

Form 990

(Rev. January 2020)  
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
- Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information

OMB No. 1545-0047

2019

Open to Public  
Inspection

1909

A For the 2019 calendar year, or tax year beginning 07/01/19, and ending 09/30/19

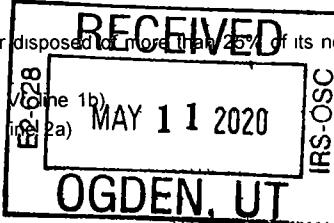
- B Check if applicable
  - Address change
  - Name change
  - Initial return
  - Final return/terminated
  - Amended return
  - Application pending

C Name of organization <b>DULUTH HEALTH SERVICES</b>		D Employer identification number <b>41-1843283</b>	
Doing business as		E Telephone number <b>218-727-8801</b>	
Number and street (or P.O. box if mail is not delivered to street address) <b>3111 CHURCH PLACE</b>		Room/suite	
City or town, state or province, country, and ZIP or foreign postal code <b>DULUTH MN 55811</b>		G Gross receipts <b>2,634,829</b>	
F Name and address of principal officer <b>CAROL RAW 801 NEVADA AVENUE MORRIS MN 56267</b>		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Website ► <a href="http://WWW.SFHS.ORG">WWW.SFHS.ORG</a>	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation 1996 M State of legal domicile MN	

## Part I Summary

1 Briefly describe the organization's mission or most significant activities  
SEE SCHEDULE O

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)  
4 Number of independent voting members of the governing body (Part VI, line 1b)  
5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)  
6 Total number of volunteers (estimate if necessary)  
7a Total unrelated business revenue from Part VIII, column (C), line 12  
b Net unrelated business taxable income from Form 990-T, line 39



Activities & Governance	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	600	0
9 Program service revenue (Part VIII, line 2g)	10,793,302	2,631,856
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,443	-3,967
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	15,247	1,862
12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	10,815,592	2,629,751
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	133,878	48,969
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,434,071	1,568,737
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ►	0	0
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	4,519,602	1,095,459
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	11,087,551	2,713,165
19 Revenue less expenses Subtract line 18 from line 12	-271,959	-83,414
Net Assets or Fund Balances	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	15,687,483	16,890,115
21 Total liabilities (Part X, line 26)	14,206,815	15,645,715
22 Net assets or fund balances Subtract line 21 from line 20	1,480,668	1,244,400

## 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	15/4/20
	WILLIAM MONCRIEF	CFO

Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name KELLY M DEMUTH	Preparer's signature KELLY M DEMUTH	Date 04/24/20	Check <input type="checkbox"/> if self-employed	PTIN P00947751
	Firm's name ► CONWAY, DEUTH & SCHMIESING, PLLP		Firm's EIN ► 41-1539592		
	401 ATLANTIC AVE.				
	Firm's address ► MORRIS, MN 56267-1324		Phone no 320-589-2602		

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

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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For Paperwork Reduction Act Notice, see the separate instructions  
DAA

Form 990 (2019)

## Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

SEE SCHEDULE O

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 \$ 2,443,829 including grants of\$ 48,969 ) (Revenue \$ 2,631,856 )  
 DULUTH HEALTH SERVICES IS A 92 BED SKILLED NURSING FACILITY AND A 45 BED ASSISTED LIVING CENTER LOCATED IN DULUTH, MINNESOTA. THE FACILITY PROVIDES MEDICAL, SOCIAL, AND SPIRITUAL CARE TO ITS RESIDENTS WITHOUT REGARD TO RACE, COLOR, CREED, OR NATIONAL ORIGIN, IN FURTHERANCE OF THE ORGANIZATION'S EXEMPT STATUS. DURING THE CURRENT REPORTING YEAR, THE ORGANIZATION HAD 7,387 PATIENT DAYS AND PROVIDED SERVICES TO MORE THAN 280 PATIENTS IN THE NURSING HOME AND PROVIDED HOUSING FOR MORE THAN 47 TENANTS AS THE ASSISTED LIVING CENTER. ALSO DURING THIS TIME PERIOD, THE ORGANIZATION EMPLOYED ABOUT 126 FULL TIME EQUIVALENT EMPLOYEES AND GROSS WAGES PAID OUT WERE MORE THAN 1.2 MILLION DOLLARS.

