded No impairments were recorded during the years ended June 30, 2014 and 2013

Assets Limited as to Use—Assets limited as to use primarily include investments of assets restricted by donors or designated by the Board for future capital improvements, patient care, research, and other uses The net assets over which the Board retains control may subsequently be used for other purposes at the Board's discretion. Assets held by trustees under indenture agreements, escrow deposits, and various unitrusts are also included within assets limited as to use

Investments consist primarily of equity and debt securities purchased by the Hospital and unitrusts for which the Hospital has been designated as trustee and beneficiary Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value based upon publicly quoted market prices or quotations of similar securities Investments for which readily determinable market values do not exist are recorded based upon the net asset value (NAV) per share of the underlying fund, determined by the Hospital, with the assistance of fund managers, the general partners, or third-party service providers, using methods and significant assumptions the Hospital considers appropriate based on its understanding of the underlying characteristics of the investments. These types of investments include private investment funds and commingled funds

The Hospital classifies its investment portfolio as a trading portfolio, and as such, all unrestricted net unrealized holding gains or losses are recorded in other gains (losses) in the period in which they occur.

Investment income (which includes interest and dividends) and realized gains and losses are included in the excess of revenues over expenses and other gains (losses), unless the income or gain (loss) is restricted by donor or law Such restricted investment income is included in the increase (decrease) in temporarily restricted net assets in the consolidated statements of changes in net assets.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the accompanying consolidated balance sheets.

Temporarily and Permanently Restricted Net Assets—Temporarily restricted net assets are those whose use by the Hospital has been limited by donors to a specific time period or purpose Permanently restricted net assets are those with donor-imposed restrictions that are to be maintained by the Hospital in perpetuity

Donor-Restricted Gifts—Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received Conditional promises to give are reported at fair value at the date the conditions are satisfied. The gifts are reported as either temporarily or permanently restricted support, if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions.

Unitrust Agreements—The Hospital has been designated as trustee for several trusts The trust agreements generally require the Hospital to make payments to beneficiaries based on stipulated interest rates, which range from 4 6% to 15 0% during both of the years ended June 30, 2014 and 2013, applied to the fair market value of the trust assets determined either annually or at inception of the trust

Interest Rate Swap—The Hospital accounts for its interest rate swap in accordance with FASB ASC 815, *Derivatives and Hedging*. FASB ASC 815 requires all derivatives to be recorded in the consolidated balance sheets at fair value as either assets or liabilities depending on the rights or obligations under the contract. FASB ASC 815 would require that changes in the fair value of derivative financial instruments that qualify to be recorded in operating income as offsets to the changes in fair values of the exposures being hedged However, the Hospital has not designated its derivative financial instrument as a hedge. Accordingly, all unrealized gains and losses are recognized as other gains and losses in the accompanying consolidated statements of activities

Grants and Contracts Revenues—Grants and contracts revenues generally are recognized as unrestricted revenues and grants receivable when the research or educational expenses are incurred.

Graduate Medical Education—The Hospital underwrites a large part of the cost of training allied health professionals, physicians, and residents in its emergency rooms, clinics, and inpatient areas. The Hospital recognized revenue of $8 5 million in federal Graduate Medical Education funds during each of the years ended June 30, 2014 and 2013, which was included as part of grants, contracts, and other in the consolidated statements of activities

Fund-Raising—The Hospital sponsors various fund-raising events in addition to the solicitation of grants and private donations During the years ended June 30, 2014 and 2013, the Hospital incurred $15.4 million and $15 3 million, respectively, in fund-raising costs

Income Taxes—The Hospital accounts for income taxes in accordance with FASB ASC 740, *Income Taxes* FASB ASC 740 prescribes a comprehensive model for how a company should recognize, measure, present, and disclose in its consolidated financial statements uncertain tax positions that the company has taken, or expects to take, on a tax return During the years ended June 30. 2014 and 2013, the Hospital did not record any liability for unrecognized tax benefits

Recent Accounting Pronouncements—In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No 2014-09, *Revenue from Contracts with Customers*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance (including industry-specific guidance) The ASU requires significantly expanded disclosures about revenue recognition The guidance is effective for the Hospital as of July 1, 2017, and early adoption is not permitted The Hospital is currently evaluating the impact on the consolidated financial statements

Subsequent Events—The Hospital has evaluated subsequent events through November 11, 2014, the date the consolidated financial statements were available to be issued, and has concluded that no subsequent events have occurred that would require recognition in the consolidated financial statements or disclosures in the notes to the consolidated financial statements

2. CHARITY CARE AND COMMUNITY SERVICES

It is the policy of the Hospital to strive to deliver quality health care in a manner that respects the dignity of the individual and family, regardless of ability to pay Consistent with the Hospital's tax-exempt status and community service responsibilities, the Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates

Under the Hospital's policy, charity care may be provided to people who are uninsured or underinsured and cannot afford to pay for their own medical care. Since the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue

The Hospital provides additional community support through the unpaid cost of public programs, which is defined as the cost of treating California Medicaid ("Medi-Cal") program and indigent beneficiaries in excess of government payments These costs are calculated through the Hospital's cost accounting system utilizing standard costing for the services provided and step-down cost allocation methodologies During the years ended June 30, 2014 and 2013, the unpaid cost of Medi-Cal programs totaled $158 7 million and $153.5 million, respectively The Medi-Cal program offsets some of these unpaid costs through the Disproportionate Share Hospital (DSH) program in the amounts of $49.5 million and $41.8 million during the years ended June 30, 2014 and 2013, respectively. In addition, the Hospital Fee Program provided revenue in the amounts of $46 5 million and $154 3 million gross of related expenses of $17.5 million and $35.0 million in the years ended June 30, 2014 and 2013, respectively (see Note 15)

The Hospital underwrites part of the cost of research, which takes place in its facilities. The costs underwritten for research for the years ended June 30, 2014 and 2013. amounted to $33.2 million and $31.3 million, respectively.

