

Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter Social Security numbers on this form as it may be made public. By law, the IRS generally cannot redact the information on the form.
 ▶ Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2013
Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013, 2013, and ending 12-31-2013

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ST ELIZABETH MEDICAL CENTER Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 2209 GENESEE STREET City or town, state or province, country, and ZIP or foreign postal code UTICA, NY 135015999	D Employer identification number 15-0532245 E Telephone number (315) 798-8151 G Gross receipts \$ 197,289,538
F Name and address of principal officer RICHARD KETCHAM 2209 GENESEE STREET UTICA, NY 135015999		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) H(c) Group exemption number ▶
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: ▶ WWW STEMC ORG		
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 1861 M State of legal domicile NY

Part I Summary

1	Briefly describe the organization's mission or most significant activities ST ELIZABETH MEDICAL CENTER COMMUNITY, INSPIRED BY ST FRANCIS OF ASSISI AND FAITHFUL TO THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH, IS COMMITTED TO EXCELLENCE IN HEALTHCARE AND EDUCATION		
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	3	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	2,172
6	Total number of volunteers (estimate if necessary)	6	174
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	323,090
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	-70,241
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	8,059,917	1,391,042
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	189,765,421	190,380,839
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	155,586	687,863
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,423,776	4,727,821
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	204,404,700	197,187,565
	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)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	121,029,866	122,443,106
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	79,970,651	79,645,326
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	201,000,517	202,088,432	
19 Revenue less expenses Subtract line 18 from line 12	3,404,183	-4,900,867	
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	142,139,366	131,947,713
	21 Total liabilities (Part X, line 26)	141,635,641	99,487,681
22 Net assets or fund balances Subtract line 21 from line 20	503,725	32,460,032	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including 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
		LOUIS AIELLO CFO Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature
	Firm's name ▶ FREED MAXICK CPAS PC	
	Firm's address ▶ 424 MAIN STREET SUITE 800 BUFFALO, NY 142023508	

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

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

ST ELIZABETH MEDICAL CENTER COMMUNITY, INSPIRED BY ST FRANCIS OF ASSISI AND FAITHFUL TO THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH, IS COMMITTED TO EXCELLENCE IN HEALTHCARE AND EDUCATION

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ 100,428,821 including grants of \$) (Revenue \$ 107,573,337)
 INPATIENT SERVICES- ST ELIZABETH MEDICAL CENTER IS A FULL SERVICE GENERAL HOSPITAL WITH 201 LICENSED BEDS THE HOSPITAL PROVIDES A FULL RANGE OF ROUTINE AND ANCILLARY SERVICES, INCLUDING CARDIAC SURGERY AND ANGIOPLASTY DISBURSEMENTS MADE BY THE HOSPITAL ARE EXCLUSIVELY FOR SERVICES AND MATERIALS USED IN PERFORMING THE HOSPITAL'S EXEMPT FUNCTIONS ST ELIZABETH MEDICAL CENTER PROVIDES CARE TO EVERYONE REGARDLESS OF RACE, RELIGION OR ABILITY TO PAY

4b (Code) (Expenses \$ 24,903,112 including grants of \$) (Revenue \$ 29,462,207)
 AMBULATORY SURGERY- ST ELIZABETH MEDICAL CENTER HAS A FULL RANGE OF AMBULATORY SURGERY SERVICES ON ITS CAMPUS FOR PATIENTS THAT DO NOT REQUIRE OVERNIGHT OR LONG INPATIENT STAYS ST ELIZABETH MEDICAL CENTER PROVIDES SERVICES TO EVERYONE REGARDLESS OF RACE, RELIGION, OR ABILITY TO PAY

4c (Code) (Expenses \$ 14,953,764 including grants of \$) (Revenue \$ 14,573,710)
 COMMUNITY MEDICINE- THE HOSPITAL IN ADDITION TO HAVING OUTPATIENT VISITS ON SITE HAS THIRTEEN OFF-SITE CLINICS TO PROVIDE PATIENTS WITH CONVENIENT MEDICAL CARE AT A LOWER COST THAN IN THE HOSPITAL SETTING THE OFF-SITE CLINICS HAD A TOTAL OF 80,765 VISITS IN 2013 COMPARED TO 69,682 FOR 2012, AN INCREASE OF 15.9% THE OFF-SITE CLINICS INCLUDE CLINICS, FAMILY PRACTICE AND COMMUNITY MEDICINE 65

(Code) (Expenses \$ 39,929,809 including grants of \$) (Revenue \$ 42,570,254)
 OTHER PROGRAM SERVICES INCLUDE EMERGENCY ROOM, REFERRED AMBULATORY, CLINICS, FAMILY PRACTICE, SPORTS MEDICINE CENTER, COLLEGE OF NURSING, INTERNS AND RESIDENTS, AND HOME HEALTH AGENCY

4d Other program services (Describe in Schedule O)
 (Expenses \$ 39,929,809 including grants of \$) (Revenue \$ 42,570,254)

4e Total program service expenses 180,215,506

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
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.		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	Yes	
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13b	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	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

- 17** List the States with which a copy of this Form 990 is required to be filed NY
- 18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 ST ELIZABETH MEDICAL CENTER 2209 GENESEE STREET
 UTICA, NY 13501 (315) 798-8151

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

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

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

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

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

• List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) SR DONNA MCGARTLAND TRUSTEE	1 00	X					0	0	0	
(2) CATHERINE COMINSKY SECRETARY	1 00	X		X			0	0	0	
(3) GREGORY P EVANS VICE CHAIR	2 00	X		X			0	0	0	
(4) SYMEON TSOUEPLIS TRUSTEE	1 00	X					0	0	0	
(5) RAYMOND MEIER ESQ TRUSTEE	1 00	X					0	0	0	
(6) HON NORMAN I SIEGEL CHAIR	2 00	X		X			0	0	0	
(7) RICHARD F ZWEIFEL TREASURER	1 00	X		X			0	0	0	
(8) ANDREW S KOWALCZYK III TRUSTEE	1 00	X					0	0	0	
(9) MARK WARFEL MD TRUSTEE	1 00	X					342,793	0	26,422	
(10) BARBARA BRODOCK TRUSTEE	1 00	X					0	0	0	
(11) WILLIAM BORRILL ESQ TRUSTEE	1 00	X					0	0	0	
(12) ERIC YOSS MD TRUSTEE	1 00	X					20,505	0	0	
(13) ROBERT SCHOLEFIELD COO	40 00			X			222,247	0	24,033	
(14) RICHARD KETCHAM CEO	40 00 1 00			X			403,875	0	21,042	
(15) LOU AIELLO CFO	40 00			X			272,670	0	23,647	
(16) ALBERT D'ACCURZIO MD MEDICAL DIRECTOR	40 00				X		290,410	0	26,142	
(17) VARINYA SHEPPARD CHIEF NURSING OFFICER	40 00				X		176,366	0	14,280	

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ERIC FREIBERGER MD PHYSICIAN	40 00					X		349,595	0	22,191
(19) ASHRAF ALY MD PHYSICIAN	40 00					X		309,367	0	23,554
(20) CLIFFORD SOULTS MD PHYSICIAN	40 00					X		706,164	0	24,762
(21) VIGNESWAREN KANDIAH MD PHYSICIAN	40 00					X		332,914	0	22,344
(22) FRANCIS CONSTANTINE PHYSICIAN	40 00					X		309,290	0	24,624
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								3,736,196	0	253,041

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 **89**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		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? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MCKESSON PO BOX 98347 CHICAGO IL 60693	COMPUTER SERVICES	2,734,007
UPTOWN ANESTHESIA ASSOCIATES 2405 GENESEE STREET UTICA NY 13501	ANESTHESIA SERVICES	1,153,508
SODEXO OPERATIONS LLC PO BOX 81049 WOBURN MA 018131049	CAFETERIA AND FOOD	895,533
MAYO COLLABORATIVE SERVICES PO BOX 9146 MINNEAPOLIS MN 55480	LABORATORY TESTING	887,004
CLARUS LINEN SYSTEMS 414 WEST TAYLOR STREET SYRACUSE NY 13202	LAUNDERING SERVICES	868,188