4b (Code N/A	(Expenses \$	including grants of\$	) (Revenue \$	)
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4c (Code N/A	(Expenses \$	including grants of\$	) (Revenue \$	)
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4d Other program services (Describe on Schedule O)

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

4e Total program service expenses ► 2,443,829

A D I J K L R O

**Part IV Checklist of Required Schedules**

	Yes	No
1	X	
2	X	
3	X	
4	X	
5	X	
6	X	
7	X	
8	X	
9	X	
10	X	
11a	X	
11b	X	
11c	X	
11d	X	
11e	X	
11f	X	
12a	X	
12b	X	
13	X	
14a	X	
14b	X	
15	X	
16	X	
17	X	
18	X	
19	X	
20a	X	
20b		
21	X	

**I Part IV Checklist of Required Schedules (continued)**

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

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

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

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

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

26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II

27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III

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, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV

b A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV

c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV

29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

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

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

35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?

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

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

38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note All Form 990 filers are required to complete Schedule O

	Yes	No
22	X	
23	X	
24a	X	
24b	X	
24c	X	
24d	X	
25a	X	
25b	X	
26	X	
27	X	
28a	X	
28b	X	
28c	X	
29	X	
30	X	
31	X	
32	X	
33	X	
34	X	
35a	X	
35b		
36	X	
37	X	
38	X	

**I Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V 

1a Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable

b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable

c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?

1a	1b	1c	Yes	No
	16			
	0			
		X		

## I Part V I Statements Regarding Other IRS Filings and Tax Compliance (continued)

	Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	243
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i>	2b	X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b If "Yes," enter the name of the foreign country ► See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)	4b	
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>	7c	
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
<b>9 Sponsoring organizations maintaining donor advised funds.</b>	9a	
a Did the sponsoring organization make any taxable distributions under section 4966?	9b	
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
<b>10 Section 501(c)(7) organizations.</b> Enter	10a	
a Initiation fees and capital contributions included on Part VIII, line 12	10b	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
<b>11 Section 501(c)(12) organizations.</b> Enter	11a	
a Gross income from members or shareholders	11b	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	13a	
a Is the organization licensed to issue qualified health plans in more than one state? <i>Note: See the instructions for additional information the organization must report on Schedule O</i>	13b	
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	13c	
c Enter the amount of reserves on hand		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N	15	X
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O	16	X

**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 on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

### Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O	13	
1b		13	
2			X
3		X	
4		X	
5		X	
6		X	
7a		X	
7b		X	
8a		X	
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 on Schedule O		X

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

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

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, 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 on Schedule O)

19 Describe on 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 ►

WILLIAM MONCRIEF  
MORRIS

801 NEVADA AVENUE, SUITE 100

MN 56267

218-727-8801

Form 990 (2019)

**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

See instructions for the order in which to list the persons above

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated			
(1) CAROL RAW PRES/CEO	1.00 39.00			X			0	226,171	25,765
(2) GEOFFREY RYAN SEN SVC REG DIRECTOR	1.00 39.00				X		0	145,134	17,706
(3) SCOT ALLEN VP SENIOR SERVICES	1.00 39.00			X			0	135,115	21,212
(4) PRISCILLA SCHILLING DIRECTOR OF QA/QI	1.00 39.00				X		0	122,234	16,561
(5) CAMILLA PETERSON-DEVRIES VP CORP COMPLIANCE	1.00 39.00				X		0	119,746	16,437
(6) WILLIAM MONCRIEF CFO	1.00 39.00			X			0	118,382	16,368
(7) CHAD MEYER VP BEH DEV SRVCS	1.00 39.00				X		0	115,340	19,314
(8) SHANE ROCHE ADMIN - GAHR	0.00 40.00				X		0	115,141	19,314
(9) KEITH DAVIDSON DIRECTOR	1.00 14.00	X					0	0	0
(10) DANIEL DRIPPS DIRECTOR	1.00 14.00	X					0	0	0
(11) VIVIAN HELTEMES DIRECTOR	1.00 14.00	X					0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee	Institutional trustee	Officer	Key employee	Highest compensated			
(12) PAUL LETENDRE	1.00 14.00	X					0	0	0
DIRECTOR									
(13) ELIZABETH MEICHESNER	1.00 14.00	X					0	0	0
DIRECTOR									
(14) PATRICK NELSON	1.00 14.00	X					0	0	0
DIRECTOR									
(15) CARLA RILEY	1.00 14.00	X	X				0	0	0
VICE CHAIR									
(16) REV TODD SCHNEIDER	1.00 14.00	X					0	0	0
DIRECTOR									
(17) TAMELA SPERR	1.00 14.00	X					0	0	0
DIRECTOR									
(18) ALYSSA THOOF	1.00 14.00	X	X				0	0	0
CHAIR									
(19) MONSERRAT VAZQUEZ	1.00 14.00	X					0	0	0
DIRECTOR									
<b>1b Subtotal</b>							<b>1,097,263</b>	<b>152,677</b>	
<b>c Total from continuation sheets to Part VII, Section A</b>							<i>1249,040</i>		
<b>d Total (add lines 1b and 1c)</b>							<b>1,097,263</b>	<b>152,677</b>	