As described in Note 1, the Hospital underwrites a large part of the cost of training allied health professionals, physicians, and residents in its facilities The costs underwritten for training for the years ended June 30, 2014 and 2013, were $18 8 million and $17.7 million, respectively

The Hospital also sponsors various community services to benefit the physically, mentally, and genetically disabled as part of its charitable mission. These services include parental counseling, educational seminars, family support groups, and an outreach organization for families administered by the Hospital in an agency relationship and funded by the State of California Additionally, a large number of health-related educational programs are provided for the benefit of the community, including health enhancements and wellness, telephone information services, and programs designed to improve the general standards of the health of the community

3. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Hospital to concentrations of credit risk consist primarily of marketable securities, private investment funds, patient accounts receivable, and pledges receivable The Hospital's investment portfolios are managed primarily by professional investment managers (see Note 13) within the guidelines established by the Board, which, as a matter of policy, limit the amounts that may be invested in any one issuer Concentration of credit risk with respect to patient accounts receivable from nongovernment payors is limited due to the large number of payors composing the Hospital's patient base

A significant portion of the Hospital's net patient care revenues is derived from Medi-Cal patients, comprising 65% and 71% of the total. in the fiscal years ended June 30, 2014 and 2013, respectively. Excluding the impact of the Hospital Fee Program, revenues from the Medi-Cal program comprised 57% and 62%, respectively, of total net patient service revenues for the fiscal years ended June 30, 2014 2013 Inpatient services are reimbursed based upon contractually agreed-upon per-diem rates, while outpatient services are reimbursed based upon statewide fee schedules

The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, preferred providers, and other organizations. The basis for payment to the Hospital under these agreements includes prospectively determined daily rates, case rates, and discounts from established charges. A total of 35% and 29% of the Hospital's net patient care revenue is derived from these types of charges in the years ended June 30, 2014 and 2013, respectively

The California State Legislature has passed senate bills in order to provide for supplemental Medi-Cal payments to hospitals that serve a disproportionately high percentage of Medi-Cal and other low-income patients. As discussed in Note 2, the Hospital has recorded $49 5 million and $41.8 million in the years ended June 30, 2014 and 2013, respectively, in net patient service revenue relating to these senate bills

Certain government payors provide for payments to the Hospital at tentative rates, with final settlement determined after submission of annual reports by the Hospital and audits thereof by the payors. Settlement amounts of $2 3 million receivable and $0 8 million payable as of June 30, 2014 and 2013, respectively, are included in receivables and payables under government and state programs in the accompanying consolidated balance sheets

The California Hospital Fee Program provided payments to the Hospital, net of related fees, of $74.4 million and $134 5 million in the fiscal years ended June 30, 2014 and 2013, respectively For additional information on the Hospital Fee Program, see Note 15

4. INVESTMENTS

The carrying amounts of investments as of June 30, 2014 and 2013, are as follows (in thousands):

	2014	2013
Current portion of trustee-held funds (Note 6)	$ 4,487	$ 3,309
Cash and cash equivalents	24,914	32,656
Mutual funds	154,866	122,006
Equity securities	92,435	79,243
Debt securities	3,271	18,882
Private investment funds	85,317	89,970
Commingled funds	179,226	166,414
Assets limited as to use	540,029	509,171
Total investments	$544,516	$512,480

The cash and cash equivalents included in investments at June 30, 2014 and 2013, represent cash held by the Hospital's investment managers that will be invested based on the Hospital's long-term investment strategy

Investment income and gains and losses for assets limited as to use, cash equivalents, and other investments for the years ended June 30, 2014 and 2013, are composed of the following (in thousands):

	2014	2013
Investment income—net of fees	$ 4,730	$ 6,873
Realized gain on sale of investments—net	21,034	9,320
Unrealized gain (loss) on investments—net	21,936	24,468
Unrestricted net investment income	47,700	40,661
Investment income—net of fees	3,464	2,039
Realized gain on sale of investments—net	8,422	4,013
Unrealized gain (loss) on investments—net	9,268	10,906
Temporarily restricted net investment income	21,154	16,958
Total	$68,854	$57,619

5. PLEDGES RECEIVABLE

Outstanding pledges and contributions receivable from various corporations, foundations, and individuals as of June 30, 2014 and 2013, are reported net of an estimated allowance for uncollectible pledges and are as follows (in thousands):

	2014	2013
Pledges due:		
In less than one year	$ 8,926	$25,579
In one to five years	58,423	45,808
After five years	11,352	8,650
Discount on pledges	(4,601)	(5,292)
Allowance for uncollectible pledges	(1,210)	(1,570)
Total net pledges receivable	$72,890	$73,175

6. TRUSTEE-HELD FUNDS

As of June 30, 2014, the current portion of trustee-held funds amounted to $4 5 million and related to interest and a portion of principal due on the Series 2010A Revenue Bonds As of June 30, 2013, the current portion of trustee-held funds of $3 3 million included amounts deposited to pay interest for the 2010 Revenue Bonds.