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 **44**

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns 1a						
	b	Membership dues 1b						
	c	Fundraising events 1c						
	d	Related organizations 1d	490,352					
	e	Government grants (contributions) 1e	817,956					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	82,734					
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f	1,391,042					
Program Service Revenue	2a	MEDICARE/MEDICAID PATIENT REVENUE						
		Business Code						
		900099	106,184,930	106,184,930				
	b	PATIENT SERVICE REVENUE						
		900099	83,922,074	83,922,074				
	c	NURSING HOME LAB TESTING			186,404			
		621500	186,404					
	d	CYTOLOGY LAB TESTING			87,431			
	621500	87,431						
e								
f	All other program service revenue							
g	Total. Add lines 2a-2f	190,380,839						
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	514,479			514,479		
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6a	Gross rents	(i) Real	655,317				
			(ii) Personal					
			b	Less rental expenses	0			
			c	Rental income or (loss)	655,317			
	d	Net rental income or (loss)	655,317		49,255	606,062		
	7a	Gross amount from sales of assets other than inventory	(i) Securities	275,357				
			(ii) Other					
			b	Less cost or other basis and sales expenses	50,061	51,912		
			c	Gain or (loss)	225,296	-51,912		
	d	Net gain or (loss)	173,384			173,384		
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
	a							
	b	Less direct expenses b						
	c	Net income or (loss) from fundraising events						
	9a	Gross income from gaming activities See Part IV, line 19						
a								
b	Less direct expenses b							
c	Net income or (loss) from gaming activities							
10a	Gross sales of inventory, less returns and allowances							
a								
b	Less cost of goods sold b							
c	Net income or (loss) from sales of inventory							
	Miscellaneous Revenue	Business Code						
11a	OTHER INCOME	900099	4,072,504	4,072,504				
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d		4,072,504					
12	Total revenue. See Instructions		197,187,565	194,179,508	323,090	1,293,925		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	1,728,866	1,538,691	190,175	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	2,092,327	1,869,431	222,896	
7	Other salaries and wages.	92,702,672	82,655,298	10,047,374	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	4,034,601	3,598,461	436,140	
9	Other employee benefits.	14,948,567	13,332,627	1,615,940	
10	Payroll taxes.	6,936,073	6,186,284	749,789	
11	Fees for services (non-employees)				
a	Management.				
b	Legal.	36,710	32,742	3,968	
c	Accounting.	118,001	104,429	13,572	
d	Lobbying.	32,236	28,751	3,485	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	14,834,580	13,230,962	1,603,618	
12	Advertising and promotion.	363,533	324,235	39,298	
13	Office expenses.	41,473,916	36,990,535	4,483,381	
14	Information technology.				
15	Royalties.				
16	Occupancy.	655,878	584,978	70,900	
17	Travel.	101,070	90,144	10,926	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	182,080	162,397	19,683	
20	Interest.	1,543,364	1,376,526	166,838	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	9,991,798	8,911,615	1,080,183	
23	Insurance.	1,787,867	1,594,599	193,268	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	EQUIPMENT RENTAL AND MA	5,593,765	4,989,079	604,686	
b	UTILITIES	1,825,162	1,627,862	197,300	
c	DEBT ASSESSMENT	577,557	515,123	62,434	
d	TELEPHONE	362,842	323,619	39,223	
e	All other expenses	164,967	147,118	17,849	
25	Total functional expenses. Add lines 1 through 24e.	202,088,432	180,215,506	21,872,926	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)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	3,893,710	1	4,317,991
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	25,900,114	4	27,379,539
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	4,826,746	8	4,878,801
	9 Prepaid expenses and deferred charges	610,984	9	538,577
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 189,244,506		
	b Less accumulated depreciation	10b 113,970,042	77,012,079	10c 75,274,464
	11 Investments—publicly traded securities	9,666,042	11	8,835,398
	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	20,229,691	15	10,722,943
16 Total assets. Add lines 1 through 15 (must equal line 34)	142,139,366	16	131,947,713	
Liabilities	17 Accounts payable and accrued expenses	25,051,849	17	27,050,143
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	33,352,676	20	28,121,684
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	5,407,734	23	2,386,593
	24 Unsecured notes and loans payable to unrelated third parties	1,568,712	24	1,437,987
	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	76,254,670	25	40,491,274
	26 Total liabilities. Add lines 17 through 25	141,635,641	26	99,487,681
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-7,755,197	27	30,882,215
	28 Temporarily restricted net assets	7,345,598	28	712,920
	29 Permanently restricted net assets	913,324	29	864,897
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	503,725	33	32,460,032	
34 Total liabilities and net assets/fund balances	142,139,366	34	131,947,713	

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	197,187,565
2	Total expenses (must equal Part IX, column (A), line 25)	2	202,088,432
3	Revenue less expenses Subtract line 2 from line 1	3	-4,900,867
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	503,725
5	Net unrealized gains (losses) on investments	5	85,732
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	36,771,442
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	32,460,032

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		No
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	Yes	
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 in Schedule O	Yes	
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?	Yes	
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 in Schedule O and describe any steps taken to undergo such audits	Yes	

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

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

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

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
ST ELIZABETH MEDICAL CENTER

Employer identification number
15-0532245

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 - a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(ii) A family member of a person described in (i) above?
 (iii) A 35% controlled entity of a person described in (i) or (ii) above?
 h Provide the following information about the supported organization(s)

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. (Add lines 7 through 10)						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	
15 Public support percentage for 2012 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
17a 10%-facts-and-circumstances test—2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶		
b 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶		

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

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

- 19a 33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

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

Facts And Circumstances Test

Return Reference

Explanation

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2013

Open to Public Inspection

For Organizations Exempt From Income Tax Under section 501(c) and section 527
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
See separate instructions. Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

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

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

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

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

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

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

Name of the organization: ST ELIZABETH MEDICAL CENTER
Employer identification number: 15-0532245

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
2 Political expenditures \$
3 Volunteer hours

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 \$
2 Enter the amount of any excise tax incurred by organization managers under section 4955 \$
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
4a Was a correction made? Yes No
b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities \$
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities \$
3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b \$
4 Did the filing organization file Form 1120-POL for this year? Yes No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization.

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

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B** Check if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a If zero or less, enter -0-														
i Subtract line 1f from line 1c If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

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

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

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

	(a)		(b)
	Yes	No	Amount
<i>For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.</i>			
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		No	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c Media advertisements?		No	
d Mailings to members, legislators, or the public?		No	
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?		No	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i Other activities?	Yes		32,236
j Total. Add lines 1c through 1i			32,236
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1	ACTIVITIES INCLUDE THE PORTION OF DUES PAID TO THE HEALTH CARE ASSOCIATION OF NEW YORK STATE

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2013

Open to Public Inspection

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

Attach to Form 990. See separate instructions. Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization ST ELIZABETH MEDICAL CENTER

Employer identification number

15-0532245

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

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Includes questions 1-6 regarding donor advised funds.

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

Form for Part II Conservation Easements, including questions 1-9 and a table for 'Held at the End of the Year' with rows 2a, 2b, 2c, 2d.

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

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets, including questions 1a, 1b, 2, and 2a, 2b.

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

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

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

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

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

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

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

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

Table with 2 columns: Description (1c-1f) and Amount

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

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

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

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include 1a-1g.

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

- a Board designated or quasi-endowment, b Permanent endowment 34.880%, c Temporarily restricted endowment 65.120%. The percentages in lines 2a, 2b, and 2c should equal 100%

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

Table with 2 columns: Yes, No. Rows for 3a(i) unrelated organizations, 3a(ii) related organizations.

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

Table with 2 columns: Yes, No. Row for 3b.

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include 1a-1e and Total.

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

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

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

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

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

(a) Description	(b) Book value
(1) GRANT AND TUITION RECEIVABLES	1,726,654
(2) ASSETS WHOSE USE IS LIMITED- BOND FUNDS	2,839,763
(3) INTEREST IN NET ASSETS OF SEMC FOUNDATION	4,109,012
(4) INVESTMENTS RESTRICTED BY DONORS	944,813
(5) BONDS ISSUANCE COSTS	842,465
(6) 457 DEFERRED COMPENSATION PLAN	260,236
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	10,722,943

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
ACCRUED PENSION LIABILITY	32,590,753
LIABILITY TO THIRD PARTY PAYORS	5,890,285
PROFESSIONAL LIABILITY DEDUCTIBLE	510,236
LINE OF CREDIT	1,500,000
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	40,491,274

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
PART II, LINE 9	AMOUNT OF CONSERVATION EASEMENT IS IMMATERIAL TO FINANCIAL STATEMENTS AND THEREFORE, IS NOT RECORDED AS PART OF TOTAL ASSETS
PART V, LINE 4	ENDOWMENT FUNDS - PART V THE INTENDED PURPOSE OF THE MEDICAL CENTER'S ENDOWMENT FUNDS ARE TO PROVIDE FUTURE SCHOLARSHIP AWARDS FOR STUDENTS IN THE COLLEGE OF NURSING PROGRAMS
PART X, LINE 2	THE MEDICAL CENTER IS A NOT-FOR-PROFIT ORGANIZATION AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND IS GENERALLY EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE CODE THE MEDICAL CENTER FILES ITS RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX IN THE U S FEDERAL JURISDICTION THE TAX YEARS 2010-2012 GENERALLY REMAIN OPEN TO EXAMINATION IN TAXING JURISDICTIONS IN WHICH THE MEDICAL CENTER IS SUBJECT TO THE FILING REQUIREMENTS OF THOSE JURISDICTIONS

SCHEDULE H (Form 990)

Hospitals

OMB No 1545-0047

2013

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization ST ELIZABETH MEDICAL CENTER

Employer identification number 15-0532245

Part I Financial Assistance and Certain Other Community Benefits at Cost

1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a. 1b If "Yes," was it a written policy? 2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. 3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year. 3a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? 3b Did the organization use FPG as a factor in determining eligibility for providing discounted care? 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? 5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? 5c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? 6a Did the organization prepare a community benefit report during the tax year? 6b If "Yes," did the organization make it available to the public?