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

3 Did the organization list any <b>former</b> officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	Yes	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	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
ST. FRANCIS HEALTH SERVICES MORRIS	801 NEVADA AVE MANAGEMENT FEE	1,217,279
AEGIS THERAPIES FORT SMITH	PO BOX 8103 THERAPY SERVICE	427,826
BIG STONE THERAPY BIG STONE CITY	500 CROSS STREET THERAPY	330,384
PRAIRIE DESIGN STUDIOS HORACE	601 SHEYENNE ST CONSTRUCTION	160,186
BOELTER PREMIER MINNEAPOLIS	7120 NORTHLAND TERRACE FOOD SERVICES	113,275

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 5

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(20) KENNETH WESTBROCK	1.00	Former Highest compensated employee			
DIRECTOR	14.00	X		0	0
(21) LORRAINE WIESE	1.00				
SECR. / TRES.	14.00	X	X	0	0

<b>1b Subtotal</b>	►		
<b>c Total from continuation sheets to Part VII, Section A</b>	►		
<b>d Total (add lines 1b and 1c)</b>	►		
<b>2</b> Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ►			

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, 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

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**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

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

## Part VIII Statement of Revenue

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	1a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c			
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f			
	g Noncash contributions included in lines 1a-1f	1g \$			
	<b>h Total. Add lines 1a-1f</b>				
<b>Program Service Revenue</b>	2a NET PATIENT REVENUE	Business Code	2,631,856	2,631,856	
	b				
	c				
	d				
	e				
	f All other program service revenue				
	<b>g Total. Add lines 2a-2f</b>		2,631,856		1
	<b>3 Investment income (including dividends, interest, and other similar amounts)</b>		1,111		1,111
<b>4 Income from investment of tax-exempt bond proceeds</b>					
<b>5 Royalties</b>					
<b>Other Revenue</b>	6a Gross rents	(i) Real			
	b Less rental expenses	6b			
	c Rental inc or (loss)	6c			
	d Net rental income or (loss)				
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other		
	b Less cost or other basis and sales exps	7b	5,078		
	c Gain or (loss)	7c	-5,078		
	d Net gain or (loss)		-5,078	-5,078	
<b>8a Gross income from fundraising events (not including \$ of contributions reported on line 1c)</b>					
See Part IV, line 18	8a				
<b>b Less direct expenses</b>	8b				
<b>c Net income or (loss) from fundraising events</b>					
<b>9a Gross income from gaming activities</b>					
See Part IV, line 19	9a				
<b>b Less direct expenses</b>	9b				
<b>c Net income or (loss) from gaming activities</b>					
<b>10a Gross sales of inventory, less returns and allowances</b>					
<b>b Less cost of goods sold</b>	10a				
<b>c Net income or (loss) from sales of inventory</b>	10b				
<b>Miscellaneous Revenue</b>	11a MEAL REVENUE	Business Code	1,862	1,862	
	b				
	c				
	d All other revenue				
	<b>e Total. Add lines 11a-11d</b>		1,862		1
<b>12 Total revenue. See instructions</b>		2,629,751	2,628,640	0	
				1,111	

**I 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 

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
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	48,969	48,969		
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	1,229,843	1,151,443	78,400	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	45,371	42,479	2,892	
9 Other employee benefits	131,311	122,940	8,371	
10 Payroll taxes	162,212	151,871	10,341	
11 Fees for services (nonemployees)				
a Management	86,550		86,550	
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17	2,136		2,136	
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
12 Advertising and promotion	4,014		4,014	
13 Office expenses	9,581		9,581	
14 Information technology				
15 Royalties				
16 Occupancy	65,735	65,735		
17 Travel	3,806		3,806	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	8,492	6,558	1,934	
20 Interest	95,648	95,648		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	170,500	170,500		
23 Insurance	15,642	11,600	4,042	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses on line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a MEDICAL PROFESSIONAL FEES	197,229	197,229		
b SUPPLIES	184,076	184,076		
c MEDICAL SURCHARGES	64,745	64,745		
d PURCHASED SERVICES	62,037	62,037		
e All other expenses	125,268	67,999	57,269	
25 Total functional expenses. Add lines 1 through 24e	2,713,165	2,443,829	269,336	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 ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

## Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	941,536	1	708,093
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,855,521	4	1,766,747
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	62,737	9	41,565
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	22,669,610		
	b Less accumulated depreciation	8,547,091	10c	14,122,519
	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	256,627	15	251,191
	16 Total assets Add lines 1 through 15 (must equal line 33)	15,687,483	16	16,890,115
Liabilities	17 Accounts payable and accrued expenses	770,416	17	1,543,660
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	10,639,140	20	10,504,334
	21 Escrow or custodial account liability Complete Part IV of Schedule D	47,259	21	44,151
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		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	2,750,000	25	3,553,570
	26 Total liabilities Add lines 17 through 25	14,206,815	26	15,645,715
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1,480,668	27	1,244,400
	28 Net assets with donor restrictions		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	1,480,668	32	1,244,400
	33 Total liabilities and net assets/fund balances	15,687,483	33	16,890,115

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1 Total revenue (must equal Part VIII, column (A), line 12)	1	2,629,751
2 Total expenses (must equal Part IX, column (A), line 25)	2	2,713,165
3 Revenue less expenses Subtract line 2 from line 1	3	-83,414
4 Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	1,480,668
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 on Schedule O)	9	-152,854
10 Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	1,244,400

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
2b 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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
2c 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 on Schedule O	2c	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?	3a	X
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	3b	

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

DULUTH HEALTH SERVICES

Employer identification number  
41-1843283

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

The organization is not a private foundation because it is (For lines 1 through 12, check only one box)

1  A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i). 69

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 agricultural research organization described in section 170(b)(1)(A)(ix) operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions) Enter the name, city, and state of the college or university

10  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)

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

12  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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g

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 supported organizations [ ]

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

(I) Name of supported organization	(II) EIN	(III) Type of organization (described on lines 1-10 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		
(A)						
(B)						
(C)						
(D)						
(E)						
<b>Total</b>						

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

Schedule A (Form 990 or 990-EZ) 2019

**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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(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						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2018 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 33 1/3% support test—2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test—2019. 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	<input type="checkbox"/>	
b 10%-facts-and-circumstances test—2018. 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	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

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

(Complete only if you checked the box on line 10 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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	399	150	50	600		1,199
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	8,677,602	9,596,056	10,568,121	10,808,549	2,633,718	42,284,046
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	8,678,001	9,596,206	10,568,171	10,809,149	2,633,718	42,285,245
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	411,530	122,234	485,054	962,086	1,408,240	3,389,144
c Add lines 7a and 7b	411,530	122,234	485,054	962,086	1,408,240	3,389,144
8 Public support. (Subtract line 7c from line 6 )						38,896,101

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6	8,678,001	9,596,206	10,568,171	10,809,149	2,633,718	42,285,245
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	3,642	3,051	3,324	3,143	1,111	14,271
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	3,642	3,051	3,324	3,143	1,111	14,271
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 )						
13 Total support. (Add lines 9, 10c, 11, and 12 )	8,681,643	9,599,257	10,571,495	10,812,292	2,634,829	42,299,516
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input checked="" type="checkbox"/>

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f))	15	91 95 %
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	94 06 %

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2019. 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		<input checked="" type="checkbox"/>
b 33 1/3% support tests—2018. 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		<input type="checkbox"/>
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions		<input checked="" type="checkbox"/>

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d 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.
- 3b 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.
- 3c 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 12a or 12b in Part I, answer (b) and (c) below.
- 4b 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.
- 4c 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).
- 5b 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?
- 5c 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 (as 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**.
- 9b 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**.
- 9c 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.
- 10b 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		

**I Part IVI Supporting Organizations (continued)**

11 Has the organization accepted a gift or contribution from any of the following persons?

- 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?
- A family member of a person described in (a) above?
- 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)

- The organization satisfied the Activities Test. Complete **line 2** below
- The organization is the parent of each of its supported organizations. Complete **line 3** below
- 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		

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

Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 (explain in Part VI) 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 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions)			

