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EXTENDED TO MAY 15, 2017

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

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

▶ Do not enter social security numbers on this form as it may be made public.

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

OMB No 1545-0047

2015Open to Public
Inspection

A For the 2015 calendar year, or tax year beginning JUL 1, 2015 and ending JUN 30, 2016

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return/terminated ☐ Amended return ☐ Application pending	C Name of organization MERCY ASSISTED CARE, INC.		D Employer identification number 39-1035110
	Doing business as		E Telephone number 608.754.2201
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 5003 - 901 MINERAL POINT AVE	G Gross receipts \$ 10,097,659.	
	City or town state or province, country, and ZIP or foreign postal code JANESVILLE, WI 53547-5003		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: ▶ N/A			
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶		L Year of formation 1985 M State of legal domicile WI	

Part I Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE MISSION OF MERCY ASSISTED CARE IS TO PROVIDE:
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets
	3 Number of voting members of the governing body (Part VI, line 1a) 3
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a) 113
	6 Total number of volunteers (estimate if necessary) 35
	7a Total unrelated business revenue from Part VIII, column (C), line 12 366,012.
7b Net unrelated business taxable income from Form 990-T, line 34 52,758.	
Revenue	8 Contributions and grants (Part VIII, line 1h) 0.
	9 Program service revenue (Part VIII, line 2g) 6,768,579.
	10 Investment income (Part VIII, column (A), lines 3-4 and 7d) 91.
	11 Other revenue (Part VIII, column (A), lines 5-6, 8c, 9c, 10c, and 11e) 1,146,429.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 7,915,099.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 0.
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 5,044,697.
	16a Professional fundraising fees (Part IX, column (A), line 11) 0.
	16b Total fundraising expenses (Part IX, column (D), line 25) 0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 2,663,246.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 7,707,943.
	19 Revenue less expenses Subtract line 18 from line 12 207,156.
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 8,115,001.
	21 Total liabilities (Part X, line 26) 3,771,546.
	22 Net assets or fund balances Subtract line 21 from line 20 4,343,455.

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 JAVON BEA, PRESIDENT/CEO Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name TROY E. MARINE, CPA Preparer's signature TROY E. MARINE, CPA Date 05/15/17 Check if self-employed ☐ PTIN P00187863 Firm's name BAKER TILLY VIRCHOW KRAUSE, LLP Firm's EIN 39-0859910 Firm's address 500 MIDLAND COURT, PO BOX 8130 JANESVILLE, WI 53547-8130 Phone no. 608.752.5835

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

532001 12-16-15

LHA For Paperwork Reduction Act Notice, see the separate instructions.

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SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

SCANNED JUN 13 2017

SP

Part III Statement of Program Service Accomplishments

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

☒ X**1** Briefly describe the organization's mission:

THE MISSION OF MERCY ASSISTED CARE IS TO PROVIDE:

1) THE HIGHEST QUALITY OF HOME CARE SERVICES AS POSSIBLE WHICH RESULTS IN HEALING, INDEPENDENCE AND DIGNITY OF LIFE IN IT'S BROADEST SENSE.

2) COMPREHENSIVE NETWORK OF HOME CARE AND SUPPORT SERVICES BASED ON

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 \$ 6,716,809. including grants of \$) (Revenue \$ 7,506,922.)
VISITS: SKILLED NURSING 16,471, EXTENDED HOMECARE 4,614, HOSPICE
HOMECARE 4,384

HOSPITAL COMMUNITY BENEFIT REPORT - IRS FORM 990, SUPPLEMENT PART III

THE COMMUNITY BENEFIT CONTRIBUTION OF MERCY ASSISTED CARE, INC INCLUDES PROGRAMS AND ACTIVITIES THAT IMPROVE ACCESS TO HEALTH CARE AND IMPROVE HEALTH IN OUR COMMUNITIES.