7 Financial Assistance and Certain Other Community Benefits at Cost

Table with 7 columns: (a) Number of activities or programs (optional), (b) Persons served (optional), (c) Total community benefit expense, (d) Direct offsetting revenue, (e) Net community benefit expense, (f) Percent of total expense. Rows include Financial Assistance and Means-Tested Government Programs (a-d) and Other Benefits (e-k).

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

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	56,824,935	
6 Enter Medicare allowable costs of care relating to payments on line 5	6	62,115,077	
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-5,290,142	
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

Section C. Collection Practices

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

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 1 MVHI	CARDIAC SERVICES	70 000 %	0 %	0 %
2 2 MVEC	GASTROENTEROLOGY SRVCS	20 000 %	0 %	0 %
3 3 ST ELIZABETH HEALTH SUPPORT	DURABLE MEDICAL EQUIPMENT	40 000 %	0 %	0 %
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year?

1

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

ST ELIZABETH MEDICAL CENTER

Name of hospital facility or facility reporting group _____

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	Yes	
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA <u>2013</u>		
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	Yes	
5	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	Yes	
a	<input checked="" type="checkbox"/> Hospital facility's website (list url) <u>WWW STEMC ORG</u>		
b	<input type="checkbox"/> Other website (list url) _____		
c	<input checked="" type="checkbox"/> Available upon request from the hospital facility		
d	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a	<input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	<input checked="" type="checkbox"/> Execution of the implementation strategy		
c	<input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d	<input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e	<input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	<input checked="" type="checkbox"/> Prioritization of health needs in its community		
h	<input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		No
8b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9 Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used	10 Yes	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used	11 Yes	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12 Yes	
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13 Yes	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14 Yes	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		

Billing and Collections		Yes	No
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15 Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V Facility Information *(continued)*

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a** Notified individuals of the financial assistance policy on admission
 - b** Notified individuals of the financial assistance policy prior to discharge
 - c** Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
 - d** Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
 - e** Other (describe in Section C)

Policy Relating to Emergency Medical Care

19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

If "No," indicate why

- a** The hospital facility did not provide care for any emergency medical conditions
- b** The hospital facility's policy was not in writing
- c** The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d** Other (describe in Part VI)

	Yes	No
19	Yes	

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care

- a** The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b** The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c** The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d** Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Part VI

22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Part VI

21		No
22	Yes	

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 17

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

Part VI Supplemental Information

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
PART I, LINE 7	COSTING METHODOLOGY-CHARITY CARE THE COST TO CHARGE RATIO THAT WAS USED TO COMPLETE THE CHART FOR LINE 7 WAS DERIVED FROM THE WORKSHEET 2 CALCULATION
PART III, LINE 4	THE MEDICAL CENTER PROVIDES CARE TO PATIENTS WHO MEET CERTAIN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES THE CENTER'S POLICY IS NOT TO PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE THEREFORE, THESE AMOUNTS ARE NOT REPORTED IN NET OPERATING REVENUES OR IN PROVISIONS FOR DOUBTFUL ACCOUNTS THE ESTIMATED COST OF PROVIDING UNCOMPENSATED CARE TO PATIENTS WAS APPROXIMATELY \$1,999,000 OF CHARGES AND \$863,000 OF COST FOR THE YEAR ENDED DECEMBER 31, 2013 THE MEDICAL CENTER GRANTS CREDIT WITHOUT COLLATERAL TO PATIENTS, MOST OF WHOM ARE LOCAL RESIDENTS AND ARE INSURED UNDER THIRD-PARTY AGREEMENTS ADDITIONS TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS ARE MADE BY MEANS OF THE PROVISION FOR DOUBTFUL ACCOUNTS ACCOUNTS WRITTEN OFF AS UNCOLLECTIBLE ARE DEDUCTED FROM THE ALLOWANCE AND SUBSEQUENT RECOVERIES ARE ADDED THE AMOUNT OF THE PROVISION FOR DOUBTFUL ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL EXPECTED NET COLLECTIONS, BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN FEDERAL AND STATE GOVERNMENT HEALTH CARE COVERAGE AND OTHER COLLECTION INDICATORS SERVICES RENDERED TO INDIVIDUALS WHEN PAYMENT IS EXPECTED AND ULTIMATELY NOT RECEIVED ARE WRITTEN OFF TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS

Form and Line Reference	Explanation
PART III, LINE 8	THE COSTING METHODOLOGY USED TO DETERMINE THE AMOUNT REPORTED ON LINE 6 IS COST TO CHARGE RATIO THE SHORTFALL REPORTED IS COMMUNITY BENEFIT EXPENSE BECAUSE THIS AMOUNT REPRESENTS THE UNREIMBURSED COSTS TO THE MEDICAL CENTER FOR PROVIDING CARE FOR THE COMMUNITY'S ELDERLY AND DISABLED
PART III, LINE 9B	COLLECTION POLICY PROVISIONSPATIENTS THAT QUALIFY FOR THE MEDICAL CENTER'S CHARITY CARE PROGRAM HAVE THE CHARGES ON THEIR ACCOUNTS FORGIVEN AS THEY ARE PLACED IN CHARITY CARE AND THE BALANCES ARE WRITTEN OFF THE MEDICAL CENTER'S CHARITY CARE PROGRAM USED THE FEDERAL POVERTY GUIDELINES (FPG) AS A GUIDE WITH HIGH-END LIMITS AT 300% OF THE FPG IN THOSE SITUATIONS WHERE THE PATIENT'S INCOME IS BETWEEN 200% - 300% OF THE FPG, A SMALL COST SHARE WOULD BE THE ONLY AMOUNT NOT INCLUDED IN CHARITY CARE ADDITIONALLY THIS SMALL COST SHARE WOULD BE THE ONLY AMOUNT TURNED OVER TO COLLECTION WITH THE OPPORTUNITY OF EVENTUALLY BEING WRITTEN OF TO BAD DEBT IF NOT PAID

Form and Line Reference	Explanation
PART VI, LINE 2	NEEDS ASSESSMENTTHE MEDICAL CENTER ASSESSES HEALTHCARE NEEDS OF THE COMMUNITIES IT SERVES BY COLLABORATING WITH ONEIDA AND HERKIMER COUNTIES' DEPARTMENTS OF HEALTH ON COMMUNITY HEALTH ASSESSMENTS DATA WAS COLLECTED IN 2013 THROUGH A MAPP PROCESS, AROUND THE NYS PREVENTION AGENDA ISSUES FIVE RESULTING PRIORITY WORK GROUPS THAT CONTAIN MEDICAL CENTER EMPLOYEES CONTINUE TO ASSESS CHANGES AND ADDRESS PRIORITY AREAS THESE WORK GROUPS ALSO REPORT TO THE SEMC COMMUNITY DESIGN TEAM, WHICH REGULARLY HEARS ABOUT HEALTHCARE NEEDS THROUGH THOSE IN AREA COMMUNITIES
PART VI, LINE 3	PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCETHIS IS COMMUNICATED THROUGH SEMC'S FACILITATED ENROLLMENT PROGRAM AND THE MOTHER BERNARDINA CHARITY CARE PROGRAM INFORMATION IS INCLUDED IN THE PATIENT INFORMATION GUIDES PRESENTED TO INPATIENTS AND OUTPATIENTS, AND IS AVAILABLE ON THE HOSPITAL'S WEBSITE ST ELIZABETH MEDICAL CENTER RECOGNIZES THAT PROVIDING EXCEPTIONAL HEALTHCARE SERVICE TO THE COMMUNITY IS A VITAL COMMUNITY RESOURCE OUR ACHIEVEMENTS ARE NOT OURS ALONE, BUT ARE OBTAINED BY COLLABORATIVE EFFORTS WITH OUR COMMUNITY AND GOVERNMENT LEADERS WORKING TOGETHER TO IMPROVE THE "HEALTH" OF THE COMMUNITY SEMC'S FACILITATED ENROLLMENT PROGRAMIN 2000, ST ELIZABETH MEDICAL CENTER DEVELOPED AND IMPLEMENTED THE FACILITATED ENROLLMENT PROGRAM AS A RESULT OF THE UNIQUE COLLABORATION THAT WAS FORGED BETWEEN ST ELIZABETH MEDICAL CENTER AND ONEIDA COUNTY SOCIAL SERVICE DEPARTMENT THIS PROGRAM ALLOWS SEMC STAFF, PATIENT ACCOUNT REPRESENTATIVES, TO ACT AS AN AUTHORIZED REPRESENTATIVE OF THE PATIENT AT THE ONEIDA COUNTY DEPARTMENT OF SOCIAL SERVICES AND SUBMIT THE APPLICATION FOR BENEFITS THIS SUCCESSFUL PROGRAM HAS EXPANDED THROUGHOUT THE PAST SEVERAL YEARS TO INCLUDE OUTPATIENTS AND EMERGENCY DEPARTMENT PATIENTS SEMC'S MOTHER BERNARDINA CHARITY CARE PROGRAMTO SUPPORT OUR MISSION, THE ST ELIZABETH MEDICAL CENTER HAS DEVELOPED THE MOTHER BERNARDINA CHARITY CARE PROGRAM THE MEDICAL CENTER WILL MAKE AVAILABLE A REASONABLE AMOUNT OF UNCOMPENSATED SERVICES TO ELIGIBLE PERSONS

