

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
  - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only

*All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

|   |  |                                |
|---|--|--------------------------------|
| <b>Type or print</b><br><br><small>File by the due date for filing your return. See instructions.</small> | Name of Exempt Organization  | Employer identification number |
|   | MCCREADY FOUNDATION INC  | 52-0607921                     |
|   | Number, street, and room or suite number. If a P.O. box, see instructions.               |                                |
|   | 201 HALL HIGHWAY   |                                |
|   | City, town or post office, state, and ZIP code. For a foreign address, see instructions. |                                |
|   | CRISFIELD  | MD 21817                       |

**Check type of return to be filed** (file a separate application for each return):

|  |  |                                    |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                    | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)         | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                                 | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ AMY STITCHER

Telephone No. ▶ (410) 968-1200 FAX No. ▶ \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until Feb 15, 20 11, to file the exempt organization return for the organization named above.  
The extension is for the organization's return for:

- ▶  calendar year 20\_\_ or
- ▶  tax year beginning Jul 1, 20 09, and ending Jun 30, 20 10.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

|  |           |    |    |
|--|-----------|----|----|
| 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions   | <b>3a</b> | \$ | 0. |
| b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit  | <b>3b</b> | \$ | 0. |
| c <b>Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions | <b>3c</b> | \$ | 0. |

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

RECEIVED

NOV 09 2010

Salisbury, MD

**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

**2009**

Department of the Treasury  
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

**Open to Public Inspection**

For the **2009** calendar year, or tax year beginning **Jul 1**, 2009, and ending **Jun 30**, 2010

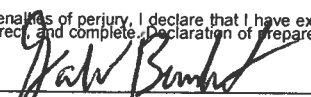
|  |   |   |   |
|--|---|---|---|
| <b>B</b> Check if applicable:<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Termination<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | Please use IRS label or print or type. See specific instructions. | <b>C</b> Name of organization<br><b>MCCREADY FOUNDATION INC</b><br>Number and street (or P.O. box if mail is not delivered to street addr) Room/suite<br><b>201 HALL HIGHWAY</b><br>City, town or country State ZIP code + 4<br><b>CRISFIELD MD 21817</b>                 | <b>D</b> Employer Identification Number<br><b>52-0607921</b><br><b>E</b> Telephone number<br><b>(410) 968-1200</b><br><b>G</b> Gross receipts \$ <b>23,286,843.</b> |
| <b>F</b> Name and address of principal officer:<br><b>AMY STITCHER 201 HALL HIGHWAY CRISFIELD MD 21817</b>   |   | <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If 'No,' attach a list. (see instructions) |   |
| <b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( <b>3</b> ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527  |   | <b>H(c)</b> Group exemption number ▶  |   |
| <b>J</b> Website: ▶ <b>N/A</b>   |   | <b>L</b> Year of Formation: <b>1923</b> <b>M</b> State of legal domicile: <b>MD</b>   |   |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶  |   |   |   |

**Part I Summary**


|   |  |                          |                     |           |
|---|--|--------------------------|---------------------|-----------|
|   | <b>1</b> Briefly describe the organization's mission or most significant activities: <b>HOSPITAL, NURSING HOME</b>                           |                          |                     |           |
| Activities & Governance   | <b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets. |                          |                     |           |
|   | <b>3</b> Number of voting members of the governing body (Part VI, line 1a) .....   | <b>3</b>                 | <b>10</b>           |           |
|   | <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) .....   | <b>4</b>                 | <b>10</b>           |           |
|   | <b>5</b> Total number of employees (Part V, line 2a) .....   | <b>5</b>                 | <b>318</b>          |           |
|   | <b>6</b> Total number of volunteers (estimate if necessary) .....  | <b>6</b>                 | <b>60</b>           |           |
|   | <b>7a</b> Total gross unrelated business revenue from Part VIII, Icolumn (C), line 12 .....  | <b>7a</b>                |                     | <b>0.</b> |
| <b>b</b> Net unrelated business taxable income from Form 990-T, line 34 ..... | <b>7b</b>  |                          |                     |           |
| Revenue   | <b>8</b> Contributions and grants (Part VIII, line 1h) .....   | <b>Prior Year</b>        | <b>Current Year</b> |           |
|   | <b>9</b> Program service revenue (Part VIII, line 2g) .....  | <b>532,890.</b>          | <b>490,950.</b>     |           |
|   | <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) .....  | <b>21,156,155.</b>       | <b>22,763,790.</b>  |           |
|   | <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) .....   | <b>-117,993.</b>         | <b>32,103.</b>      |           |
|   | <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) .....   | <b>21,571,052.</b>       | <b>23,286,843.</b>  |           |
| Expenses  | <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) .....   |                          |                     |           |
|   | <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) .....  |                          |                     |           |
|   | <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) .....  | <b>11,108,379.</b>       | <b>11,820,117.</b>  |           |
|   | <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) .....   |                          |                     |           |
|   | <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0.</b>   |                          |                     |           |
|   | <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) .....   | <b>8,393,184.</b>        | <b>9,389,389.</b>   |           |
|   | <b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) .....  | <b>19,501,563.</b>       | <b>21,209,506.</b>  |           |
|   | <b>19</b> Revenue less expenses. Subtract line 18 from line 12 .....   | <b>2,069,489.</b>        | <b>2,077,337.</b>   |           |
| Net Assets or Fund Balances   | <b>20</b> Total assets (Part X, line 16) .....   | <b>Beginning of Year</b> | <b>End of Year</b>  |           |
|   | <b>21</b> Total liabilities (Part X, line 26) .....  | <b>14,153,937.</b>       | <b>24,482,222.</b>  |           |
|   | <b>22</b> Net assets or fund balances. Subtract line 21 from line 20 .....   | <b>4,283,006.</b>        | <b>12,533,869.</b>  |           |
|   |  | <b>9,870,931.</b>        | <b>11,948,353.</b>  |           |