IN ORDER TO PORTRAY THE FULL BREADTH OF OUR CONTRIBUTION, OUR COMMUNITY BENEFIT INFORMATION IS DESCRIBED BELOW:

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O)

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

4e Total program service expenses 6,716,809.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	☒	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		☒
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		☒
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? <i>If "Yes," complete Schedule C, Part II</i>		☒
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? <i>If "Yes," complete Schedule C, Part III</i>		☒
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? <i>If "Yes," complete Schedule D, Part I</i>		☒
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		☒
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		☒
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? <i>If "Yes," complete Schedule D, Part IV</i>		☒
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		☒
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? <i>If "Yes," complete Schedule D, Part VI</i>	☒	
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? <i>If "Yes," complete Schedule D, Part VII</i>		☒
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? <i>If "Yes," complete Schedule D, Part VIII</i>		☒
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? <i>If "Yes," complete Schedule D, Part IX</i>		☒
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	☒	
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)? <i>If "Yes," complete Schedule D, Part X</i>		☒
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		☒
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	☒	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		☒
14a Did the organization maintain an office, employees, or agents outside of the United States?		☒
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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		☒
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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		☒
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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		☒
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? <i>If "Yes," complete Schedule G, Part I</i>		☒
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		☒
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		☒

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	21	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	113	
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).	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O.	X	
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)?		X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
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?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
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?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year.		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
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.		
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.		
c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **WI, IL**

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

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records **▶**
JOHN COOK - 608.756.6642
1000 MINERAL POINT, JANESVILLE, WI 53547-5003

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

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

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

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

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

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

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

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

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 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								214,359.	8,988,101.	100,383.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								214,359.	8,988,101.	100,383.

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 ▶

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

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

Form **990** (2015)

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f					
Program Service Revenue	2 a PATIENT SERVICE REVENUE	Business Code 621110	6,345,278.	6,345,278.		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		6,345,278.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		370.			370.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real (ii) Personal				
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8 a 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					
	9 a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities					
	10 a Gross sales of inventory, less returns and allowances	a 3,749,214.				
	b Less cost of goods sold	b 2,221,558.				
	c Net income or (loss) from sales of inventory		1,527,656.	1,161,644.	366,012.	
Miscellaneous Revenue		Business Code				
11 a MISCELLANEOUS	900099	2,797.			2,797.	
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		2,797.				
12 Total revenue. See instructions		7,876,101.	7,506,922.	366,012.	3,167.	

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 domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,096,182.	3,665,430.	430,752.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	128,747.	115,208.	13,539.	
9 Other employee benefits	577,427.	516,705.	60,722.	
10 Payroll taxes	297,123.	266,133.	30,990.	
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	5,115.		5,115.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	316,160.	292,686.	23,474.	
12 Advertising and promotion	22,256.	6,707.	15,549.	
13 Office expenses	391,039.	327,779.	63,260.	
14 Information technology				
15 Royalties				
16 Occupancy	148,986.	139,722.	9,264.	
17 Travel	232,899.	229,116.	3,783.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	5,911.	3,840.	2,071.	
20 Interest	127,756.	119,490.	8,266.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	493,930.	461,970.	31,960.	
23 Insurance	11,340.	11,340.		
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 INTER-ENTITY CHARGES -	437,969.	283,476.	154,493.	
b EXTRAORDINARY LOSS ON B	219,071.	0.	219,071.	
c EQUIPMENT REPAIRS & MAI	172,554.	88,454.	84,100.	
d BAD DEBT	166,148.	166,148.	0.	
e All other expenses	31,043.	22,605.	8,438.	
25 Total functional expenses. Add lines 1 through 24e	7,881,656.	6,716,809.	1,164,847.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Check here ☐ if following SOP 98-2 (ASC 958-720)

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	899.	1	900.
	2 Savings and temporary cash investments	2,005,318.	2	2,760,266.
	3 Pledges and grants receivable net		3	
	4 Accounts receivable, net	2,333,574.	4	1,433,864.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	522,023.	8	544,153.
	9 Prepaid expenses and deferred charges	4,867.	9	7,466.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 10,648,944.		
	b Less accumulated depreciation	10b 7,611,403.	10c	3,037,541.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities See Part IV, line 11		12	
	13 Investments - program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	47,052.	15	27,769.
16 Total assets. Add lines 1 through 15 (must equal line 34)	8,115,001.	16	7,811,959.	
Liabilities	17 Accounts payable and accrued expenses	581,360.	17	618,826.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	3,190,186.	25	2,855,233.
	26 Total liabilities. Add lines 17 through 25	3,771,546.	26	3,474,059.
	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		4,343,455.	27	4,337,900.
28 Temporarily restricted net assets			28	
29 Permanently restricted net assets			29	
Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		4,343,455.	33	4,337,900.
34 Total liabilities and net assets/fund balances	8,115,001.	34	7,811,959.	

Form 990 (2015)

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	7,876,101.
2	Total expenses (must equal Part IX, column (A), line 25)	2	7,881,656.
3	Revenue less expenses Subtract line 2 from line 1	3	-5,555.
4	Net assets or fund balances at beginning of year (must equal Part X line 33, column (A))	4	4,343,455.
5	Net unrealized gains (losses) on investments	5	
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	0.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,337,900.