Form and Line Reference	Explanation
PART VI, LINE 4	<p>COMMUNITY INFORMATIONST ELIZABETH MEDICAL CENTER'S PRIMARY SERVICE AREA (PSA) CONSISTS OF THE ZIP CODES IN WHICH 80% OF ITS PATIENTS LIVE (MOSTLY ONEIDA COUNTY AND SOME WITHIN HERKIMER COUNTY) ITS SECONDARY SERVICE AREA (SSA) CONSISTS OF ZIP CODES IN WHICH THE REMAINING 10+% OF ITS PATIENTS LIVE (MOSTLY OUTLYING REGIONS OF ONEIDA AND HERKIMER COUNTIES, PLUS SOME ZIP CODES IN MADISON AND LEWIS COUNTIES) METHODS USED TO DETERMINE THE SERVICE AREA ARE ANALYSIS OF PATIENT ORIGIN, BASED ON HOME ZIP CODE IT IS AN ETHNICALLY AND ECONOMICALLY DIVERSE REGION, WITH MANY IMMIGRANTS AND AN OLDER POPULATION THAN THE NATIONAL AVERAGE</p>
PART VI, LINE 5	<p>PROMOTION OF COMMUNITY HEALTHTHESE ACTIONS REPRESENT THE MEDICAL CENTER'S EMPLOYEE OUTREACH BEYOND THE HOSPITAL AND MEDICAL GROUP OFFICES INTO AREA COMMUNITIES, AND THEY SPAN A WIDE REACH OF EVENTS AND SITES ALONG WITH HOSPITALS ACROSS THE STATE AND NATION, ST ELIZABETH NOW MONITORS HOW OUR FAITHFULNESS TO THE REGIONAL POPULATION MEETS OUR LOCAL COMMUNITIES' UNIQUE HEALTH NEEDS THEREFORE, COMMUNITY BENEFITS ARE PROGRAMS OR ACTIVITIES THAT PROVIDE TREATMENT AND/OR PROMOTE HEALTH AND HEALING AS A RESPONSE TO IDENTIFIED COMMUNITY NEEDS OUR CATHOLIC TRADITION AND MEDICAL CENTER MISSION TEACH US TO PUT THE NEEDS OF THE POOR AND VULNERABLE FIRST AMONG OUR COMMUNITY BENEFIT ACTIVITIES ARE -CHARITY CARE FOR PEOPLE UNABLE TO AFFORD SERVICE-HEALTH EDUCATION AND ILLNESS PREVENTION- HEALTHCARE INITIATIVES FOR AT-RISK YOUTHS-FREE OR LOW-COST CLINICS AND- INITIATIVES TO RAISE AWARENESS AND RECEIVE PUBLIC INPUTMANY OF THESE ACTIVITIES ARE ADVANCED IN COLLABORATION WITH COMMUNITY MEMBERS AND OTHER ORGANIZATIONS TO IMPROVE HEALTH AND QUALITY OF LIFE THE MEDICAL CENTER FURTHERS ITS EXEMPT PURPOSE BY PROMOTING THE HEALTH OF THE COMMUNITY THROUGH AN OPEN MEDICAL STAFF AND A COMMUNITY BOARD SEMC FURTHER PROMOTES THE HEALTH OF THE COMMUNITY BY USING ITS SURPLUS FOR TRAINING AND EDUCATION OF ITS EMPLOYEES AND BY INVESTING IN HEALTHCARE TECHNOLOGY PART VII, LINE 7 STATE FILING OF COMMUNITY BENEFIT REPORT NEW YORK STATE</p>

Additional Data**Software ID:****Software Version:****EIN:** 15-0532245**Name:** ST ELIZABETH MEDICAL CENTER**Form 990 Schedule H, Part V Section D. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility****Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 SEMC AT FAMILY PRACTICE CENTER 120 HOBART STREET UTICA, NY 13501	OUTPATIENT PHYSICIAN CLINIC
2 WOMEN & CHILDREN'S FAMILY HEALTH CENTER 2212 GENESEE STREET UTICA, NY 13502	OUTPATIENT PHYSICIAN CLINIC
3 MARIAN MEDICAL IMAGING 2211 GENESEE STREET UTICA, NY 13501	OUTPATIENT PHYSICIAN CLINIC
4 LITTLE FALLS FAMILY PRACTICE 500 MAIN STREET LITTLE FALLS, NY 13365	OUTPATIENT PHYSICIAN CLINIC
5 COMMUNITY MEDICINE-EAST UTICA 1256 CULVER AVE UTICA, NY 13501	OUTPATIENT PHYSICIAN CLINIC
6 WOUND CARE SERVICES 4401 MIDDLE SETTLEMENT ROAD NEW HARTFORD, NY 13413	OUTPATIENT PHYSICIAN CLINIC
7 FAMILY PRACTICE NEW HARTFORD 4401 MIDDLE SETTLEMENT ROAD NEW HARTFORD, NY 13413	OUTPATIENT PHYSICIAN CLINIC
8 NORTH UTICA COMMUNITY HEALTH CENTER 417 TRENTON ROAD UTICA, NY 13502	OUTPATIENT PHYSICIAN CLINIC
9 SAUQUOIT COMMUNITY MEDICINE 2888 ONEIDA STREET SAUQUOIT, NY 13456	OUTPATIENT PHYSICIAN CLINIC
10 CLINTON FAMILY HEALTH CENTER 101 COLLEGE STREET CLINTON, NY 13323	OUTPATIENT PHYSICIAN CLINIC
11 WATERVILLE FAMILY HEALTH CENTER 117 WEST MAIN STREET WATERVILLE, NY 13480	OUTPATIENT PHYSICIAN CLINIC
12 COMMUNITY MEDICAL SERVICES-MOHAWK 5 ANN STREET MOHAWK, NY 13407	OUTPATIENT PHYSICIAN CLINIC
13 COMMUNITY MEDICAL SERVICES- S UTICA 6 HAMPDEN PLACE UTICA, NY 13501	OUTPATIENT PHYSICIAN CLINIC
14 ADIRONDACK SPORTS MEDICINE 4401 MIDDLE SETTLEMENT ROAD NEW HARTFORD, NY 13413	OUTPATIENT PHYSICIAN CLINIC
15 KERNAN ELEMENTARY SCHOOL 926 YORK STREET UTICA, NY 13502	OUTPATIENT PHYSICIAN CLINIC
16 MEDICAL ARTS 4401 MIDDLE SETTLEMENT ROAD NEW HARTFORD, NY 13413	OUTPATIENT PHYSICIAN CLINIC
17 TOWN OF WEBB HEALTH CENTER 114 SOUTH SHORE ROAD OLD FORGE, NY 13413	OUTPATIENT PHYSICIAN CLINIC

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2013

Open to Public Inspection

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

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

▶ **Attach to Form 990. ▶ See separate instructions.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization
ST ELIZABETH MEDICAL CENTER

Employer identification number

15-0532245

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 in 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 idemnification 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 (e.g., maid, chauffeur, chef) |

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

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

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" 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 in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization?
- b** Any related organization?
- If "Yes," to line 5a or 5b, describe in Part III.

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

- a** The organization?
- b** Any related organization?
- If "Yes," to line 6a or 6b, describe in Part III.