7. PROPERTY, PLANT, AND EQUIPMENT

A summary of property, plant, and equipment as of June 30, 2014 and 2013, is as follows (in thousands):

	2014	2013
Buildings and improvements	$1,043,670	$1,036,744
Equipment	360,138	332,270
Accumulated depreciation	(542,380)	(516,791)
Total property, plant, and equipment	861,428	852,223
Construction in progress	29,794	33,314
Land	25,551	25,551
Property, plant, and equipment — net	$ 916,773	$ 911,088

During the years ended June 30, 2014 and 2013, the Hospital recorded disposals of fully depreciated property, plant, and equipment of $25 7 million and $0, respectively

8. LONG-TERM DEBT

Long-term debt as of June 30, 2014 and 2013, consists of the following obligations (in thousands):

	2014	2013
Revenue Bond Series 2012, consisting of Series 2012A Revenue Bonds issued for $120,760, with serial maturities between 2015 and 2034, interest payable semi-annually at various fixed rates, and Series 2012B Variable Rate Revenue Bonds issued for $51,655, with serial maturities from 2019 to 2042, and interest payable monthly, both series collateralized by a pledge of gross revenues and a mortgage of the Hospital's real and personal assets, and other cash and investments, net of unamortized premium of $8,873 and $9,730 at June 30, 2014 and 2013, respectively	$ 181,288	$ 182,145
Revenue Bond Series 2010, consisting of Series 2010A Revenue Bonds issued for $135,515, which include both insured and uninsured bonds, with serial maturities between 2014 and 2038, interest payable semi-annually at various fixed rates, and Series 2010B Variable Rate Revenue Bonds issued for $51,000, with serial maturities from 2038 to 2042, and interest payable monthly, both series collateralized by a pledge of gross revenues and a mortgage of the Hospital's real and personal assets, other than cash and investments, net of unamortized discount of $751 and $688 at June 30, 2014 and 2013, respectively The Series 2010B were fully refunded in August 2012 with proceeds of the 2012B Bond Series	134,764	134,826
Revenue Bonds Series 2007, consisting of three series for $53,100, $52,800 and $64,100, collateralized by a pledge of gross revenues, interest payable semi-annually at 5%, serial maturities through 2047 $53,100 maturing in 2039, $52,800 maturing in 2043, with the remaining balance maturing in 2047, net of unamortized premium of $257 and $342 at June 30, 2014 and 2013, respectively.	170,257	170,343
Less portion classified as current	(6,600)	-
Long-term debt—net of current portion	$ 479,709	$ 487,314

On August 15, 2012, the Hospital issued California Health Facilities Financing Authority Revenue Bonds (Children's Hospital Los Angeles) for $172 4 million, consisting of Series 2012A Revenue Bonds (the "Series 2012A Bonds") for $120.8 million and Series 2012B Variable Rate Revenue Bonds (the "Series 2012B Bonds") for $51 6 million The bonds were issued at a premium of $10 5 million Financing costs are amortized over the life of the bonds. The Series 2012A Bonds bear fixed-interest rates ranging from 3% to 5%, with interest payable semi-annually, and have serial maturity dates beginning in 2015 and through 2034. The Series 2012B Bonds, which mature in 2042, are subject to a mandatory tender for purchase on the day following the last day of the initial Index Floating Rate Period, July 1, 2017 They have a floating interest rate based on the Securities Industry and Financial Markets Association, SIFMA, index, with a spread of 1 8%. Interest is payable monthly, with weekly rates ranging from 1.83% to 1 95%, annualized, for the year ended June 30, 2014, and 1.86% to 2 03%, annualized, for the year ended June 30, 2013 The proceeds from the Series 2012A and Series 2012B

Bonds were used to refund (i) the outstanding principal amount of the Series 2010B Bonds (the "Series 2010B Bonds"), (ii) the outstanding principal amount of the Series 2009A Bonds (the "2009 Bonds"), and (iii) the outstanding principal amount of the 1999 Certificates.

On May 6, 2010, the Hospital issued $186 5 million of California Health Facilities Financing Authority Revenue Bonds, consisting of $135 5 million Series 2010A Bonds (the "Series 2010A Bonds"), maturing at varying dates between 2014 and 2038. and on May 12, 2010, issued $51 million Series 2010B Bonds, maturing between 2038 and 2042 Financing costs are amortized over the life of the bonds Series 2010A Bonds include both insured and uninsured issues and bear interest at fixed rates, set between 4% and 5 25%, depending on the issue Series 2010B Bonds bore interest at a variable rate, initially set at 3.626% and adjustable either daily, weekly, or for specified terms Daily interest rates on the Series 2010B Bonds ranged from 0.19% to 0.35%, annualized, for the first two months of the year ended June 30, 2013 The proceeds of the Series 2010A and Series 2010B Bonds were used to refund (i) the outstanding principal amount of the Series 2008 Authority Insured Revenue Bonds (the "2008 Bonds"), (ii) the outstanding principal amount of the Series 2004 Authority Insured Revenue Bonds (the "2004 Bonds"), and (iii) a portion of the outstanding principal amount of the 1999 Certificates In August 2012. the Series 2010B Bonds were refunded with the proceeds of the Series 2012B Bonds.

In order to facilitate the issuance of the Series 2010B Bonds, the Hospital provided credit enhancement through the issuance of an irrevocable, direct-pay letter of credit to guarantee payment of the aggregate principal and up to 50 days of accrued interest The letter of credit was terminated with the refunding of the 2010B Bonds in August 2012.