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

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
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?		X
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		

Form 990 (2015)

Department of the Treasury
Internal Revenue Service

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

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2015

**Open to Public
Inspection**

Name of the organization

MERCY ASSISTED CARE, INC.

Employer identification number

39-1035110

Part I	Reason for Public Charity Status (All organizations must complete this part) See instructions
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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 (Form 990 or 990-EZ))
- 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 in
lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving
the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting
organization **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having
control or management of the supporting organization vested in the same persons that control or manage the supported
organization(s) **You must complete Part IV, Sections A and C.**
 - c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with,
its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s)
that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness
requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III
functionally integrated, or Type III non-functionally integrated supporting organization
- f Enter the number of supporting organizations _____
- g Provide the following information about the supported organization(s)

g. 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 (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Schedule A (Form 990 or 990-EZ) 2015

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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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 VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2014 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2015. 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 - 2014. 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 - 2015. 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 VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐		
b 10% -facts-and-circumstances test - 2014. 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 VI 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 ☐		

Schedule A (Form 990 or 990-EZ) 2015

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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	38,474.	31,292.	111,098.	0.	0.	180,864.
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	11263919.	10896181.	10594972.	10077031.	10094492.	52926595.
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	11302393.	10927473.	10706070.	10077031.	10094492.	53107459.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
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						0.
c Add lines 7a and 7b						0.
8 Public support. (Subtract line 7c from line 6.)						53107459.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
9 Amounts from line 6	11302393.	10927473.	10706070.	10077031.	10094492.	53107459.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	1,467.	1,346.	1,824.	91.	370.	5,098.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	1,467.	1,346.	1,824.	91.	370.	5,098.
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 VI.)	2,524.	9,932.	3,873.	3,244.	2,796.	22,369.
13 Total support. (Add lines 9, 10c, 11 and 12.)	11306384.	10938751.	10711767.	10080366.	10097658.	53134926.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ► ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	99.95 %
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	99.93 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2015 (line 10c, column (f) divided by line 13, column (f))	17	.01 %
18 Investment income percentage from 2014 Schedule A, Part III, line 17	18	.01 %

19a **33 1/3% support tests - 2015.** 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 - 2014.** 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 Supporting Organizations

(Complete only if you checked a box in line 11 on Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

- 1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.
- 2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).
- 3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.
 - b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.
 - c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.
- 4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 11a or 11b in Part I, answer (b) and (c) below.
 - b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.
 - c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.
- 5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).
 - b **Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?
 - c **Substitutions only.** Was the substitution the result of an event beyond the organization's control?
- 6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI.
- 7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)) a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).
- 8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).
- 9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI.
 - b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI.
 - c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI.
- 10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.
 - b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)

	Yes	No
1		
2		
3a		
3b		
3c		
4a		
4b		
4c		
5a		
5b		
5c		
6		
7		
8		
9a		
9b		
9c		
10a		
10b		

Part IV Supporting Organizations (continued)

- 11** Has the organization accepted a gift or contribution from any of the following persons?
- a** A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?
- b** A family member of a person described in (a) above?
- c** A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI

	Yes	No
11a		
11b		
11c		

Section B. Type I Supporting Organizations

- 1** Did the directors, trustees or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.
- 2** Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

- 1** Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).

	Yes	No
1		

Section D. All Type III Supporting Organizations

- 1** Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?
- 2** Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).
- 3** By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.

	Yes	No
1		
2		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)
- a** ☐ The organization satisfied the Activities Test. Complete line 2 below.
- b** ☐ The organization is the parent of each of its supported organizations. Complete line 3 below.
- c** ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.

3 Parent of Supported Organizations. Answer (a) and (b) below.

- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.
- b** Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.

	Yes	No
2a		
2b		
3a		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount		Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1
2	Enter 85% of line 1	2
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3
4	Enter greater of line 2 or line 3	4
5	Income tax imposed in prior year	5
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6
7	☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)	

Schedule A (Form 990 or 990-EZ) 2015

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2015 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2015			
a			
b			
c			
d From 2013			
e From 2014			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2015 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2016. Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b			
c Excess from 2013			
d Excess from 2014			
e Excess from 2015			

Schedule A (Form 990 or 990-EZ) 2015

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b, Part V, line 1, Part V, Section B, line 1e, Part V, Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No 1545-0047

2015
Open to Public
Inspection

Name of the organization

MERCY ASSISTED CARE, INC.