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

<b>Section D - Distributions</b>		<b>Current Year</b>
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	<b>Total annual distributions.</b> 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 2019 from Section C, line 6	
10	Line 8 amount divided by line 9 amount	
<b>Section E - Distribution Allocations (see instructions)</b>		
		<b>(i) Excess Distributions</b>
		<b>(ii) Underdistributions Pre-2019</b>
		<b>(iii) Distributable Amount for 2019</b>
1	Distributable amount for 2019 from Section C, line 6	
2	Underdistributions, if any, for years prior to 2019 (reasonable cause required-explain in Part VI) See instructions	
3	Excess distributions carryover, if any, to 2019	
a	From 2014	
b	From 2015	
c	From 2016	
d	From 2017	
e	From 2018	
f	<b>Total of lines 3a through e</b>	
g	Applied to underdistributions of prior years	
h	Applied to 2019 distributable amount	
i	Carryover from 2014 not applied (see instructions)	
j	Remainder Subtract lines 3g, 3h, and 3i from 3f	
4	Distributions for 2019 from Section D, line 7 \$	
a	Applied to underdistributions of prior years	
b	Applied to 2019 distributable amount	
c	Remainder Subtract lines 4a and 4b from 4	
5	Remaining underdistributions for years prior to 2019, if any Subtract lines 3g and 4a from line 2 For result greater than zero, explain in Part VI See instructions	
6	Remaining underdistributions for 2019 Subtract lines 3h and 4b from line 1 For result greater than zero, explain in Part VI See instructions	
7	<b>Excess distributions carryover to 2020.</b> Add lines 3j and 4c	
8	Breakdown of line 7	
a	Excess from 2015	
b	Excess from 2016	
c	Excess from 2017	
d	Excess from 2018	
e	Excess from 2019	

**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 )

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**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.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**Open to Public  
Inspection

Name of the organization

Employer identification number

DULUTH HEALTH SERVICES

41-1843283

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

**Part II Conservation Easements.**

Complete if the organization answered "Yes" 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 (for example, 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
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register

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 FASB 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 FASB 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 FASB ASC 958 relating to these items

a Revenue included on Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

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

DAA

Schedule D (Form 990) 2019

**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 make significant use of its collection items (check all that apply)

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange program
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

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	47,259
1d	4,190
1e	7,298
1f	44,151

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

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII  Yes  No

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

a Board designated or quasi-endowment ► %

b Permanent endowment ► %

c Term 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)	

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		282,913		282,913
b Buildings		16,577,521	7,760,556	8,816,965
c Leasehold improvements				
d Equipment		883,926	747,500	136,426
e Other		4,925,250	39,035	4,886,215
<b>Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10c)</b>			►	14,122,519

**I 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)		
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 12)</b>		

**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)		
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 13)</b>		

**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)	
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 15)</b>	

**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 RELATED PARTY	3,553,570
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 25)</b>	3,553,570

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 FASB ASC 740 Check here if the text of the footnote has been provided in Part XIII

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

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

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

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

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

**PART IV, LINE 1B - EXPLANATION FOR UNREPORTED CONTRIBUTIONS OR ASSETS**

THE ORGANIZATION ACTED AS A CUSTODIAN FOR THE FUNDS OF THE RESIDENTS.

**PART IV, LINE 2B - ESCROW LIABILITY ARRANGEMENT EXPLANATION**

THE ORGANIZATION ACTED AS A CUSTODIAN FOR THE FUNDS OF THE RESIDENTS.



**SCHEDULE I**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

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

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

**2019**

**Open to Public  
Inspection**

Name of the organization

DULUTH HEALTH SERVICES

**Part I | General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

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

**Part II | Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

	(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1)								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								

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

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

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

Schedule I (Form 990) (2019)



**Part III | Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
1	SCHOLARSHIPS	26	48,969		FMV	
2						
3						
4						
5						
6						
7						

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

**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.  
► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

**DULUTH HEALTH SERVICES**

Employer identification number  
**41-1843283**

**I 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

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)

Yes

No

**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 on line 1a?

**3** Indicate which, if any, of the following the 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

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> 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

4a

X

4b

X

4c

X

**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" on line 5a or 5b, describe in Part III

5a

X

5b

X

**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

6a

X

6b

X

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

7

X

**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

8

X

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

9

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

Schedule J (Form 990) 2019

DAA

Schedule J (Form 990) 2019 DULUTH HEALTH SERVICES  
**Part II** Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.