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

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

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

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:

Software Version:

EIN: 15-0532245

Name: ST ELIZABETH MEDICAL CENTER

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MARK WARFEL MD TRUSTEE	(i) (ii)	308,598 0	34,195 0	0 0	14,130 0	12,292 0	369,215 0	0 0
ROBERT SCHOLEFIELD COO	(i) (ii)	222,247 0	0 0	0 0	15,837 0	8,196 0	246,280 0	0 0
RICHARD KETCHAM CEO	(i) (ii)	403,875 0	0 0	0 0	12,750 0	8,292 0	424,917 0	0 0
LOU AIELLO CFO	(i) (ii)	272,670 0	0 0	0 0	15,355 0	8,292 0	296,317 0	0 0
ALBERT D'ACCURZIO MD MEDICAL DIRECTOR	(i) (ii)	290,410 0	0 0	0 0	17,850 0	8,292 0	316,552 0	0 0
VARINYA SHEPPARD CHIEF NURSING OFFICER	(i) (ii)	176,366 0	0 0	0 0	12,204 0	2,076 0	190,646 0	0 0
ERIC FREIBERGER MD PHYSICIAN	(i) (ii)	291,054 0	58,541 0	0 0	12,334 0	9,857 0	371,786 0	0 0
ASHRAF ALY MD PHYSICIAN	(i) (ii)	283,181 0	26,186 0	0 0	12,697 0	10,857 0	332,921 0	0 0
CLIFFORD SOULTS MD PHYSICIAN	(i) (ii)	655,742 0	50,422 0	0 0	11,905 0	12,857 0	730,926 0	0 0
VIGNESWAREN KANDIAH MD PHYSICIAN	(i) (ii)	322,739 0	10,175 0	0 0	12,487 0	9,857 0	355,258 0	0 0
FRANCIS CONSTANTINE PHYSICIAN	(i) (ii)	263,701 0	45,589 0	0 0	14,767 0	9,857 0	333,914 0	0 0

**Schedule K
(Form 990)**

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2013

Open to Public
Inspection

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

▶ Attach to Form 990. ▶ See separate instructions.

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

Department of the Treasury
Internal Revenue Service

Name of the organization
ST ELIZABETH MEDICAL CENTER

Employer identification number
15-0532245

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A ONEIDA COUNTY IDA	16-6158201	682465AA7	06-22-2006	14,000,000	EMERGENCY ROOM & CAFETERIA PROJECT		X		X		X

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired				
2 Amount of bonds legally defeased				
3 Total proceeds of issue	14,000,000			
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds				
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	280,000			
8 Credit enhancement from proceeds	70,817			
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	13,649,183			
11 Other spent proceeds				
12 Other unspent proceeds				
13 Year of substantial completion	2007			
	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		
15 Were the bonds issued as part of an advance refunding issue?		X		
16 Has the final allocation of proceeds been made?	X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

Part III Private Business Use

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

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?	X							
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							
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		0 %						
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		0 %						
6 Total of lines 4 and 5		0 %						
7 Does the bond issue meet the private security or payment test?	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						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
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						
7 Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2013

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

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

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

Department of the Treasury Internal Revenue Service

Name of the organization ST ELIZABETH MEDICAL CENTER

Employer identification number

15-0532245

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

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

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

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

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

Part II Loans to and/or From Interested Persons.

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

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Part III Grants or Assistance Benefitting Interested Persons.

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

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) PULMONARY CRITICAL CARE ASSOCIATES	ERIC YOSS MD-TRUSTEE	276,005	PULMONARY CARE- MEDICAL SERVICES		No

Part V Supplemental Information

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

Return Reference	Explanation
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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

2013

**Open to Public
Inspection**

Name of the organization
ST ELIZABETH MEDICAL CENTER

Employer identification number

15-0532245

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	THE MEDICAL CENTER FOUNDATION BOARD MEMBER MARLENE ANDERSON IS THE SISTER OF THE MEDICAL CENTER KEY EMPLOYEE DR D'ACCURZIO BARBARA BRODOCK, RICHARD KETCHAM AND WILLIAM BORRILL ARE VOTING MEMBERS OF ST ELIZABETH MEDICAL CENTER FOUNDATION, A RELATED PARTY

Return Reference

Explanation

FORM 990, PART VI, SECTION A, LINE 6

PARTNERS IN FRANCISCAN MINISTRIES, INC

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	RESERVED POWERS TO PARTNERS IN FRANCISCAN MINISTRIES, INC THE FOLLOWING POWERS SHALL BE RESERVED TO THE CORPORATE MEMBER TO EXERCISE AND SHALL BE REFERRED TO AS RESERVED POWERS A TO CHANGE THE PHILOSOPHY, MISSION, AND PURPOSE OF THE CORPORATION B TO APPOINT AND REMOVE THE PRESIDENT/CEO OF THE CORPORATION C TO APPOINT AND REMOVE THE BOARD OF DIRECTORS OF THE CORPORATION D TO APPROVE THE ARTICLES OF INCORPORATION AND BYLAWS OF THE CORPORATION E TO RECEIVE THE ANNUAL REPORT OF THE CORPORATION F TO TO APPROVE THE FORMATION OF SUBSIDIARIES, AFFILIATES, OR DIVISIONS OF THE CORPORATION G TO APPROVE A CHANGE IN THE NAME OF THE CORPORATION H TO RECEIVE, REVIEW AND MONITOR THE BUDGET OF THE CORPORATION AS DEEMED NECESSARY BY PARTNERS IN FRANCISCAN MINISTRIES, INC I TO RECEIVE THE ANNUAL AUDIT OF THE CORPORATION J TO RECEIVE, REVIEW AND MONITOR STRATEGIC, LONG RANGE PLANS OF THE CORPORATION AS DEEMED NECESSARY BY PARTNERS IN FRANCISCAN MINISTRIES, INC K TO APPROVE THE FINANCIAL TRANSACTIONS OF THE CORPORATION ACCORDING TO THE ANNUAL USCCB ALIENATION GUIDELINES

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	RESERVED POWERS TO PARTNERS IN FRANCISCAN MINISTRIES, INC THE FOLLOWING POWERS SHALL BE RESERVED TO THE CORPORATE MEMBER TO EXERCISE AND SHALL BE REFERRED TO AS RESERVED POWERS A TO CHANGE THE PHILOSOPHY, MISSION, AND PURPOSE OF THE CORPORATION B TO APPOINT AND REMOVE THE PRESIDENT/CEO OF THE CORPORATION C TO APPOINT AND REMOVE THE BOARD OF DIRECTORS OF THE CORPORATION D TO APPROVE THE ARTICLES OF INCORPORATION AND BYLAWS OF THE CORPORATION E TO RECEIVE THE ANNUAL REPORT OF THE CORPORATION F TO TO APPROVE THE FORMATION OF SUBSIDIARIES, AFFILIATES, OR DIVISIONS OF THE CORPORATION G TO APPROVE A CHANGE IN THE NAME OF THE CORPORATION H TO RECEIVE, REVIEW AND MONITOR THE BUDGET OF THE CORPORATION AS DEEMED NECESSARY BY PARTNERS IN FRANCISCAN MINISTRIES, INC I TO RECEIVE THE ANNUAL AUDIT OF THE CORPORATION J TO RECEIVE, REVIEW AND MONITOR STRATEGIC, LONG RANGE PLANS OF THE CORPORATION AS DEEMED NECESSARY BY PARTNERS IN FRANCISCAN MINISTRIES, INC K TO APPROVE THE FINANCIAL TRANSACTIONS OF THE CORPORATION ACCORDING TO THE ANNUAL USCCB ALIENATION GUIDELINES

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	INFORMATION IS GATHERED FROM THE ACCOUNTING AND PAYROLL DEPARTMENTS, WHICH IS USED BY THE STAFF ACCOUNTANT TO PREPARE WORKSHEETS USED TO POPULATE THE FORM 990. MEMBERS OF AN EXTERNAL AUDIT AND TAX FIRM (CURRENTLY FREED MAXICK, CPAS, PC) INITIALLY DISCUSS, PREPARE AND REVIEW THE RETURN WITH THE STAFF ACCOUNTANT. THE SEMC MANAGEMENT TEAM REVIEWS THE DRAFT AND HAS THE OPPORTUNITY TO ASK QUESTIONS AND DISCUSS THE RETURN WITH FREED MAXICK CPAS, PC TAX STAFF. AFTER THE MANAGEMENT TEAM'S APPROVAL, THE FORM IS DISTRIBUTED TO THE GOVERNING BODY FOR THEIR REVIEW AND COMMENT PRIOR TO THE FILING OF THE FORM.