Employer identification number

39-1035110

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of 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" on 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 a historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

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

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

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

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

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

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

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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) Revenue included on 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 Revenue included on 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" on Form 990, Part IV, line 9, or reported an amount on Form 990 Part X line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes ☐ No

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

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

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes ☐ No

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

☐

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

1a Beginning of year balance

b Contributions

c Net investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a					
1b					
1c					
1d					
1e					
1f					
1g					

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

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Temporarily restricted endowment ☐ %

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

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

(i) unrelated organizations

(ii) related organizations

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

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		7,049,146.	4,962,568.	2,086,578.
c Leasehold improvements		219,963.	80,857.	139,106.
d Equipment		3,379,835.	2,567,978.	811,857.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				3,037,541.

Schedule D (Form 990) 2015

Part VII Investments - Other Securities.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶

Part VIII Investments - Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶

Part IX Other Assets.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO MERCY HEALTH CORPORATION	2,638,655.
(3) DUE FROM OTHER RELATED PARTIES	116,370.
(4) THIRD PARTY PAYABLES	100,208.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	2,855,233.

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 ☐

Schedule D (Form 990) 2015

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

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

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.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2015

**Open to Public
Inspection**

Name of the organization

MERCY ASSISTED CARE, INC.

Employer identification number
39-1035110

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| ☐ First-class or charter travel | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☐ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

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 on 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?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed on 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?
- b** Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III.

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2015

Part III Supplemental Information

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

PART I, LINE 3:

THE MERCY COMPENSATION COMMITTEE IS COMPRISED OF THE BOARD CHAIRPERSON, SECRETARY, AND THE TREASURER. THE COMPENSATION COMMITTEE IS ASSISTED BY INDEPENDENT LEGAL COUNCIL AND AN INDEPENDENT COMPENSATION CONSULTANT. THE COMPENSATION COMMITTEE, LEGAL COUNCIL, AND THE COMPENSATION CONSULTANT MEET THROUGHOUT THE YEAR AND REPORT DIRECTLY TO THE BOARD OF DIRECTORS ANNUALLY. THIS PROCESS WAS COMPLETED FOR 2015.

PART II, LINE 3:**JAVON R. BEA - DEFERRED COMPENSATION PAYMENT**

MR. BEA HAS BEEN EMPLOYED BY THE MERCY HEALTH SYSTEM AS PRESIDENT AND CEO OVER THE PAST 28 YEARS. DURING THIS TIME, MR. BEA HAS LED AN INCREDIBLE TRANSFORMATION TAKING A SMALL, SINGLE, STAND-ALONE COMMUNITY HOSPITAL AND CREATING A VERTICALLY INTEGRATED HEALTH SYSTEM WITH 80 FACILITIES IN 39 COMMUNITIES THROUGHOUT SOUTHERN WISCONSIN AND NORTHERN ILLINOIS, INCREASING GROSS REVENUE FROM \$33 MILLION TO OVER \$2.6 BILLION. THIS HAS ALLOWED THE HEALTH SYSTEM TO GO FROM SERVING 89,000 PATIENTS IN 1989 TO OVER 2.2 MILLION PATIENTS TODAY WORKING TOGETHER WITH OVER 8,000 PARTNERS IN HEALTH CARE. TODAY, MERCY HAS BECOME THE

Part III Supplemental Information

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

LARGEST EMPLOYER IN SOUTHERN WISCONSIN AND NORTHERN ILLINOIS.

THIS GROWTH CAN BE ATTRIBUTED TO MR. BEA'S VISIONARY LEADERSHIP.