On April 1, 2007. the Hospital issued $170 million of Authority Revenue Bonds consisting of $53.1 million maturing on August 15, 2039, $52 8 million maturing on August 15, 2043, and $64.1 million maturing on August 15, 2047 (the "2007 Bonds"), pursuant to a master indenture dated December 1, 1993 (the "Master Indenture"), as amended by the Supplemental Master Indenture for Obligation No. 5. Financing costs are amortized over the life of the 2007 Bonds. Interest on the 2007 Bonds is 5% The proceeds of the 2007 Bonds were used to (i) finance a portion of the costs of major expansion and modernization of the facilities, (ii) pay capitalized interest on the 2007 Bonds, and (iii) pay certain of the costs of issuance of the 2007 Bonds.

The Hospital entered into an interest rate swap agreement in September 2004. originally hedging all of its Series 2004B Bonds. With the repayment of the 2004 Bonds in 2010, the swap agreement, still in effect, was used to hedge the variable interest rate portion of the Series 2010B Bonds With the repayment of the Series 2010B Bonds in 2012, the swap agreement is currently used to hedge the variable interest rate portion of the Series 2012B Bonds. This interest rate swap has a notional amount of $48.0 million and matures on February 15, 2034 The agreement effectively adjusts the Hospital's interest costs by swapping the variable interest rate on the Series 2012B Bonds to a fixed rate of 5.426%, which consists of the swap rate of 3.626%, plus the initial Index Floating Rate Spread of 1.8% until maturity The interest rate swap agreement had a fair value of $(10 2) million and $(9.8) million at June 30. 2014 and 2013, respectively, which represents the estimated amount the Hospital would pay to terminate the swap via a competitively priced assignment. Because the swap is not designated as a cash flow hedge in accordance with FASB ASC 815, the change in fair value is reported as interest rate swap mark-to-market gain (loss) in the accompanying consolidated statements of activities As of June 30, 2014 and 2013, the Hospital has posted $5 5 million and $5.4 million, respectively, of collateral related to the swap agreement, which is included in other assets in the accompanying consolidated balance sheets

Pursuant to the Master Indenture, the Hospital has pledged its gross revenues as security for all of its long-term debt. The Master Indenture provides for limitations on the incurrence of additional indebtedness, unless certain conditions are met, and requires the Hospital to maintain certain financial ratios, including income available for debt service and number of days of unrestricted cash on hand The Hospital complied with all covenant requirements pursuant to the Master Indenture at June 30, 2014 2013

The aggregate principal maturities and sinking fund requirements of long-term debt as of June 30, 2014. are as follows (in thousands):

Years Ending June 30	
2015	$ 6,600
2016	6,865
2017	7,165
2018	7,465
2019	7,785
Thereafter	442,050
Total principal maturities	477,930
Net unamortized premium	8,379
Total	$486,309

The premiums on the 2007 and 2012 Bonds and the discount on the 2010 Bonds are being amortized over their respective lives using the effective interest method The 1999 Certificates and 2009 Bonds were refunded in August 2012 and a related loss on extinguishment of debt of $5.3 million was recorded during the year ended June 30. 2013. Net discount and premium amortization during the years ended June 30, 2014 and 2013, amounted to $1 million and $641 thousand, respectively.

Cash paid for interest during the years ended June 30, 2014 and 2013, amounted to $23 million and $25 million, respectively No capitalized interest was recorded or paid for the years ended June 30, 2014 and 2013

9. COMMITMENTS AND CONTINGENCIES

Since 1994, the Hospital has been insured on a claims-made basis for both professional/general liability coverage and directors' and officers' coverage with per-claim deductible amounts of $250 thousand and $25 thousand, respectively An estimated liability of claims incurred, but not reported of $3.8 million and $3 7 million as of June 30, 2014 and 2013, respectively, has been accrued and is included in other noncurrent liabilities in the accompanying consolidated balance sheets

The Hospital is self-insured for workers' compensation benefits for employees. Annual expense and funding under this program is based on past claims experience and projected losses Insurance coverage, in excess of the per-occurrence, self-insured retention, has been secured with insurers. Actuarial estimates of uninsured losses for the workers' compensation program are $16.2 million and $16.9 million at June 30, 2014 and 2013. respectively, and include an estimate for claims incurred, but not reported. These amounts are included in other noncurrent liabilities in the accompanying consolidated balance sheets, net of the current portions of $3 4 million and $2.5 million as of June 30, 2014 and 2013, respectively. which are included in salaries, wages. and related liabilities

From time to time, the Hospital is subject to legal proceedings, claims, and litigation arising in the ordinary course of business. The Hospital defends itself vigorously against any such claims. Although the outcome of these matters is currently not determinable, management expects that any losses that are probable or reasonably possible of being incurred as a result of these matters, which are in excess of amounts already accrued in its consolidated balance sheets, would not be material to the consolidated financial statements as a whole

The Hospital leases certain facilities under operating leases with terms of one to 10 years Total expense on operating leases for the years ended June 30, 2014 and 2013, was $7 1 million and $8 2 million, respectively Future payments under noncancelable operating leases are as follows (in thousands):

Years Ending June 30	
2015	$ 5,459
2016	4,606
2017	3,521
2018	2,935
2019	2,920
Thereafter	3,184
Total	$22,625

10. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30, 2014 and 2013, are available for the following purposes (in thousands):

	2014	2013
Hospital programs	$ 69,009	$ 62,535
Capital projects	4,945	4,272
Pledges receivable for specific programs	72,890	73,175
Total temporarily restricted net assets	$146,844	$139,982

Permanently restricted net assets as of June 30, 2014 and 2013, are restricted to the following (in thousands):

	2014	2013
Hospital programs	$143,902	$140,970
Capital projects	8,641	8,641
Total permanently restricted net assets	$152,543	$149,611

The investment earnings from the permanently restricted net assets are restricted for Hospital clinical research and academic programs, as well as capital projects, while the corpus may not be expended.