**Part II Signature Block**

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

▶  Date **2/3/11**  
 Signature of officer Date

▶ **GARY BROADWATER** CFO  
 Type or print name and title.

|                                 |  |                    |   |  |
|---------------------------------|--|--------------------|---|--|
| <b>Paid Preparer's Use Only</b> | Preparer's signature ▶    | Date <b>2/3/11</b> | Check if self-employed <input type="checkbox"/> | Preparer's identifying number (see instructions) |
|                                 | Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ <b>SCOTT TAWES &amp; ASSOCIATES, CPA, PA</b><br><b>10840 MARKET LANE BUILDING A SUITE 5</b><br><b>PRINCESS ANNE MD 21853</b> | EIN ▶              | Phone no. ▶                                     |  |

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

HOSPITAL, NURSING HOME

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 exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 16,245,226. including grants of \$ 0.) (Revenue \$ 17,762,206.)

MCCREADY MEMORIAL HOSPITAL

4b (Code: ) (Expenses \$ 4,964,280. including grants of \$ 0.) (Revenue \$ 5,414,625.)

ALICE BYRD TAWES NURSING HOME

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services. (Describe in Schedule O.)

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

4e Total program service expenses 21,209,506.

**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)? If 'Yes,' complete Schedule A   | X   |    |
| 2   | Is the organization required to complete Schedule B, Schedule of Contributors?  |     | X  |
| 3   | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I  |     | X  |
| 4   | <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II  |     | X  |
| 5   | <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III  |     |    |
| 6   | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I  |     | X  |
| 7   | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II                                       |     | X  |
| 8   | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III   |     | X  |
| 9   | Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV |     | X  |
| 10  | Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V  | X   |    |
| 11  | Is the organization's answer to any of the following questions 'Yes'? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable   | X   |    |
|     | • Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI  |     |    |
|     | • Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII  |     |    |
|     | • Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII  |     |    |
|     | • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX  |     |    |
|     | • Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X   |     |    |
|     | • 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? If 'Yes,' complete Schedule D, Part X              |     |    |
| 12  | Did the organization obtain separate, independent audited financial statement for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII  | X   |    |
| 12A | Was the organization included in consolidated, independent audited financial statement for the tax year? If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional   | X   |    |
| 13  | Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E   |     | X  |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States?   |     | X  |
| 14b | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If 'Yes,' complete Schedule F, Part I                             |     | X  |
| 15  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II                                       |     | X  |
| 16  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III   |     | X  |
| 17  | Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I  |     | X  |
| 18  | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II  |     | X  |
| 19  | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III  |     | X  |
| 20  | Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H   | X   |    |

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

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

BAA

Form 990 (2009)