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	<p>CONFLICT OF INTEREST POLICY PART VI, SECTION B, LINE 12C FIRST, EACH BOARD OF TRUSTEE MEMBER, THE PRESIDENT/CEO, CHIEF OPERATING OFFICER, AND EACH VICE PRESIDENT COMPLETE AN ANNUAL CONFLICT OF INTEREST QUESTIONNAIRE. THE RESULTS OF THE QUESTIONNAIRE ARE REVIEWED BY THE AUDIT COMMITTEE OF THE BOARD OF TRUSTEES WHICH IDENTIFIES ANY POTENTIAL CONFLICTS. AS PART OF THE POLICY, BOARD MEMBERS THAT HAVE A CONFLICT ARE UNABLE TO VOTE WHEN A SUBJECT THAT THEY HAVE A CONFLICT OF INTEREST IN COMES UP FOR A VOTE AT A BOARD MEETING. BOARD MEMBERS ARE NOT ALLOWED TO BE INVOLVED IN THE DISCUSSIONS RELATED TO THE ISSUE OTHER THAN TO MAKE A BRIEF COMMENT. STARTING IN SEPTEMBER OF 2010, THE MEDICAL CENTER BEGAN TO REQUIRE ALL DEPARTMENT MANAGERS TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ON AN ANNUAL BASIS. STARTING IN SEPTEMBER OF 2010, ALL MEMBERS OF THE MEDICAL STAFF ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ONCE EVERY TWO YEARS, AS PART OF THE CREDENTIALING PROCESS. FOR ALL OTHER EMPLOYEES, A POLICY IS IN PLACE AS PART OF THE COMPLIANCE PLAN THAT REQUIRES EMPLOYEES TO DISCLOSE ANY CONFLICT OF INTEREST TO THEIR SUPERVISOR. THE SUPERVISOR IS THEN REQUIRED TO DISCLOSE THE INFORMATION TO THE COMPLIANCE OFFICER. BOARD MEMBERS OF SUBSIDIARIES ARE ALSO REQUIRED TO COMPLETE CONFLICT OF INTEREST QUESTIONNAIRES.</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	<p>COMPENSATION POLICY PART VI, SECTION B, LINE 15A & 15B ST ELIZABETH MEDICAL CENTER (SEMC) RECOGNIZES THAT STRONG AND EFFECTIVE EXECUTIVE LEADERSHIP IS NEEDED TO ACHIEVE ITS MISSION AND TO SERVE ITS COMMUNITY EFFECTIVELY 1 THE CHAIRMAN OF THE BOARD OF TRUSTEES WILL APPOINT AN EXECUTIVE COMPENSATION COMMITTEE WHICH IS RESPONSIBLE FOR THE REVIEW AND APPROVAL OF ALL FORMS OF COMPENSATION BENEFITS PROVIDED TO THE PRESIDENT AND CEO OF THE MEDICAL CENTER 2 IN ORDER TO RECRUIT AND RETAIN THE QUALITY OF LEADERSHIP NECESSARY IN A PRESIDENT AND CEO, SEMC WILL TARGET ITS TOTAL COMPENSATION PROGRAM FOR THE PRESIDENT AND CEO BY COMPARING SAME WITH SIMILARLY SIZED COMMUNITY HOSPITALS IN THE NORTHEASTERN UNITED STATES 3 THE CEO SALARY RANGE WILL BE SET WITHIN THE RANGE FROM THOSE COMPARABLES THE RANGE WILL BE REVIEWED PERIODICALLY AND ADJUSTMENTS WILL BE MADE WHEN MARKET CONDITIONS WARRANT AND WHEN FINANCIAL PERFORMANCE OF THE MEDICAL CENTER ALLOWS ANY ADJUSTMENT IN CEO SALARY WILL BE BASED ON THE PARTICULAR EXECUTIVE'S EXPERIENCE, PERFORMANCE, AND CONTRIBUTION TO SEMC, AS WELL AS ON THE COMPETITIVENESS OF THE EXECUTIVE'S SALARY WITHIN THE PEER GROUP 4 SEMC'S CEO TOTAL COMPENSATION PROGRAM ALSO EMPHASIZES AND REWARDS OUTSTANDING PERFORMANCE THROUGH INCENTIVE AWARD OPPORTUNITIES 5 THE EXECUTIVE COMPENSATION COMMITTEE WILL ANNUALLY REVIEW THE PRESIDENT AND CEO'S PERFORMANCE BASED UPON OBJECTIVE CRITERIA AND SUBJECTIVE CRITERIA IN AWARDED ANY ANNUAL INCENTIVE THE COMMITTEE WILL CONSIDER VARIOUS FACTORS INCLUDING, BUT NOT LIMITED TO MEETING PREVIOUSLY APPROVED ANNUAL GOALS, THE OVERALL FINANCIAL PERFORMANCE OF THE MEDICAL CENTER, PATIENT SATISFACTION, QUALITY CARE INDICATORS, BOTH PUBLISHED AND NON-PUBLISHED, AND RESPONSE TO ANY OTHER UNUSUAL OR EXTRAORDINARY CIRCUMSTANCES OCCURRING DURING THE YEAR THE PAYMENT OF THE INCENTIVE AWARD TO THE EXECUTIVE IS COMPLETELY CONTINGENT ON THE JUDGEMENT OF THE COMPENSATION COMMITTEE AS TO THE EXECUTIVE ACHIEVING PRE-ESTABLISHED GOALS AND TARGETS IN ADDITION, THE POOL OF MONEY AVAILABLE FOR THE INCENTIVE IS ALSO CONTINGENT AND CONDITIONAL ON THE FINANCIAL PERFORMANCE OF THE MEDICAL CENTER 6 THE EXECUTIVE COMPENSATION COMMITTEE MAY ALSO ESTABLISH AN ANNUAL INCENTIVE COMPENSATION POOL FOR THE VICE PRESIDENTS WHEN THIS OCCURS, IT IS EXPECTED THAT THE CEO WILL INCLUDE A TEAM COMPONENT, AS WELL AS AN INDIVIDUAL COMPONENT, TO BE CONSIDERED WHEN DISTRIBUTING THIS POOL TO THE SENIOR LEADERSHIP TEAM 7 THE COMPENSATION COMMITTEE SHALL ALSO REVIEW THE CEO'S PARTICIPATION AND LEADERSHIP IN COMMUNITY AND PROFESSIONAL ORGANIZATIONS ON WHICH THE EXECUTIVE SERVES SEMC VALUES THE EXECUTIVE'S PARTICIPATING IN COMMUNITY AND PROFESSIONAL ORGANIZATIONS BUT ALSO RECOGNIZES THAT THE RESPONSIBILITIES TO SEMC MUST BE HIS/HER FIRST PRIORITY 8 SEMC RECOGNIZES ITS RESPONSIBILITY TO ENSURE THAT ITS EXECUTIVE COMPENSATION PROGRAM IS APPROPRIATE IN VIEW OF ITS STATUS AS A NON-FOR-PROFIT COMMUNITY HOSPITAL AND IN ACCORDANCE WITH ITS TAX-EXEMPT STATUS, AND THAT ITS COMPENSATION AND BENEFITS ARE REASONABLE AND NOT EXCESSIVE TO THAT END, SEMC AND THE COMMITTEE WILL REVIEW AND APPROVE ALL FORMS OF EXECUTIVE COMPENSATION AND BENEFITS IN A MANNER NECESSARY TO QUALIFY FOR THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" UNDER THE INTERMEDIATE SANCTION RULES OF SECTION 4958 OF THE INTERNAL REVENUE CODE 9 THE COMPENSATION COMMITTEE SHALL ENSURE THAT ALL ELEMENTS OF COMPENSATION AND BENEFITS PROVIDED TO EXECUTIVES OF SEMC ARE DISCLOSED A) TO THE FULL BOARD ON A REGULAR BASIS, AND B) ON IRS FORM 990 TO THE EXTENT REQUIRED BY LAW</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	PUBLIC DISCLOSURE PART VI, SECTION C, LINE 19 THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST THE ORGANIZATION'S FORM 990 IS POSTED ON WWW GUIDE STAR ORG

Return Reference	Explanation
FORM 990, PART VII, LINE 1A	SEMC DOES NOT COMPENSATE THE BOARD OF TRUSTEES FOR THEIR SERVICES AS BOARD MEMBERS ANY COMPENSATION PAID TO BOARD MEMBERS IS NOT RELATED TO BOARD MEMBER'S SERVICE TO THE BOARD

Return Reference	Explanation
FORM 990, PART XI, LINE 9	PENSION RELATED CHANGES 36,349,140 NET CHANGE IN FOUNDATION NET ASSETS 422,302