LEADERSHIP THAT HAS LED TO MERCY RECEIVING NUMEROUS NATIONAL RECOGNIZED

AWARDS INCLUDING BEING NAMED THE FIRST FULLY INTEGRATED HEALTH SYSTEM

TO RECEIVE THE MALCOLM BALDRIGE NATIONAL QUALITY AWARD, THE MAGNET

RECOGNITION AWARD, BEING RANKED #1 AND #2 ON AARP'S TOP 100 BEST PLACES

TO WORK FOR WORKERS OVER 50, AND BEING RANKED IN THE TOP 25 ON THE TOP

100 INTEGRATED HEALTHCARE NETWORKS LIST BY MODERN HEALTHCARE FOR OVER

10 STRAIGHT YEARS.

THE TURNAROUND OF THE MERCY HEALTH SYSTEM IMPLEMENTED BY MR. BEA IS

UNPARALLELED. BY PIONEERING A "PARTNERSHIP MODEL" OF COMPENSATION AND

DESIGNING A CUSTOM CULTURE OF EXCELLENCE, MR. BEA IS VITAL TO THE

DECADES-LONG AND CONTINUING GROWTH AT MERCY HEALTH SYSTEM. THIS SUCCESS

HAS MADE MR. BEA A HIGHLY SOUGHT AFTER SPEAKER AND CONSULTANT AS HE IS

NOW WELL-RENOWNED FOR HIS INNOVATIONS IN THE AREAS OF INTEGRATED

HEALTHCARE AND PHYSICIAN PARTNERSHIP MODELS.

THE TREMENDOUS SUCCESS OF MERCY HEALTH SYSTEM UNDER THE LEADERSHIP OF

MR. BEA HAS ALLOWED HIM TO RECEIVE PAYOUTS FROM A DEFERRED COMPENSATION

PACKAGE WHICH MERCY HAS BEEN PAYING INTO OVER MANY YEARS AND WHICH HAS

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.

BEEN PREVIOUSLY REPORTED ON THE ORGANIZATION'S FORM 990. THESE PAYMENTS ONLY BECAME PAYABLE IF MERCY HEALTH SYSTEM ATTAINED CERTAIN DEFINED FINANCIAL AND STRATEGIC GOALS AND THE AMOUNTS ARE AT RISK EVERY SINGLE YEAR. AS INDICATED ABOVE, MANY OF THESE GOALS WERE ACHIEVED WITHIN THE PAST TWO YEARS RESULTING IN A RELEASE OF THESE DEFERRED PAYMENTS WHICH IMPACTED MR. BEA'S COMPENSATION REPORTING.

THE SETTING OF THESE GOALS WERE LAID OUT BY THE BOARD OF DIRECTORS IN COOPERATION WITH NATIONALLY RECOGNIZED COMPENSATION ATTORNEYS AND CONSULTANTS TO MAKE SURE ALL FACTORS WERE TAKEN INTO CONSIDERATION. MR. BEA'S COMPENSATION HAS ALSO BEEN SCRUTINIZED BY NUMEROUS OUTSIDE ORGANIZATIONS AND MOST IMPORTANTLY, THE INTERNAL REVENUE SERVICE; AND HAS PASSED INSPECTION IN EACH CASE. TOTAL COMPENSATION IS APPROVED ANNUALLY BY THE BOARD OF DIRECTORS OF MERCY HEALTH SYSTEM.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2015

Open to Public
Inspection

Name of the organization

MERCY ASSISTED CARE, INC.

Employer identification number
39-1035110

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

1) THE HIGHEST QUALITY OF HOME CARE SERVICES AS POSSIBLE WHICH RESULTS
IN HEALING, INDEPENDENCE AND DIGNITY OF LIFE IN IT'S BROADEST SENSE.

2) COMPREHENSIVE NETWORK OF HOME CARE AND SUPPORT SERVICES BASED ON
COMMUNITY AND CLIENT NEEDS.

3) COST EFFECTIVE HOME CARE AND SUPPORT SERVICES WITHOUT SACRIFICING
QUALITY, SERVICE AND CONVENIENCE.

4) EDUCATIONAL PROGRAMS AND HEALTH PROMOTION SERVICES THAT IMPROVE THE
QUALITY OF LIFE IN OUR COMMUNITY.

THIS WILL BE ACCOMPLISHED WITH A QUALIFIED, CARING STAFF AND THE
RESPONSIBLE UTILIZATION OF RESOURCES.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

COMMUNITY AND CLIENT NEEDS.

3) COST EFFECTIVE HOME CARE AND SUPPORT SERVICES WITHOUT SACRIFICING
QUALITY, SERVICE AND CONVENIENCE.

4) EDUCATIONAL PROGRAMS AND HEALTH PROMOTION SERVICES THAT IMPROVE THE
QUALITY OF LIFE IN OUR COMMUNITY.

THIS WILL BE ACCOMPLISHED WITH A QUALIFIED, CARING STAFF AND THE
RESPONSIBLE UTILIZATION OF RESOURCES.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

SECTION 1: QUALITATIVE DESCRIPTION OF COMMUNITY BENEFIT - DESCRIBES

THE ORGANIZATION'S COMMUNITY BENEFIT MISSION, HOW THE MISSION IS

TRANSLATED INTO A PROACTIVE APPROACH DESIGNED TO MEET COMMUNITY HEALTH

NEEDS, HOW THE ORGANIZATION MEETS TAX-EXEMPT REQUIREMENTS, AND A

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

Schedule O (Form 990 or 990-EZ) (2015)

532211
09-02-15

Name of the organization

MERCY ASSISTED CARE, INC.