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

|             |  | Yes | No |
|-------------|--|-----|----|
| <b>1 a</b>  | Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable   |     |    |
| <b>1 a</b>  | 34   |     |    |
| <b>1 b</b>  | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable  |     |    |
| <b>1 b</b>  | 0  |     |    |
| <b>1 c</b>  | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?   | X   |    |
| <b>2 a</b>  | 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  |     |    |
| <b>2 a</b>  | 318  |     |    |
| <b>2 b</b>  | If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to <i>e-file</i> this return. (see instructions)                       | X   |    |
| <b>3 a</b>  | Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?   |     | X  |
| <b>3 b</b>  | If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O   |     |    |
| <b>4 a</b>  | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?                                   |     | X  |
| <b>4 b</b>  | If 'Yes,' enter the name of the foreign country:<br>See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.  |     |    |
| <b>5 a</b>  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?  |     | X  |
| <b>5 b</b>  | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?   |     | X  |
| <b>5 c</b>  | If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?   |     |    |
| <b>6 a</b>  | 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?  |     | X  |
| <b>6 b</b>  | If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?  |     |    |
| <b>7</b>    | <b>Organizations that may receive deductible contributions under section 170(c).</b>   |     |    |
| <b>7 a</b>  | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?  |     | X  |
| <b>7 b</b>  | If 'Yes,' did the organization notify the donor of the value of the goods or services provided?  |     |    |
| <b>7 c</b>  | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?   |     | X  |
| <b>7 d</b>  | If 'Yes,' indicate the number of Forms 8282 filed during the year  |     |    |
| <b>7 e</b>  | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  |     | X  |
| <b>7 f</b>  | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?   |     | X  |
| <b>7 g</b>  | For all contributions of qualified intellectual property, did the organization file Form 8899 as required?   |     |    |
| <b>7 h</b>  | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?  |     |    |
| <b>8</b>    | <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? |     | X  |
| <b>9</b>    | <b>Sponsoring organizations maintaining donor advised funds.</b>   |     |    |
| <b>9 a</b>  | Did the organization make any taxable distributions under section 4966?  |     | X  |
| <b>9 b</b>  | Did the organization make any distribution to a donor, donor advisor, or related person?   |     | X  |
| <b>10</b>   | <b>Section 501(c)(7) organizations.</b> Enter:   |     |    |
| <b>10 a</b> | Initiation fees and capital contributions included on Part VIII, line 12   |     |    |
| <b>10 b</b> | Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities  |     |    |
| <b>11</b>   | <b>Section 501(c)(12) organizations.</b> Enter:  |     |    |
| <b>11 a</b> | Gross income from other members or shareholders  |     |    |
| <b>11 b</b> | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)   |     |    |
| <b>12 a</b> | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?  |     |    |
| <b>12 b</b> | If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year  |     |    |

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

**Section A. Governing Body and Management**

|  |              | Yes | No |
|--|--------------|-----|----|
| <b>1a</b> Enter the number of voting members of the governing body .....   | <b>1a</b> 10 |     |    |
| <b>b</b> Enter the number of voting members that are independent .....   | <b>1b</b> 10 |     |    |
| <b>2</b> 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? .....  | <b>2</b>     |     | X  |
| <b>3</b> 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? ..... | <b>3</b>     |     | X  |
| <b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? .....   | <b>4</b>     |     | X  |
| <b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets? .....   | <b>5</b>     |     | X  |
| <b>6</b> Does the organization have members or stockholders? .....   | <b>6</b>     |     | X  |
| <b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? .....  | <b>7a</b>    |     | X  |
| <b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons? .....   | <b>7b</b>    |     | X  |
| <b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:   |              |     |    |
| <b>a</b> The governing body? .....   | <b>8a</b>    | X   |    |
| <b>b</b> Each committee with authority to act on behalf of the governing body? .....   | <b>8b</b>    | X   |    |
| <b>9</b> Is there any officer, director or 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 .....      | <b>9</b>     |     | X  |

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

|   |            | Yes | No |
|---|------------|-----|----|
| <b>10a</b> Does the organization have local chapters, branches, or affiliates? .....  | <b>10a</b> |     | X  |
| <b>b</b> If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? .....   | <b>10b</b> |     |    |
| <b>11</b> Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? .....  | <b>11</b>  | X   |    |
| <b>11A</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990. ....   |            |     |    |
| <b>12a</b> Does the organization have a written conflict of interest policy? If 'No,' go to line 13 .....   | <b>12a</b> | X   |    |
| <b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? .....  | <b>12b</b> | X   |    |
| <b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done .....   | <b>12c</b> | X   |    |
| <b>13</b> Does the organization have a written whistleblower policy? .....  | <b>13</b>  | X   |    |
| <b>14</b> Does the organization have a written document retention and destruction policy? .....   | <b>14</b>  | X   |    |
| <b>15</b> 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?  |            |     |    |
| <b>a</b> The organization's CEO, Executive Director, or top management official .....   | <b>15a</b> |     | X  |
| <b>b</b> Other officers of key employees of the organization .....  | <b>15b</b> |     | X  |
| If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)  |            |     |    |
| <b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? .....  | <b>16a</b> |     | X  |
| <b>b</b> If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? ..... | <b>16b</b> |     |    |