As of June 30, 2014, the Hospital's endowment consists of 330 individual funds established for various purposes The total endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Hospital has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary As a result of this interpretation, the Hospital classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Hospital in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds

- The duration and preservation of the fund
- The purposes of the Hospital and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Hospital
- The investment policies of the Hospital

The endowment net assets composition by type of fund as of June 30, 2014 and 2013, is as follows (in thousands):

2014	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ 537	$26,157	$152,543	$179,237
Board-designated endowment funds	439,683	-	-	439,683
Total funds	$440,220	$26,157	$152,543	$618,920

2013	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (285)	$15,370	$149,611	$164,696
Board-designated endowment funds	405,699	-	-	405,699
Total funds	$405,414	$15,370	$149,611	$570,395

The changes in endowment net assets for the years ended June 30, 2014 and 2013, are as follows (in thousands):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets—July 1, 2012	$363,797	$ 16,426	$147,790	$528,013
Investment return				
Investment income	16,193	4,542		20,735
Unrealized gain	24,468	1,087		25,555
Total investment return	40,661	5,629	-	46,290
Contributions		477	1,846	2,323
Transfer to Board-designated endowment funds	46,960			46,960
Amounts appropriated for expenditure	(46,004)	(7,162)		(53,166)
Other changes—net			(25)	(25)
Endowment net assets—June 30, 2013	405,414	15,370	149,611	570,395
Investment return				
Investment income	25,765	8,169		33,934
Unrealized gain	21,936	14,150		36,086
Total investment return	47,701	22,319		70,020
Contributions		269	2,994	3,263
Transfer to Board-designated endowment funds	39,753			39,753
Amounts appropriated for expenditure	(52,648)	(11,801)		(64,449)
Other changes—net			(62)	(62)
Endowment net assets—June 30, 2014	$440,220	$ 26,157	$152,543	$618,920

The description of the amounts classified as restricted net assets as of June 30, 2014 and 2013, is as follows (in thousands):

	2014	2013
Permanently restricted net assets—the portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by SPMIFA.		
With purpose restrictions—not related to capital acquisitions	$ 119,832	$ 116,775
With purpose restrictions—for capital acquisitions	8,641	8,766
Without purpose restrictions	24,070	24,070
Total endowment funds classified as permanently restricted net assets	$ 152,543	$ 149,611
Temporarily restricted net assets—the portion of perpetual endowment funds under SPMIFA—with purpose restrictions	$ 26,157	$ 15,370

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Hospital to retain as a fund of perpetual duration Deficiencies of this nature are reported in unrestricted net assets These deficiencies resulted from unfavorable market fluctuations and/or continued appropriations for certain programs that were deemed prudent by the Hospital

The Hospital has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for donor-specified periods Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce a real rate of return of greater than 5 5% (net of fees and adjusted for inflation), as calculated based on rolling five-year periods Actual returns in any given year may vary from this amount

To satisfy its long-term rate of return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation intended to achieve its long-term return objectives within prudent risk constraints

The Hospital has a policy of appropriating for distribution each year a portion of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing its policy, the Hospital considered the long-term expected return on its endowment. The rate of appropriating for distribution was 4 75% for the fiscal years ended June 30, 2014 and 2013

11. EMPLOYEE BENEFIT PLANS

The Hospital maintains a defined contribution plan for the benefit of its employees All employees are eligible to defer a percentage of their salaries, up to the maximum amount allowed by the Internal Revenue Service Employees who have satisfied minimum service requirements are eligible to receive an employer contribution from the Hospital. The Hospital matches 100% of employee contributions up to the first 3% of employee pay for participating employees The Hospital's contribution expense was $7 2 million and $6 6 million for the years ended June 30, 2014 and 2013, respectively

12. REVENUES AND EXPENSES BY SEGMENT

Revenues and expenses by segment for the years ended June 30, 2014 and 2013, are as follows (in thousands):

	2014				
	Clinical	Research	Education	Foundation	Hospital
Revenues	$ 641,427	$ 77,396	$ 44,544	$ 39,948	$ 803,315
Expenses	(715,549)	(82,187)	(46,599)	(15,441)	(859,776)
Subtotal	(74,122)	(4,791)	(2,055)	24,507	(56,461)
Overhead allocations	45,525	(28,394)	(16,758)	(373)	-
Excess (deficiency) of revenues over expenses	$ (28,597)	$(33,185)	$(18,813)	$ 24,134	$ (56,461)

	2013				
	Clinical	Research	Education	Foundation	Hospital
Revenues	$ 707,256	$ 65,465	$ 45,946	$ 47,454	$ 866,121
Expenses	(696,771)	(68,622)	(46,517)	(15,344)	(827,254)
Subtotal	10,485	(3,157)	(571)	32,110	38,867
Overhead allocations	45,633	(28,177)	(17,083)	(373)	-
Excess (deficiency) of revenues over expenses	$ 56,118	$(31,334)	$(17,654)	$ 31,737	$ 38,867

Unallocated overhead and general and administrative expenses are included within clinical expenses.