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DESCRIPTION OF COMMUNITY BENEFIT PROGRAMS AND SERVICES THAT HIGHLIGHT
THE ORGANIZATION'S IMPACT ON COMMUNITY HEALTH.

SECTION 2: QUANTITATIVE DESCRIPTION OF COMMUNITY BENEFIT - DESCRIBES
THE ORGANIZATION'S COMMUNITY BENEFIT CONTRIBUTION IN FINANCIAL TERMS
PRESENTING THE AMOUNT OF CHARITY CARE, THE UNPAID SHORTFALL FROM
GOVERNMENT HEALTH CARE FOR THE INDIGENT, AND THE NET EXPENSE OF
COMMUNITY BENEFIT SERVICES.

SECTION 1 - QUALITATIVE DESCRIPTION OF COMMUNITY BENEFIT

1. MERCY ASSISTED CARE INC.'S COMMITMENT TO PROVIDING COMMUNITY
BENEFIT - NOTE: *

A. THE MISSION OF THE MERCY ASSISTED CARE, INC IS "TO PROVIDE
EXCEPTIONAL HEALTHCARE SERVICES RESULTING IN HEALING IN ITS BROADEST
SENSE." MERCY ASSISTED CARE PROVIDES QUALITY MEDICAL CARE REGARDLESS OF
RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY.
ALTHOUGH REIMBURSEMENT FOR SERVICES RENDERED IS CRITICAL TO THE
OPERATION AND STABILITY OF MERCY ASSISTED CARE, IT IS RECOGNIZED THAT
NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE ESSENTIAL MEDICAL
SERVICES. THEREFORE, IN KEEPING ITS MISSION, MERCY ASSISTED CARE
ROUTINELY PROVIDES: 1) FREE CARE AND/OR SUBSIDIZED CARE, 2) CARE TO
PERSONS COVERED BY GOVERNMENTAL PROGRAMS THAT ARE REIMBURSED BELOW
COST, AND 3) HEALTH ACTIVITIES AND EDUCATIONAL AND SUPPORT PROGRAMS TO
THE COMMUNITIES IT SERVES IN SOUTHERN WISCONSIN AND NORTHERN ILLINOIS.
THESE ACTIVITIES INCLUDE WELLNESS PROGRAMS, COMMUNITY EDUCATION
PROGRAMS, SPECIAL PROGRAMS FOR THE ELDERLY, HANDICAPPED, MEDICALLY

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UNDERSERVED, AND A VARIETY OF BROAD COMMUNITY SUPPORT ACTIVITIES. MANY OF THE SERVICES OF MERCY ASSISTED CARE ARE FOCUSED ON KEEPING THE ELDERLY AND MEDICALLY FRAIL IN THE TYPE OF INDEPENDENT SETTING MOST APPROPRIATE TO THEIR MEDICAL CONDITION.

B. MERCY ASSISTED CARE CONSIDERS ITS TARGET POPULATIONS TO BE RESIDENTS OF ROCK AND WALWORTH COUNTIES IN WISCONSIN, AS WELL AS PARTS OF MCHENRY COUNTY IN ILLINOIS. THE SYSTEM USES MULTIPLE STRATEGIES TO IDENTIFY NEEDS IN THESE COMMUNITIES. THESE STRATEGIES INCLUDE ONE-ON-ONE MEETINGS WITH LOCAL COMMUNITY LEADERS, FORMAL SURVEYS, PARTICIPATION ON COMMUNITY TASK FORCES, SUGGESTIONS FROM PATIENTS, AND DIRECT INPUT FROM ITS EMPLOYEES. AMONG THE TRENDS IDENTIFIED: POOR RE-INTEGRATION BACK INTO THE COMMUNITY OF ADOLESCENTS WHO ARE SENT TO FACILITIES FOR INTENSIVE BEHAVIORAL TREATMENT.