**Section C. Disclosures**

- 17** List the states with which a copy of this Form 990 is required to be filed ► \_\_\_\_\_
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website     Another's website     Upon request
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:  
 ► AMY STITCHER    201 HALL HIGHWAY,    CRISFIELD    MD    21817-1237    (410) 968-1200

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

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

1 a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organizations's tax year. Use Schedule J-2 if additional space is needed.

- 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. See instructions for definition of 'key employees.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if the organization did not compensate any current officer, director, or trustee.

| (A)<br>Name and Title              | (B)<br>Average hours per week | (C)<br>Position (check all that apply) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|------------------------------------|-------------------------------|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|                                    |                               | Individual trustee or director         | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| CHRIS STERLING<br>Chairman         | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| JAY TAWES<br>1st Vice Chair        | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| LESLIE WILSON<br>2nd Vice Chair    | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| JOHN SAMUS<br>DIRECTOR             | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| PHIL GOLDSBOROUGH<br>DIRECTOR      | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| PURCY J PURNELL<br>DIRECTOR        | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| WINSLOW PARKER<br>DIRECTOR         | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| DR VIJAY KARUMBUNATHAN<br>DIRECTOR | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| MICHAEL HALL<br>DIRECTOR           | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| SAM DAVIS<br>DIRECTOR              | 10.00                         | X                                      |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| NOEMIE SPINOLA SALANG<br>DOCTOR    | 40.00                         |  |                       |         |              | X                            |        | 239,143.   | 0.  | 18,117.   |
| SIDNEY BROWN BARNES III<br>DOCTOR  | 40.00                         |  |                       |         |              | X                            |        | 250,599.   | 0.  | 5,215.  |
| VIJAYKUMAR KARUMBUNATHAN<br>DOCTOR | 40.00                         |  |                       |         |              | X                            |        | 184,390.   | 52,540.   | 18,117.   |
| CHARLES F PINKERMAN<br>CEO         | 40.00                         |  |                       |         |              | X                            |        | 197,428.   | 0.  | 13,447.   |
|                                    |                               |  |                       |         |              |                              |        |  |   |   |
|                                    |                               |  |                       |         |              |                              |        |  |   |   |
|                                    |                               |  |                       |         |              |                              |        |  |   |   |