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	THERE HAS BEEN NO CHANGE IN THE PROCESS BY WHICH THE ORGANIZATION OVERSEES ITS AUDIT OR THE PROCESS BY WHICH THE ORGANIZATION SELECTS ITS INDEPENDENT ACCOUNTANT

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2013

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization
ST ELIZABETH MEDICAL CENTER

Employer identification number

15-0532245

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) ST ELIZABETH MEDICAL CENTER FOUNDATION 2209 GENESSE STREET UTICA, NY 13501 22-2562170	FUNDRAISING	NY	501(C)(3)	9	ST ELIZABETH MEDICAL CENTER	Yes	
(2) SRS OF ST FRANCIS OF THE NEUMANN COMM 2500 GRANT BLVD SYRACUSE, NY 13208 20-4292535	RELIGIOUS ORDER	NY	501(C)(3)	N/A	N/A		No
(3) MVHI 2209 GENESSE STREET UTICA, NY 13501 16-1540184	OVERSEE CARDIAC SERVICES	NY	501(C)(3)	9	FAXTON ST LUKE'S AND ST ELIZABETH MEDICAL CENTER	Yes	
(4) PARTNERS IN FRANCISCAN MINISTRIES 2500 GRANT BLVD SYRACUSE, NY 132081797 45-2279986	SPONSORS MINISTRIES OF THE SISTERS OF ST FRANCIS OF NEUMANN COMMUNITY	NY	501(C)(3)	9	N/A		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) MVEC LLC 116 BUSINESS PARK DRIVE UTICA, NY 135026213	GASTROENTEROLOGY SERVICES	NY	DIGESTIVE DISEASE MEDICINE FAXTON STLUKE'S & SEMC HAVE MINORITY OWNERSHIP	RELATED	134,000			No			No	20 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) HEALTHCARE UNDERWRITERS MUTUAL RISK MA NY (UNINCORPORATED) 5687 MAIN STREET WILLIAMSVILLE, NY 14221 16-1484203	TO ESTABLISH WORKERS COMP SELF-INSURANCE GROUP	NY	N/A	T			25 000 %		No
(2) ST ELIZABETH HEALTH SUPPORT 7246 JANUS PARK DRIVE LIVERPOOL, NY 13088	TO PROVIDE DURABLE MEDICAL EQUIPMENT	NY	N/A	C			40 000 %		No

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)

	Yes	No
1a	Yes	
1b		No
1c	Yes	
1d		No
1e	Yes	
1f		No
1g		No
1h		No
1i	Yes	
1j		No
1k		No
1l	Yes	
1m	Yes	
1n	Yes	
1o	Yes	
1p		No
1q	Yes	
1r	Yes	
1s	Yes	

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ST ELIZABETH MEDICAL CENTER FOUNDATION INC	A	86,078	ACCOUNTING RECORDS
(2) ST ELIZABETH MEDICAL CENTER FOUNDATION INC	N	230,123	ACCOUNTING RECORDS
(3) ST ELIZABETH MEDICAL CENTER FOUNDATION INC	L	404,274	ACCOUNTING RECORDS
(4) HEALTHCARE UNDERWRITES MUTUAL RISK	Q	142,502	ACCOUNTING RECORDS

Part VII Supplemental Information

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

Return Reference**Explanation**

AUDITED
FINANCIAL STATEMENTS

**ST. ELIZABETH MEDICAL CENTER
FOUNDATION, INC.**

DECEMBER 31, 2013

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 11



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
St Elizabeth Medical Center Foundation, Inc

Report on the Financial Statements

We have audited the accompanying financial statements of St Elizabeth Medical Center Foundation, Inc (a nonprofit organization) which comprise the statements of financial position as of December 31, 2013, and the related statements of activities and changes in net assets and cash flows for the year then ended and the related notes to the financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St Elizabeth Medical Center Foundation, Inc as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Freed Maxick CPAs, P.C.

Buffalo, New York
May 15, 2014

ST. ELIZABETH MEDICAL CENTER FOUNDATION

STATEMENT OF FINANCIAL POSITION

December 31, 2013

ASSETS

Cash and cash equivalents	\$	451,182
Unconditional promises to give, net of allowance of approximately \$51,000		367,788
Investments		3,316,282
Property, net		<u>2,513</u>
Total assets	\$	<u><u>4,137,765</u></u>

LIABILITIES AND NET ASSETS

Due to St Elizabeth Medical Center	\$	19,253
Deferred revenue		<u>9,500</u>
Total liabilities		28,753

Net assets:

Unrestricted		3,090,573
Temporarily restricted		535,411
Permanently restricted		<u>483,028</u>
Total net assets		<u>4,109,012</u>
Total liabilities and net assets	\$	<u><u>4,137,765</u></u>

See accompanying notes

ST. ELIZABETH MEDICAL CENTER FOUNDATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions	\$ 113,370	\$ 215,729	\$ 91,942	\$ 421,041
Investment income	403,809	49,933	-	453,742
Special events	374,094	-	-	374,094
Net assets released from restrictions	417,127	(417,127)	-	-
Total revenues, gains and other support	<u>1,308,400</u>	<u>(151,465)</u>	<u>91,942</u>	<u>1,248,877</u>
Expenses:				
Program services	251,314	-	-	251,314
Special events and fund raising	84,909	-	-	84,909
Contributions to St Elizabeth Medical Center	490,352	-	-	490,352
Total expenses	<u>826,575</u>	<u>-</u>	<u>-</u>	<u>826,575</u>
Increase in net assets	481,825	(151,465)	91,942	422,302
Reclassifications of net assets	(87,984)	119,236	(31,252)	-
Net assets - beginning of year	<u>2,696,732</u>	<u>567,640</u>	<u>422,338</u>	<u>3,686,710</u>
Net assets - end of year	<u><u>\$ 3,090,573</u></u>	<u><u>\$ 535,411</u></u>	<u><u>\$ 483,028</u></u>	<u><u>\$ 4,109,012</u></u>

See accompanying notes

ST. ELIZABETH MEDICAL CENTER FOUNDATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013

Cash flows from operating activities:

Change in net assets	\$ 422,302
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities	
Depreciation	641
Net realized and unrealized gains on investments	(297,092)
Discounts on unconditional promises to give	(32,765)
Decrease in allowance for uncollectible promises to give	(16,155)
Decrease in assets	
Unconditional promises to give	162,251
(Decrease) increase in liabilities	
Accounts payable	(117)
Due to St Elizabeth Medical Center	501
Deferred revenue	550
Net cash provided by operating activities	<u>240,116</u>

Cash flows from investing activities:

Purchases of property	(215)
Purchases of investments	(862,962)
Proceeds from sale of investments	160,000
Net cash used by investing activities	<u>(703,177)</u>

Net decrease in cash and cash equivalents (463,061)

Cash and cash equivalents - beginning of year 914,243

Cash and cash equivalents - end of year \$ 451,182

See accompanying notes

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: The St Elizabeth Medical Center Foundation, Inc (the Foundation), located in Utica, New York, is a not-for-profit organization established in 1984. Its primary purpose is to receive and administer gifts and bequests to St Elizabeth Medical Center (SEMC), a voluntary not-for-profit hospital located in Utica, New York. This is accomplished through public contributions and the sponsoring of many fund-raising activities throughout the year.

Basis of Accounting: The financial statements are prepared on the accrual basis of accounting. The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP).

Display of Net Assets by Class: The accompanying financial statements have been prepared in conformity with the disclosure and display requirement of US GAAP. US GAAP requires the resources be classified for reporting purposes into three categories (temporarily restricted, permanently restricted and unrestricted) according to the existence or absence of donor-imposed restrictions. Temporarily restricted net assets are those whose use has been limited by donors to a specific purpose or time period. Permanently restricted net assets are those for which donors require the principal of the gift to be maintained in perpetuity.

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

Consolidation: For financial reporting purposes, the accompanying financial statements consist of all financial operating activities necessary to meet the overall objectives of the Foundation taken as a whole. All of the financial activities of the Foundation are included within SEMC's consolidated financial statements due to SEMC being the sole corporate member of the Foundation.

Cash and Cash Equivalents: For purposes of the statement of cash flows, all highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

Promises to Give: Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

The Foundation records contributions that are due in future periods as receivables. Contributions that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. In subsequent years, this discount is accreted and recorded as additional contribution revenue in accordance with donor imposed restrictions, if any.

The Foundation determines whether an allowance for uncollectibility should be provided for pledges. Such estimates are based on management's assessment of the aged basis of its contributions and other sources, current economic conditions, subsequent events and historical information. Contributions and pledges receivable are written off against the allowance for uncollectible pledges when all reasonable collection efforts have been exhausted.

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition: Investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income in the statement of activities includes unrealized gains and losses.