MERCY ASSISTED CARE HAS WORKED WITH VARIOUS COMMUNITY ORGANIZATIONS TO HELP MEET THESE NEEDS:

- 1) MERCY ASSISTED CARE SUBSIDIZES ITS HOSPICE PROGRAM (THROUGH FUNDRAISING/DONATIONS FROM MERCY FOUNDATION) SO THAT THIS PROGRAM IS AVAILABLE TO THOSE IN NEED WITHIN THE COMMUNITY.
- 2) IT PROVIDES HEALTH SCREENINGS AND HEALTH EDUCATION SEMINARS AT PUBLIC EVENTS AND AT ITS OWN SITES THROUGHOUT THE TARGET AREA.
- 3) ALONG WITH ITS SISTER-CORPORATION (MERCY HEALTH SYSTEM CORPORATION), MERCY ASSISTED CARE, PROVIDES TRAINING OPPORTUNITIES FOR NURSES, PHYSICIANS, AND OTHER HEALTH PROFESSIONALS.

C. COMMUNITY/CHARITY CARE IS PROVIDED BY MERCY ASSISTED CARE TO

Name of the organization

MERCY ASSISTED CARE, INC.

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CUSTOMERS WHO ARE UNABLE TO PAY FOR ALL OR A PORTION OF THEIR CHARGES AND WHO MEET ELIGIBILITY REQUIREMENTS. ELIGIBILITY IS BASED ON THE FOLLOWING: INDIVIDUAL OR FAMILY INCOME, INDIVIDUAL OR FAMILY ASSETS, FAMILY SIZE, AND OTHER SOURCES OF PAYMENT FOR SERVICES. ELIGIBILITY FOR ALL OTHER CATEGORICAL AIDS IS A PREREQUISITE BEFORE QUALIFYING FOR COMMUNITY CARE. PATIENTS THAT QUALIFY WILL RECEIVE A REDUCTION IN THE BALANCE OWED AND EXTENDED PAYMENT TERMS. THE AMOUNT OF THE COMMUNITY CARE BENEFIT IS BASED ON THE PATIENT'S ABILITY TO PAY AND THE SIZE OF THE OUTSTANDING BALANCE. IF PATIENT INCOME AND FAMILY ASSETS ARE LESS THAN 150% OF THE FEDERAL POVERTY GUIDELINES, THEN MERCY WILL COVER 100% OF THEIR OUTSTANDING BALANCE VIA ITS COMMUNITY CARE PROGRAM. IF PATIENT INCOME AND FAMILY ASSETS FALL BETWEEN 150% AND 300% OF THE FEDERAL POVERTY GUIDELINE, THEN A PATIENT'S BALANCE CAN BE REDUCED AS MUCH AS 90%. MERCY HAS PROCEDURES IN PLACE TO INFORM THE PUBLIC ABOUT THE AVAILABILITY OF FINANCIAL AID/CHARITY CARE. INFORMATION IS MADE AVAILABLE AT THE TIME OF REGISTRATION, THROUGH PATIENT FINANCIAL COUNSELORS, AND AT THE CUSTOMER SERVICE PATIENT ACCOUNTS AREAS. TRAINING IS PROVIDED TO PERSONNEL AS TO HOW TO COMMUNICATE THIS PROGRAM'S AVAILABILITY TO PATIENTS AND HOW TO DIRECT PATIENT'S INQUIRIES. TRANSLATION SERVICES ARE AVAILABLE AS NEEDED.

2. ORGANIZATIONAL DESCRIPTION FOR TAX EXEMPTION

- MERCY ASSISTED CARE, INC HAS A GOVERNING BODY IN WHICH INDEPENDENT PERSONS REPRESENTATIVE OF THE COMMUNITY COMPRISE A MAJORITY.
- MERCY ASSISTED CARE, INC PARTICIPATES IN MEDICAID, MEDICARE, CHAMPUS, TRICARE, AND OTHER GOVERNMENT-SPONSORED HEALTH CARE PROGRAMS.

3. DESCRIPTION OF COMMUNITY BENEFIT PROGRAMS

Name of the organization

MERCY ASSISTED CARE, INC.

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MERCY ASSISTED CARE OFFERS MANY REDUCED PRICE SERVICES AND FREE PROGRAMS THROUGHOUT THE YEAR BASED UPON ACTIVITIES AND SERVICES WHICH MERCY ASSISTED CARE, INC BELIEVES WILL SERVE A BONA FIDE COMMUNITY HEALTH NEED. SOME OF THE PROGRAMS INCLUDE:

- PARTICIPATION IN HEALTH FAIRS, AND FLU CLINICS.
- SUPPORT OF DIABETES AND FOOT CLINICS.
- PARTICIPATION IN HOSPICE SUPPORT GROUPS.
- PARTICIPATION IN A RADIO HEALTH LINE.