As discussed in Note 3, the Hospital receives a significant portion of its revenues from Medi-Cal patients and programs related to Medi-Cal (DSH and the Hospital Provider Fee) The following table summarizes net patient service revenue by major payor source (in thousands):

	2014	2013
Medi-Cal	$284,611	$267,759
Hospital Provider Fee	46,530	154,296
DSH	49,567	41,813
Subtotal	380,708	463,868
Managed care	190,392	170,140
Other	15,006	17,443
Net patient service revenue	586,106	651,451
Provision for doubtful accounts	(8,386)	(6,220)
Net patient service revenue, less provision for doubtful accounts	$577,720	$645,231

13. RELATED-PARTY TRANSACTIONS

During the years ended June 30, 2014 and 2013, fees totaling $401 thousand and $254 thousand, respectively, were paid to investment managers that had employees on the Board of the Hospital. These investment managers managed 17% and 18% of investments at June 30, 2014 and 2013, respectively.

Pediatric Management Group (PMG) is a California limited liability company that manages the practice of Children's Hospital Los Angeles Medical Group (CHLAMG), based at the Hospital The Hospital has recorded receivables from PMG and/or CHLAMG in the amounts of $4 6 million and $5.3 million at June 30, 2014 and 2013, respectively, which are included in other current assets in the accompanying consolidated balance sheets. These receivables relate to expenses incurred by the Hospital on behalf of PMG and/or CHLAMG.

During the years ended June 30, 2014 and 2013, fees totaling $2 8 million and $2.6 million, respectively, were paid for security services to a corporation whose president is married to a member on the Board of the Hospital

During the years ended June 30, 2014 and 2013, fees totaling $3.8 million and $3.2 million, respectively, were paid for parking services to a corporation that is owned by a member of the Board of the Hospital

During the years ended June 30, 2014 and 2013, fees totaling $212 thousand and $195 thousand, respectively, were paid for aviation services to a corporation that is owned by a member of the Board of the Hospital

During the years ended June 30, 2014 and 2013, fees totaling $628 thousand and $1.0 million, respectively, were paid for banking services to two corporations, each of which employs one or more members of the Board of the Hospital

A member of the Board of the Hospital is a partner at an accounting firm to which the Hospital paid $249 thousand for consulting services in the year ended June 30, 2013. No such fees were paid in the year ended June 30, 2014.

From time to time, the Hospital offers loans to its leadership staff to assist them with housing costs associated with moving to the Los Angeles area Each loan is written with specific terms addressing the mutual interests of both the borrower and the Hospital As of June 30, 2014 and 2013, the Hospital had note receivable balances on such loans of $221 thousand and $291 thousand, respectively, from two different borrowers These loans are interest free or interest bearing, and payable or forgivable, ratably over a total life of not more than 10 years The value of forgiven loans is reported as income to these leaders on an annual basis

The Hospital also makes housing assistance payments directly to one physician leader, in the amount of approximately $8 thousand per month, as a part of the relocation assistance package offered to this physician These payments are reported as income to the physician on an annual basis

14. FAIR VALUE MEASUREMENTS

Due to the short-term nature of cash and cash equivalents, patient accounts receivable, Hospital Fee Program balances, payables under government and state programs, accounts payable and accrued expenses; and salaries, wages, and related liabilities, their carrying value approximates their fair value.

Pledges receivable are discounted at the current market interest rate at the time of receipt, which approximates their fair value. The fair values of liabilities under unitrust agreements are determined by utilizing discount rates commensurate with the corresponding investments at the time of receipt, which approximate their fair value.

The fair values of the Hospital's long-term debt, including the 2012, 2010, and 2007 Bonds, are based on current trading values at or near the last business day of the fiscal year. At June 30, 2014, the fair value was $499 million, compared to the carrying value of $486 million. At June 30, 2013, the fair value was $487 million, compared to the carrying value of $487 million.

The Hospital reports fair value measurements in accordance with ASC 820, which defines fair value, establishes a framework for measuring fair value in accordance with existing GAAP, and provides expanded disclosures about fair value measurements. Assets and liabilities recorded at fair value in the consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair value and the level of market price observability.

Investments measured and reported at fair value using level inputs, as defined by ASC 820, are classified and disclosed in one of the following categories:

Level 1—Quoted prices in active markets for identical investments available in active markets for identical investments as of the reporting date.

Level 2—Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3—Pricing inputs are based upon the NAV per share (or its equivalent) of the underlying investment fund as provided by the investment manager. Investments included in this category include private investment funds for which the Hospital does not have the ability to redeem in the near term.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The following is a description of valuation inputs and techniques that the Hospital utilizes to determine the fair value of each major category of assets and liabilities in accordance with ASC 820:

Mutual Funds—Registered with the Securities and Exchange Commission as mutual funds under the Investment Company Act of 1940. To the extent valuation adjustments are not applied, mutual funds are categorized as Level 1.

Equity Securities (United States and Foreign)—Equity securities that are actively traded on a securities exchange are valued based on quoted prices from the applicable exchange, and to the extent valuation adjustments are not applied to these securities, they are categorized as Level 1. Equity securities traded on inactive markets and valued using other observable inputs are categorized as Level 2.

Debt Securities (Asset-Backed Securities)—Asset-backed securities are valued using dealer quotations or price quotes from pricing vendors. To the extent that these inputs are observable and timely, the values of asset-backed securities are categorized as Level 2.