**Part VIII Statement of Revenue**

|   |  | (A)<br>Total revenue   | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from tax<br>under sections<br>512, 513, or 514 |    |
|---|--|--|--|---|---|----|
| <b>CONTRIBUTIONS, GIFTS, GRANTS<br/>AND OTHER SIMILAR AMOUNTS</b>             | <b>1 a</b> Federated campaigns .....   |  |  |   |   |    |
|   | <b>1 b</b> Membership dues .....   |  |  |   |   |    |
|   | <b>1 c</b> Fundraising events .....  |  |  |   |   |    |
|   | <b>1 d</b> Related organizations .....   |  |  |   |   |    |
|   | <b>1 e</b> Government grants (contributions) .....   | 362,321.   |  |   |   |    |
|   | <b>1 f</b> All other contributions, gifts, grants, and<br>similar amounts not included above .....   | 128,629.   |  |   |   |    |
|   | <b>g</b> Noncash contribns included in lns 1a-1f: .....  | \$   |  |   |   |    |
| <b>h Total.</b> Add lines 1a-1f .....   |  | 490,950.   |  |   |   |    |
| <b>PROGRAM SERVICE REVENUE</b>  | <b>2 a</b> HOSPITAL & NURSING HOME   | Business Code<br>622000  | 22,763,790.  | 22,763,790.                             | 0.  | 0. |
|   | <b>b</b> -----   |  |  |   |   |    |
|   | <b>c</b> -----   |  |  |   |   |    |
|   | <b>d</b> -----   |  |  |   |   |    |
|   | <b>e</b> -----   |  |  |   |   |    |
|   | <b>f</b> All other program service revenue .....   |  |  |   |   |    |
|   | <b>g Total.</b> Add lines 2a-2f .....  |  | 22,763,790.  |   |   |    |
| <b>OTHER REVENUE</b>  | <b>3</b> Investment income (including dividends, interest and<br>other similar amounts) .....  |  | 19,353.  | 19,353.                                 | 0.  | 0. |
|   | <b>4</b> Income from investment of tax-exempt bond proceeds .....  |  |  |   |   |    |
|   | <b>5</b> Royalties .....   |  |  |   |   |    |
|   | <b>6 a</b> Gross Rents .....   | (i) Real   |  |   |   |    |
|   |  | (ii) Personal  |  |   |   |    |
|   |  | <b>b</b> Less: rental expenses .....                           |  |   |   |    |
|   |  | <b>c</b> Rental income or (loss) .....                         |  |   |   |    |
|   | <b>d</b> Net rental income or (loss) .....   |  |  |   |   |    |
|   | <b>7 a</b> Gross amount from sales of<br>assets other than inventory .....   | (i) Securities   |  |   |   |    |
|   |  | (ii) Other   | 12,750.  |   |   |    |
|   |  | <b>b</b> Less: cost or other basis<br>and sales expenses ..... |  |   |   |    |
|   |  | <b>c</b> Gain or (loss) .....                                  | 12,750.  |   |   |    |
|   | <b>d</b> Net gain or (loss) .....  |  | 12,750.  | 12,750.                                 | 0.  | 0. |
|   | <b>8 a</b> Gross income from fundraising events<br>(not including \$<br>of contributions reported on line 1c).<br>See Part IV, line 18 ..... | <b>a</b>   |  |   |   |    |
|   |  | <b>b</b> Less: direct expenses .....                           |  |   |   |    |
| <b>c</b> Net income or (loss) from fundraising events .....                   |  |  |  |   |   |    |
| <b>9 a</b> Gross income from gaming activities.<br>See Part IV, line 19 ..... | <b>a</b>   |  |  |   |   |    |
|   | <b>b</b> Less: direct expenses .....   |  |  |   |   |    |
|   | <b>c</b> Net income or (loss) from gaming activities .....   |  |  |   |   |    |
| <b>10 a</b> Gross sales of inventory, less returns<br>and allowances .....    | <b>a</b>   |  |  |   |   |    |
|   | <b>b</b> Less: cost of goods sold .....  |  |  |   |   |    |
|   | <b>c</b> Net income or (loss) from sales of inventory .....  |  |  |   |   |    |
| <b>Miscellaneous Revenue</b>  | <b>11 a</b> -----  | Business Code  |  |   |   |    |
|   | <b>b</b> -----   |  |  |   |   |    |
|   | <b>c</b> -----   |  |  |   |   |    |
|   | <b>d</b> All other revenue .....   |  |  |   |   |    |
|   | <b>e Total.</b> Add lines 11a-11d .....  |  |  |   |   |    |
| <b>12 Total revenue.</b> See instructions .....                               |  | 23,286,843.  | 22,795,893.  | 0.                                      | 0.  |    |