Property: The Foundation capitalizes expenditures for property and equipment in excess of \$200 and expenditure for repairs, maintenance, and betterments that materially prolong the useful lives of assets.

Property, consisting of office furniture and equipment and medical equipment, is recorded at cost or, if donated, at the approximate fair value at the date of donation and depreciated using the straight-line basis over their estimated useful lives ranging from 3 to 10 years.

Depreciation expense for the year ended December 31, 2013 was approximately \$600.

Contributions: The Foundation records contributions received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions are received in the form of cash and marketable securities.

Support that is restricted by the donor is reported on as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as satisfaction of program restrictions.

Donations other than cash are recorded at fair market value at the date of the gift.

Donated Services: No amounts have been reflected in the financial statements for donated services. The Foundation pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation with specific programs.

Expense Allocation: The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses were allocated according to specific identification and management estimates.

Income Taxes: The Foundation is incorporated as an organization exempt from taxes as described in Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for Federal income taxes. The Foundation's Federal and State informational tax returns for the years prior to 2010 are no longer subject to examination by the applicable taxing authority.

Subsequent Events: These financial statements have not been updated for subsequent events occurring after May 15, 2014, the date these financial statements were available to be issued.

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. UNCONDITIONAL PROMISES TO GIVE

Promises to give are recorded at estimated net realized value if expected to be collected in one year and at present value of estimated future cash flows using a discount rate of 7.5% for the year ended December 31, 2013, if expected to be collected in more than one year. At December 31, 2013, the discounts on unconditional promises to give amounted to \$91,157. The allowance for uncollectible accounts amounted to \$51,002 December 31, 2013.

Promises to give expected to be collected in

Less than one year	\$ 154,383
One to five years	315,749
Over five years	<u>39,815</u>
	<u>509,947</u>
Less Unamortized discount	91,157
Less Allowance for uncollectible accounts	<u>51,002</u>
Total unconditional promises to give	<u>\$ 367,788</u>

NOTE 3. INVESTMENTS

Investments are stated at fair value and consisted of the following at December 31

	<u>2013</u>	
	<u>Cost</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 195,650	\$ 195,995
Corporate equity securities	1,213,621	1,487,812
Corporate debt securities	81,814	85,718
Mutual funds	1,100,516	1,138,928
Private equity investments	<u>114,000</u>	<u>407,829</u>
Total	<u>\$ 2,705,601</u>	<u>\$ 3,316,282</u>

	<u>2013</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest and dividends	\$ 147,990	\$ 8,660	\$ 156,650
Realized gains	20,126	3,218	23,344
Unrealized gains	<u>235,693</u>	<u>38,055</u>	<u>273,748</u>
Investment income	<u>\$ 403,809</u>	<u>\$ 49,933</u>	<u>\$ 453,742</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board authoritative guidance on fair value measurements establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013.

Cash and Cash Equivalents: Cash equivalents are certificates of deposit and money market funds in active markets and classified within Level 1 of the valuation hierarchy (level 1).

Corporate Equity Securities: Fair values of securities traded on a national securities exchange are based on the last reported sales price on the last business day of the year (level 1).

Corporate Debt Securities: Certain corporate debt securities are valued at the closing price reported in the active market in which the bond is traded. Other corporate bonds and listed securities for which no sale was reported on that date are valued at the last reported bid price (level 2).

Mutual Funds: Valued at the net asset value "NAV" of shares held at year end (level 1).

Private Equity Investments: The Foundation has a 9.0% investment interest in a limited partnership which is classified as a private equity. The estimated fair value of the private equities is based on quarterly financial information received from investment advisors and/or general partners (level 3).

All assets have been valued using a market approach except for certain Level 3 assets which have been valued using a combination of market approach and income approach.

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. FAIR VALUE MEASUREMENTS (CONTINUED)

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

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets measured at fair value on a recurring basis as of December 31, 2013.

<u>Investments</u>	<u>2013</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Cash and cash equivalents	\$ 195,995	\$ -	\$ -	\$ 195,995
Corporate equity securities	1,487,812	-	-	1,487,812
Mutual funds	1,138,928	-	-	1,138,928
Corporate debt securities	-	85,718	-	85,718
Private equity investments	-	-	407,829	407,829
Total	<u>\$ 2,822,735</u>	<u>\$ 85,718</u>	<u>\$ 407,829</u>	<u>\$ 3,316,282</u>

Changes in Level 3 assets and liabilities measured at fair value on a recurring basis for the year ended December 31, 2013, are as follows:

	<u>2013</u>
Beginning balance January 1	\$ 408,968
Redemptions	(86,078)
Net changed in unrealized gains	<u>84,939</u>
Ending balance December 31	<u>\$ 407,829</u>

Any sale of the level 3 investment requires a bona fide offer and approval of the other partners in the investment prior to the investment being sold. If the partners do not approve the sale they have to purchase the interest themselves within 60 days of the original offer. There are no other funding or withdrawal restrictions.

NOTE 5. PROPERTY

A detail of the Foundation's property at December 31 is as follows:

	<u>2013</u>
Office furniture and equipment	\$ 31,823
Less accumulated depreciation	<u>(29,310)</u>
Net property	<u>\$ 2,513</u>

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. ENDOWMENT NET ASSETS

The Foundation has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity as well as board-designated funds. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk parameters.

The Foundation has a policy of appropriating for distributions each year 4% of the average market value of the endowment for the preceding twenty quarters. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment.

Endowment net assets are included as components of the respective net asset classes but do not represent the entire balance. The composition by net asset classes as of December 31, 2013 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor restricted endowment funds	\$ -	\$ 62,237	\$ 483,028	\$ 545,265
Board designated endowment funds	<u>2,287,287</u>	<u>-</u>	<u>-</u>	<u>2,287,287</u>
Total funds	<u>\$ 2,287,287</u>	<u>\$ 62,237</u>	<u>\$ 483,028</u>	<u>\$ 2,832,552</u>

Changes in endowment net assets as of December 31, 2013 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 1,970,857	\$ 12,304	\$ 391,086	\$ 2,374,247
Contributions	4,204	-	91,942	96,146
Investment income, net	74,272	11,878	-	86,150
Unrealized gains	<u>237,954</u>	<u>38,055</u>	<u>-</u>	<u>276,009</u>
Endowment net assets, end of year	<u>\$ 2,287,287</u>	<u>\$ 62,237</u>	<u>\$ 483,028</u>	<u>\$ 2,832,552</u>

ST. ELIZABETH MEDICAL CENTER FOUNDATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. NET ASSETS

Unrestricted net assets consist of assets not subject to donor-imposed stipulations. However, the Board of Trustees holds various fund raising events and campaigns during the year and earmarks the net proceeds from these events for specific purposes. Temporarily restricted net assets consist of assets subject to donor imposed stipulations that may or will be met by either actions of the Foundation Board and/or the passage of time. At December 31, 2013, temporarily restricted net assets were \$535,411. Permanently restricted net assets of the Foundation are comprised of several funds established by donors. Only earnings generated from these funds may be used or assigned for use while the principal remains inviolate. At December 31, 2013, permanently restricted net assets amounted to \$483,028.

Net assets were reclassified during 2013 to properly reflect interest earned and unrealized gains on the endowment fund since 2011. The reclassification of these assets is the result of additional review and understanding of the types of restrictions and required accounting treatment for these assets. We did not consider these reclassifications to be material to the financial statements as a whole.

Temporarily restricted net assets are restricted for the following purposes:

Emergency department project	\$ 59,725
Medical equipment purchases and other	<u>475,686</u>
	<u>\$ 535,411</u>

Permanently restricted net assets are to be held in perpetuity in the Foundation endowment fund to generate annual income for the medical center to carry on their mission in the amount of \$483,028.

NOTE 8. RELATED-PARTY TRANSACTIONS

The Foundation and St. Elizabeth Medical Center share several of the same board members and employees. In addition to the shared board members, the Foundation and the Medical Center consummated the following transactions during the years ended December 31, 2013:

Management Fee: The management fee represents amounts paid to St. Elizabeth Medical Center as a reimbursement for expenses paid by the Medical Center on behalf of the Foundation. These expenses include personnel, supplies, utilities, etc., which are allocated to the Foundation based upon time spent and square footage of office space used. These expenses amounted to \$230,123 for the year ended December 31, 2013. Unpaid management fees at December 31, 2013 were \$19,253.

Contributions: The Foundation contributed \$490,352 to St. Elizabeth Medical Center for the year ended December 31, 2013.

NOTE 9. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and certificates of deposits in financial institutions. From time to time throughout the year, cash balances can exceed the Federal Deposit Insurance Corporation (FDIC) coverage. Management believes that it is not exposed to any significant risk with respect to these amounts.

Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.