Debt Securities (Corporate Bonds)—Investment-grade bonds are valued using inputs and techniques, which include third-party pricing vendors, dealer quotations, and recently executed transactions in securities of the issuer or comparable issuers. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. Values for high-yield bonds are based primarily on pricing vendors and dealer quotations from relevant market makers. The dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit-quality assessments; daily trading activity; and the activity of the underlying equities, listed bonds, and sector-specific trends. To the extent that these inputs are observable and timely, the values of corporate bonds are categorized as Level 2.

Debt Securities (Government Bonds)—Government bonds are valued using inputs and techniques, which include identification of similar issues and bond market activity. Prices are determined taking into account the bond's terms and conditions, including any features specific to that issue, which may influence risk, and thus, marketability. To the extent that these inputs are observable and timely, the values of government bonds are categorized as Level 2.

Debt Securities (U.S. Treasury Notes and Trustee-Held Funds)—U.S. Treasury notes are valued based on prices provided by third-party vendors that obtain feeds from a number of live data sources, including active market makers and interdealer brokers. To the extent that the values are actively quoted, they are categorized as Level 1.

Investment Funds (Private Investment Funds and Commingled Funds)—Investment funds are valued based upon the NAV per share (or its equivalent) of the underlying fund as provided by the investment manager. To the extent that the Hospital has the ability to redeem its investment with the investment fund in the near term (i.e., 90 days or less) at NAV per share as of June 30, 2014, the values may be categorized as Level 2. To the extent that the Hospital does not have the ability to redeem its investment with the investment fund in the near term at NAV per share, the values are categorized as Level 3.

Derivative Instruments—The fair values of interest rate swaps are estimated using various inputs, including quotations from various dealers and counterparties, and pricing models that use certain observable inputs, such as the creditworthiness of the counterparties, default probabilities, yield curves, and credit curves. The pricing models utilized generally do not entail material subjectivity because the methodologies employed do not necessitate significant judgments. If the pricing inputs are observed from actively quoted markets, the derivative values are categorized as Level 2. Interest rate swaps are valued in accordance with the terms of each contract based on current interest rate spreads. Market standard pricing models are used for valuing interest rate swaps.

The following tables present information about the Hospital's assets and liabilities measured at fair value on a recurring basis as of June 30, 2014 and 2013, and indicate the fair value hierarchy of the valuation techniques utilized by management to determine such fair value

	2014			
	Level 1	Level 2	Level 3	Total
Assets		(In thousands)		
Investments:				
Cash equivalents	$ 25,175	$ -	$ -	$ 25,175
Mutual funds:				
Global (U S. and Foreign) equity funds	82,286	-	-	82,286
Fixed-income funds	72,580	-	-	72,580
Equity securities:				
U S equity securities	82,846	-	-	82,846
Foreign equity securities	9,588	-	-	9,588
Debt securities:				
Asset-backed securities	-	531	-	531
Corporate bonds	-	2,740	-	2,740
Private investment funds:				
Hedge funds—alternative investments	-	48,111	24,633	72,744
Private equity funds	-	-	9,770	9,770
Venture capital funds	-	-	2,803	2,803
Commingled funds:				
Foreign equity securities	-	140,099	-	140,099
Fixed-income securities	-	39,128	-	39,128
Trustee-held funds	4,487	-	-	4,487
Total investments	$276,962	$230,609	$37,206	$544,777
Liabilities				
Interest rate swap liability	$ -	$ (10,195)	$ -	$ (10,195)

	2013			
	Level 1	Level 2	Level 3	Total
Assets		(In thousands)		
Investments:				
Cash equivalents	$ 32,656	$ -	$ -	$ 32,656
Mutual funds:				
Global (U S. and Foreign) equity funds	49,340	-	-	49,340
Fixed-income funds	72,666	-	-	72,666
Equity securities:				
U.S equity securities	69,584	-	-	69,584
Foreign equity securities	9,659	-	-	9,659
Debt securities:				
Asset-backed securities	-	1,137	-	1,137
Corporate bonds	-	2,324	-	2,324
Treasury notes	15,421	-	-	15,421
Private investment funds.				
Hedge funds—alternative investments	-	51,593	24,897	76,490
Private equity funds	-	-	10,822	10,822
Venture capital funds	-	-	2,658	2,658
Commingled funds:				
U.S. equity securities	-	27,806	-	27,806
Foreign equity securities	-	106,987	-	106,987
Fixed-income securities	-	31,621	-	31,621
Trustee-held funds	3,309	-	-	3,309
Total investments	$252,635	$221,468	$38,377	$512,480
Liabilities				
Interest rate swap liability	$ -	$ (9,762)	$ -	$ (9,762)

The changes in the balances of Level 3 financial assets for the years ended June 30, 2014 and 2013. are as follows (in thousands):

	Private Investment Funds
Beginning balance—July 1, 2012	$ 49,332
Net realized gain:	
Unrestricted realized gains—net	1,594
Temporarily restricted realized gains—net	687
Total net realized gain	2,281
Net unrealized gain:	
Unrestricted unrealized gains—net	1,284
Temporarily unrestricted realized gains—net	573
Total net unrealized gain	1,857
Purchases	19,361
Sales	(34,454)
Transfers into Level 3	-
Transfers out of Level 3	-
Ending balance—June 30, 2013	38,377
Net realized gain:	
Unrestricted realized gains—net	1,110
Temporarily restricted realized gains—net	444
Total net realized gain	1,554
Net unrealized gain:	
Unrestricted unrealized gains—net	1,621
Temporarily unrestricted realized gains—net	725
Total net unrealized gain	2,346
Purchases	4,453
Sales	(9,524)
Transfers into Level 3	-
Transfers out of Level 3	-
Ending balance—June 30, 2014	$ 37,206