4. LINKS TO ADDITIONAL COMMUNITY BENEFIT INFORMATION

MERCY HEALTH SYSTEM'S WEB PAGE: WWW.MERCYHEALTHSYSTEM.ORG

*MUCH OF THE COMMUNITY BENEFIT FOR ALL THE ENTITIES OF THE ENTIRE MERCYHEALTH ORGANIZATION (PARENT COMPANY OF MERCY ASSISTED CARE, INC) IS PROVIDED AT THE MERCY HEALTH SYSTEM CORPORATION LEVEL.

SECTION 2 - QUANTIFIABLE COMMUNITY BENEFIT

FISCAL YEAR ENDED JUNE 30, 2016:

1) CHARITY CARE - AT COST	\$12,099
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2) MEDICAID SHORTFALL - NET EXPENSE	175,928
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3) COMMUNITY BENEFIT PROGRAMS - NET EXPENSE	
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COMMUNITY HEALTH SERVICES:

COMMUNITY EDUCATION AND OUTREACH	342
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SUBSIDIZED HEALTH SERVICES:

Name of the organization	Employer identification number
MERCY ASSISTED CARE, INC.	39-1035110

EXTENDED HOMECARE

26,014

FINANCIAL AND IN-KIND DONATIONS:

4,891

TOTAL QUANTIFIABLE COMMUNITY BENEFIT

\$219,274

FORM 990, PART VI, SECTION A, LINE 4:

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION WERE FILED WITH THE WISCONSIN DEPARTMENT OF FINANCIAL INSTITUTIONS ON DECEMBER 30, 2015. THE ARTICLES OF AMENDMENT STATE THAT THE ORGANIZATION WILL HAVE A SOLE CORPORATE MEMBER (MERCY HEALTH CORPORATION) AND AUTHORIZE SUCH SOLE CORPORATE MEMBER TO HAVE THOSE POWERS AS PROVIDED IN THE BYLAWS.

FORM 990, PART VI, SECTION A, LINE 6:

MERCY HEALTH CORPORATION IS THE SOLE MEMBER OF MERCY ASSISTED CARE, INC.

FORM 990, PART VI, SECTION A, LINE 7A:

MERCY HEALTH CORPORATION, THE SOLE MEMBER, ELECTS MEMBERS OF THE GOVERNING BODY.

FORM 990, PART VI, SECTION A, LINE 7B:

ALL MAJOR GOVERNANCE DECISIONS ARE REQUIRED TO BE APPROVED BY MERCY HEALTH CORPORATION, THE SOLE MEMBER.

FORM 990, PART VI, SECTION B, LINE 11:

MANAGEMENT REVIEWS THE FORM 990 BEFORE FILING AND IT IS AVAILABLE TO THE BOARD OF DIRECTORS.

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FORM 990, PART VI, SECTION B, LINE 12C:

OFFICERS, DIRECTORS, AND KEY EMPLOYEES ARE REQUIRED TO REPORT ALL CONFLICTS
OF INTEREST. THE COMPLIANCE OFFICER IS RESPONSIBLE FOR INVESTIGATING ALL
CONFLICTS AND REPORTING TO THE BOARD.

FORM 990, PART VI, SECTION C, LINE 19:

GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY & FINANCIAL STATEMENTS ARE
AVAILABLE UPON REQUEST.

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Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?**a** Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity**b** Gift, grant, or capital contribution to related organization(s)**c** Gift, grant, or capital contribution from related organization(s)**d** Loans or loan guarantees to or for related organization(s)**e** Loans or loan guarantees by related organization(s)**f** Dividends from related organization(s)**g** Sale of assets to related organization(s)**h** Purchase of assets from related organization(s)**i** Exchange of assets with related organization(s)**j** Lease of facilities, equipment, or other assets to related organization(s)**k** Lease of facilities, equipment, or other assets from related organization(s)**l** Performance of services or membership or fundraising solicitations for related organization(s)**m** Performance of services or membership or fundraising solicitations by related organization(s)**n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)**o** Sharing of paid employees with related organization(s)**p** Reimbursement paid to related organization(s) for expenses**q** Reimbursement paid by related organization(s) for expenses**r** Other transfer of cash or property to related organization(s)**s** Other transfer of cash or property from related organization(s)**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Schedule R (Form 990) 2015		HEER
Part VII	Supplemental Information	

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