41-1843283

Page 2

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(D) Retirement and other deferred compensation	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation			
CAROL RAW 1 PRES/CEO	(i) 0 (ii) 226,171 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 25,765 (iii) 0	(D) 0 (E) 0	(F) 251,936 0	0
GEOFFREY RYAN 2 SEN SVC REG DIRECTOR	(i) 0 (ii) 145,134 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 17,706 (iii) 0	(D) 0 (E) 0	(F) 0 0	0
SCOT ALLEN 3 VP SENIOR SERVICES	(i) 0 (ii) 135,115 (iii) 0	(i) 0 (ii) 0 (iii) 0	(i) 0 (ii) 21,212 (iii) 0	(D) 0 (E) 0	(F) 162,840 0	0
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						

**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.

**SCHEDULE K**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information on Tax-Exempt Bonds**

► Complete if the organization answered "yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2019**

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Inspection

Name of the organization **DULUTH HEALTH SERVICES**  
Name of the organization **DULUTH HEALTH SERVICES**  
Employer identification number **41-1843283**

**Part I Bond Issues**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased	(h) On behalf of issuer	(i) Pooled financing
<b>A BREMER BANK</b>	41-6005047		12/28/12	6,400,000	SEE PART VI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>B BREMER BANK #2</b>	41-6005047		12/10/15	2,134,396	REFINANCING DEBT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>C CITY OF SCANLIN</b>	41-6005536		06/30/11	4,276,875	SEE PART VI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>D</b>						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Part II Proceeds**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
1 Amount of bonds retired				
2 Amount of bonds legally defeased				
3 Total proceeds of issue				
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds				
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds				
11 Other spent proceeds				
12 Other unspent proceeds				
13 Year of substantial completion				
	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 Has the final allocation of proceeds been made?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Schedule K (Form 990) 2019

**Part III | Private Business Use**

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

**Part IV | Arbitrage**

	A	B	C	D
	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2 If "No" to line 1, did the following apply?	X	X	X	X
a Rebate not due yet?	X	X	X	X
b Exception to rebate?	X	X	X	X
c No rebate due?	X	X	X	X
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed	X	X	X	X
3 Is the bond issue a variable rate issue?	X	X	X	X

**Part IV. Arbitrage (continued)**

	A	B	C	D
	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?				
b Name of provider	X	X	X	X
c Term of hedge				
d Was the hedge superintegrated?				
e Was the hedge terminated?				
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?	X	X	X	X
b Name of provider				
c Term of GIC				
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?				
6 Were any gross proceeds invested beyond an available temporary period?	X	X	X	X
7 Has the organization established written procedures to monitor the requirements of section 148?	X	X	X	X

**Part V. Procedures To Undertake Corrective Action**

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

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

SCHEDULE K - PURPOSE OF ISSUE DESCRIPTION
BREMER BANK
REFINANCING TAXABLE INDEBTEDNESS INCURRED TO FINANCE GENERAL REMODELING, INFRASTRUCTURE IMPROVEMENTS AND WINDOW REPLACEMENT.

CITY OF SCANLON  
FINANCING THE COSTS TO ACQUIRE A 44 UNIT ASSISTED LIVING FACILITY IN THE CITY OF SCANLON.



**SCHEDULE L**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

► Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b  
► Attach to Form 990 or Form 990-EZ  
► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information

OMB No 1545-0047

**2019**

Open To Public  
Inspection

Name of the organization

DULUTH HEALTH SERVICES

Employer identification number

41-1843283

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

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

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ► \$ \_\_\_\_\_

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the org?	(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
						To	From	Yes	No	Yes	No
(1)											
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											
(8)											
(9)											
(10)											

Total

► \$ \_\_\_\_\_

**Part III Grants or Assistance Benefiting Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of org revenues?	
				Yes	No
(1) ELIZABETH LETICH DAUGHTER OF	CAROL RAW, CEO	86,489	EMPL - ADMIN FHS		X
(2) ANDY RAW SON OF	CAROL RAW, CEO	42,684	EMPL - MAINT BVHS		X
(3) KAITLYN PENISKA RELATIVE OF LAUR	LENISKA DON	27,997	EMPL - NUR ASSIT BVHS		X
(4) TARREN MCALISTER SON OF	KERRI HICKS	31,692	EMPL - NURSE ASST		X
(5) KERRI HICKS NEICE OF	CAROL RAW, CEO	54,645	EMPL - DIR. OF HR		X
(6) RILEIGH PORT DAUGHTER OF	LANA PORT, DON	24,863	EMPL - NURSE ASST		X
(7) BAILEY HAGEN DAUGHTER OF CHRISTI	NEAGEN, DON	2,551	EMPL - HSK AID		X
(8) CHERI BROUSE SISTER OF	LANA PORT, DON	51,364	EMPL - HR		X
(9)					
(10)					

**Part V Supplemental Information.**

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

SCHEDULE L, PART V - ADDITIONAL INFORMATION

DURING THE YEAR, THE ORGANIZATION EMPLOYS INDIVIDUALS WHO MAY BE RELATED TO AN OFFICER, DIRECTOR, TRUSTEE, OR KEY EMPLOYEE. PAYMENTS FOR SERVICES ARE MADE ACCORDING TO EMPLOYMENT POLICY AND DONE AT ARMS LENGTH. DUE TO THE RURAL LOCATION OF THE ORGANIZATION AND THE NEED TO FIND QUALIFIED STAFF, THESE EMPLOYMENT RELATIONSHIPS ARE NECESSARY TO FURTHER THE ORGANIZATION'S EXEMPT PURPOSE.