Transfers in or out are recognized based on the beginning fair value of the fiscal year in which they occurred. There were no significant transfers on investments between Level 1 and Level 2 during the years ended June 30, 2014 and 2013 There were no transfers to or from Level 3 investments during the years ended June 30, 2014 and 2013

Included within the Hospital's investments are investments in certain entities that report fair value using a calculated NAV or its equivalent The nature and risk of such investments as of June 30, 2014 and 2013, are as follows (in thousands)

	Fair Value 2014	Fair Value 2013	Unfunded Commitments 2014	Unfunded Commitments 2013	Redemption Frequency	Redemption Notice Period
Commingled funds (1)	$179,227	$166,414	$ -	$ -	Daily, semimonthly, monthly	5–60 days
Hedge funds (2)	72,744	76,490	-	-	Quarterly, annually	45–60 days
Private equity funds and Venture Capital (3)	12,573	13,480	1,171	1,358	NA	NA
Total	$264,544	$256,384	$1,171	$1,358		

(1) This category includes investments in commingled funds that pursue diversification of both domestic and foreign fixed-income and equity securities through multiple investment strategies The primary objective for these funds is to seek attractive long-term risk-adjusted absolute returns

(2) This category includes investments in hedge funds that pursue diversification of both domestic and foreign fixed-income and equity securities through multiple investment strategies The primary objective for these funds is to seek attractive long-term risk-adjusted absolute returns

(3) This category includes investments in funds that make opportunistic investments that are primarily private in nature These investments cannot be redeemed by the Hospital, rather the Hospital has committed an amount to invest in the private funds over the respective commitment periods After the commitment period has ended the nature of the investments in this category is that the distributions are received through the liquidation of the underlying assets of the private fund

15. HOSPITAL FEE PROGRAM

In January 2010, the State of California enacted legislation that provides for supplemental Medi-Cal payments to certain hospitals funded by a quality assurance fee paid by participating hospitals as well as matching federal funds (the "Hospital Fee Program") In September 2010, this legislation was amended at the request of CMS. In October 2010, CMS substantially approved the program and the State of California began its implementation The supplemental payments encompass fee-for-service payments directly from the California Department of Health Care Services, as well as payments routed through managed care plans Each of the fee-for-service and managed care segments require separate CMS approval.

To date, there have been three segments (or "rounds") of the Hospital Fee Program. The first round covered the 21-month service period from April 1, 2009, through December 31, 2010. The second round covered the six-month service period from January 1, 2011, through June 30, 2011. The latest, third round, covers the 30-month period from July 1, 2011, through December 31, 2013 Each round of legislation is subject to CMS review and approval. Recognition in the financial statements of each round of the program is determined upon respective CMS program approval thereof. To date, CMS has approved all portions of the first and second rounds of the legislation as well as a major portion of the third round of legislation.

Supplemental payments related to the Hospital Fee Program in the amounts of $46 5 million and $154 3 million for the fiscal years ended June 30, 2014 and 2013, respectively, were recorded in patient service revenue—net of contractual allowances and discounts. Related program expenses in the amounts of $17.5 million and $35.0 million for the fiscal years ended June 30, 2014 and 2013, respectively, were recorded in expenses—Hospital Fee Program, in the consolidated statements of activities

As of June 2013, CMS had granted approval for substantially all of the managed care portion of the third round of the Hospital Fee Program through June 30, 2013, and the Hospital accrued $61.1 million in related net patient service revenue for the fiscal year ended June 30. 2013, in addition to amounts accrued for the fee-for-service portion of the program As of June 30, 2013, $53.4 million of accrued revenues and $10 5 million of accrued expenses were included in Hospital Fee Program receivables and Hospital Fee Program—deferred revenue and other liabilities, respectively, in the consolidated balance sheet

The Hospital collected cash in the amount of $194.1 million and paid cash of $59.5 million during the fiscal year ended June 30. 2013, for the combined fee-for-service and managed care portions of the Hospital Fee program.

The Hospital collected cash of $99 4 million and paid cash of $25 1 million during the fiscal year ended June 30. 2014, for the combined fee-for-service and managed care portions of the Hospital Fee Program.

As of June 30, 2014, the Hospital included $486 thousand of accrued revenue and $2.9 million of accrued expenses in Hospital Fee Program receivables and Hospital Fee Program—deferred revenue and other liabilities, respectively, in the consolidated balance sheet Provider fee revenue recorded in the year ended June 30. 2014, was $46.5 million, which covers the fee-for-service portion for the six months ended December 31, 2013

Provider fee revenue of $15 3 million related to the managed care portion for the six months ended December 31, 2013, and provider fee revenue of an indeterminate amount related to the period from January 1, 2014, through June 30, 2014, will be recognized when fully approved by CMS.

The California Hospital Association created a private program, the California Health Foundation and Trust (CHFT), established for several purposes, one of which is aggregating and distributing financial resources to support charitable activities at various hospitals and health systems in California Under a pledge agreement between the Hospital and CHFT, the Hospital expensed $3.6 million and $7.2 million in the fiscal years ended June 30, 2014 and 2013, respectively, into a grant fund established by CHFT These expenses are included in the program expense totals noted in the preceding paragraph and in the consolidated statements of activities as part of expenses—Hospital Fee Program as of each respective date.

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