**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.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

DULUTH HEALTH SERVICES

Employer identification number

41-1843283

**FORM 990 - ORGANIZATION'S MISSION**

WE ARE COMMITTED TO EXPRESS CHRIST'S MESSAGE OF LOVE AND HOPE BY PROVIDING FOR HEALTH, RESIDENTIAL, COMMUNITY, AND ALLIED SERVICES IN A HOLISTIC, COMPETENT, AND CARING MANNER THAT RECOGNIZES THE VALUE AND DIGNITY IN EVERY HUMAN LIFE.

ST FRANCIS HEALTH SERVICES CONTROLS AND OPERATES DULUTH HEALTH SERVICES AND IS SPONSORED BY THE CATHOLIC DIOCESE OF ST CLOUD. WE ARE DEDICATED TO PROMOTING THE ETHICAL AND RELIGIOUS DIRECTIVE FOR CATHOLIC HEALTH CARE SERVICES.

**FORM 990, PART VI, LINE 3 - MANAGEMENT DELEGATED**

ST. FRANCIS HEALTH SERVICES OF MORRIS, INC (A RELATED ORGANIZATION WITH COMMON CONTROL) MANAGES THE FACILITY.

**FORM 990, PART VI, LINE 6 - CLASSES OF MEMBERS OR STOCKHOLDERS**

THE ORGANIZATION IS ORGANIZED WITH MEMBERS. THE MEMBERS OF THE CORPORATION SHALL CONSIST OF THE BOARD OF DIRECTORS OF ST. FRANCIS HEALTH SERVICES OF MORRIS, INC.

**FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990**  
THE CFO OF ST. FRANCIS HEALTH SERVICES OF MORRIS, INC REVIEWS THE TAX RETURN AS PART OF THE MANAGEMENT SERVICES.

**FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY**  
ANNUALLY THE ORGANIZATION CONDUCTS IN-SERVICE TRAINING REVIEWING THE POLICY

Name of the organization

DULUTH HEALTH SERVICES

Employer identification number

41-1843283

ON CONFLICTS OF INTEREST AND REQUIRES THE BOARD MEMBERS, MANAGEMENT STAFF, AND KEY EMPLOYEES TO DISCLOSE CONFLICTS.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL THE CEO AND OFFICERS ARE EMPLOYEES OF ST. FRANCIS HEALTH SERVICES OF MORRIS, INC. (A RELATED ORGANIZATION AND UNDER COMMON CONTROL). THE COMPENSATION PROCESS FOR THE CEO - ANNUALLY THE HR DIRECTOR SUBMITS THE CEO'S JOB DESCRIPTION, PERFORMANCE EVALUATION FORM, ST. FRANCIS HEALTH SERVICES OF MORRIS, INC'S PAY GRADE SCHEDULE AND COMPARABLE WAGE SURVEY(S) TO THE CHAIRMAN OF THE BOARD. THE CHAIRMAN AND THE EVALUATION COMMITTEE OF THE BOARD REVIEWS THE PERFORMANCE AND DETERMINES THE SALARY OF THE CEO.

FORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS THE CEO AND OFFICERS ARE EMPLOYEES OF ST. FRANCIS HEALTH SERVICES OF MORRIS, INC. (A RELATED ORGANIZATION AND UNDER COMMON CONTROL). THE COMPENSATION PROCESS FOR OFFICERS - CEO AND THE HR DIRECTOR REVIEWS COMPARABLE WAGE SURVEY INFORMATION, REVIEWS PERFORMANCE (WITH INPUT FROM THE VP, IF APPROPRIATE) AND DETERMINES SALARY.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION THE GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICIES, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC ON AN AS REQUESTED BASIS.

FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS EXPLANATION  
INTERCOMPANY TRANSFERS \$ -152,854

**SCHEDULE R**  
(Form 990)

**Related Organizations and Unrelated Partnerships**

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service  
Name of the organization

DULUTH HEALTH SERVICES

OMB No 1545-0047

**2019**

**Open to Public  
Inspection**

Name of the organization

DULUTH HEALTH SERVICES

Employer identification number

41-1843283

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

	(a) Name address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1)	AITKIN HEALTH SERVICES 301 MINNESOTA AVENUE AITKIN MN 56431	20-3367397	CAREGIVER MN	501C3	1.0	SFHS	No
(2)	BROWNS VALLEY HEALTH CENTER RR 1 BOX 182D SOUTH JEFFERSON BROWNS VALLEY MN 56219	41-1668347	CAREGIVER MN	501C3	10	SFHS	X
(3)	CHISHOLM HEALTH CENTER 321 NE 8TH STREET CHISHOLM MN 55719	41-1879639	CAREGIVER MN	501C3	10	SFHS	X
(4)	FARMINGTON HEALTH SERVICES 3410 2 3RD STREET W FARMINGTON MN 55024	20-0100365	CAREGIVER MN	501C3	1.0	SFHS	X
(5)	FRANCISCAN HEALTH CENTER 3910 MINNESOTA AVENUE DULUTH MN 55802	41-1799268	CAREGIVER MN	501C3	10	SFHS	X

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

Schedule R (Form 990) 2019

**SCHEDULE R**  
(Form 990)

**Related Organizations and Unrelated Partnerships**

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service  
Name of the organization

DULUTH HEALTH SERVICES

OMB No 1545-0047

**2019**

**Open to Public  
Inspection**

Employer identification number

41-1843283

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

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1)	GUARDIAN ANGELS HEALTH & REHAB CENT 1500 3RD AVENUE E HIBBING MN 55746	41-1810369 CAREGIVER	MN	501C3	10	SFHS	No
(2)	KOOCHICHING HEALTH SERVICES 901 MAIN STREET LITTLEFORK MN 56653	81-0910949 CAREGIVER	MN	501C3	10	SFHS	X
(3)	LITTLE FALLS HEALTH SERVICES 1200 NE 1ST AVE LITTLE FALLS MN 56345	46-3626109 CAREGIVER	MN	501C3	10	SFHS	X
(4)	MORRIS HEALTH SERVICES 1001 SCOTT AVENUE MORRIS MN 56267	23-7625632 CAREGIVER	MN	501C3	10	SFHS	X
(5)	PENNINGTON HEALTH SERVICES 2001 EASTWOOD DR THIEF RIVER FALLS MN 56701	20-5617275 CAREGIVER	MN	501C3	10	SFHS	X

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

**Schedule R (Form 990) 2019**

**SCHEDULE R**  
(Form 990)

Department of the Treasury  
Internal Revenue Service  
Name of the organization

**Related Organizations and Unrelated Partnerships**

- Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- Attach to Form 990.

- Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2019**

**Open to Public  
Inspection**

Employer identification number

41-1843283

DULUTH HEALTH SERVICES

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

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1)	PRairie COMMUNITY SERVICES 801 NEVADA AVENUE MORRIS MN 56267	41-1598442 CAREGIVER	MN	501C3	10	SFHS	Yes
(2)	RENVILLE HEALTH SERVICES 205 SE ELM AVENUE RENVILLE MN 56284	20-2581924 CAREGIVER	MN	501C3	10	SFHS	No
(3)	ST. FRANCIS HEALTH SERVICES (SFHS) 801 NEVADA AVENUE MORRIS MN 56267	41-1484416 MGMT COMP	MN	501C3	12B	N/A	X
(4)	ZUMBROTA HEALTH SERVICES 433 MILL STREET ZUMBROTA MN 55992	51-0487275 CAREGIVER	MN	501C3	10	SFHS	X
(5)							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate alloc?	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
(1)										
(2)										
(3)										
(4)										

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp., S corp., or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	Yes	No
(1)										
(2)										
(3)										
(4)										

**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) ST. FRANCIS HEALTH SERVICES OF MORR	M	86,550	AMOUNT PAID OR ACCRUED
(2) ST. FRANCIS HEALTH SERVICES OF MORR	R	102,210	AMOUNT TRANSFERRED
(3)			
(4)			
(5)			
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?	(i) Code V-1(B) amount in box 20 of Schedule K-1 (Form 1065)		(j) General or managing partner?	(k) Percentage ownership
								Yes	No		
(1)											
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											
(8)											
(9)											
(10)											
(11)											

**Part VII** **Supplemental Information.**

Provide additional information for responses to questions on Schedule R See Instructions

SCHEDULE R - ADDITIONAL INFORMATION

ST. FRANCIS HEALTH SERVICES OF MORRIS, INC HAS GUARANTEED LOANS OF  
\$10,504,333 AS SHOWN ON FORM 990, PART X, LINE 20.