**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) but are not required to complete columns (B), (C), and (D).

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>   | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21   |                       |                                 |  |                             |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22   |                       |                                 |  |                             |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16  |                       |                                 |  |                             |
| 4 Benefits paid to or for members   |                       |                                 |  |                             |
| 5 Compensation of current officers, directors, trustees, and key employees  |                       |                                 |  |                             |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))   |                       |                                 |  |                             |
| 7 Other salaries and wages  | 9,522,129.            | 9,522,129.                      | 0.                                     | 0.                          |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)   | 138,664.              | 138,664.                        | 0.                                     | 0.                          |
| 9 Other employee benefits   | 1,327,787.            | 1,327,787.                      | 0.                                     | 0.                          |
| 10 Payroll taxes  | 831,537.              | 831,537.                        | 0.                                     | 0.                          |
| 11 Fees for services (non-employees)  |                       |                                 |  |                             |
| a Management  |                       |                                 |  |                             |
| b Legal   | 3,683.                | 3,683.                          | 0.                                     | 0.                          |
| c Accounting  | 14,000.               | 14,000.                         | 0.                                     | 0.                          |
| d Lobbying  |                       |                                 |  |                             |
| e Prof fundraising svcs. See Part IV, ln 17   |                       |                                 |  |                             |
| f Investment management fees  |                       |                                 |  |                             |
| g Other   |                       |                                 |  |                             |
| 12 Advertising and promotion  | 68,051.               | 68,051.                         | 0.                                     | 0.                          |
| 13 Office expenses  | 58,493.               | 58,493.                         | 0.                                     | 0.                          |
| 14 Information technology   |                       |                                 |  |                             |
| 15 Royalties  |                       |                                 |  |                             |
| 16 Occupancy  | 64,694.               | 64,694.                         | 0.                                     | 0.                          |
| 17 Travel   | 9,597.                | 9,597.                          | 0.                                     | 0.                          |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials   |                       |                                 |  |                             |
| 19 Conferences, conventions, and meetings   | 7,330.                | 7,330.                          | 0.                                     | 0.                          |
| 20 Interest   | 164,816.              | 164,816.                        | 0.                                     | 0.                          |
| 21 Payments to affiliates   |                       |                                 |  |                             |
| 22 Depreciation, depletion, and amortization  | 622,503.              | 622,503.                        | 0.                                     | 0.                          |
| 23 Insurance  | 86,714.               | 86,714.                         | 0.                                     | 0.                          |
| 24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)  |                       |                                 |  |                             |
| a BAD DEBTS   | 1,834,989.            | 1,834,989.                      | 0.                                     | 0.                          |
| b MED. MALPRACTICE INS  | 221,985.              | 221,985.                        | 0.                                     | 0.                          |
| c DIETARY SERVICES  | 705,774.              | 705,774.                        | 0.                                     | 0.                          |
| d COLLECTION EXPENSE  | 131,634.              | 131,634.                        | 0.                                     | 0.                          |
| e DUES & SUBSCRIPTIONS  | 42,071.               | 42,071.                         | 0.                                     | 0.                          |
| f All other expenses  | 5,353,055.            | 5,353,055.                      | 0.                                     | 0.                          |
| 25 Total functional expenses. Add lines 1 through 24f   | 21,209,506.           | 21,209,506.                     | 0.                                     | 0.                          |
| 26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation |                       |                                 |  |                             |

**Part X Balance Sheet**

|   |   | (A)<br>Beginning of year |             | (B)<br>End of year |
|---|---|--------------------------|-------------|--------------------|
| <b>ASSETS</b>   | 1 Cash – non-interest-bearing .....   | 3,016,722.               | 1           | 2,286,283.         |
|   | 2 Savings and temporary cash investments .....  |                          | 2           |                    |
|   | 3 Pledges and grants receivable, net .....  | 77,956.                  | 3           | 80,249.            |
|   | 4 Accounts receivable, net .....  | 2,521,125.               | 4           | 2,891,793.         |
|   | 5 Receivables from current and former officers, directors, trustees, key employees,<br>and highest compensated employees. Complete Part II of Schedule L .....                      |                          | 5           |                    |
|   | 6 Receivables from other disqualified persons (as defined under section 4958(f)(1))<br>and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L .....         |                          | 6           |                    |
|   | 7 Notes and loans receivable, net .....   |                          | 7           |                    |
|   | 8 Inventories for sale or use .....   | 340,645.                 | 8           | 352,747.           |
|   | 9 Prepaid expenses and deferred charges .....   | 165,176.                 | 9           | 152,001.           |
|   | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D   | 10a 26,116,904.          |             |                    |
|   | b Less: accumulated depreciation .....  | 10b 7,397,755.           | 8,032,313.  | 10c 18,719,149.    |
|   | 11 Investments – publicly-traded securities .....   |                          | 11          |                    |
|   | 12 Investments – other securities. See Part IV, line 11 .....   |                          | 12          |                    |
|   | 13 Investments – program-related. See Part IV, line 11 .....  |                          | 13          |                    |
|   | 14 Intangible assets .....  |                          | 14          |                    |
|   | 15 Other assets. See Part IV, line 11 .....   |                          | 15          |                    |
| 16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) ..... | 14,153,937.   | 16                       | 24,482,222. |                    |
| <b>LIABILITIES</b>  | 17 Accounts payable and accrued expenses .....  | 2,332,951.               | 17          | 2,641,482.         |
|   | 18 Grants payable .....   |                          | 18          |                    |
|   | 19 Deferred revenue .....   |                          | 19          |                    |
|   | 20 Tax-exempt bond liabilities .....  |                          | 20          |                    |
|   | 21 Escrow or custodial account liability. Complete Part IV of Schedule D .....  |                          | 21          |                    |
|   | 22 Payables to current and former officers, directors, trustees, key employees,<br>highest compensated employees, and disqualified persons. Complete Part II<br>of Schedule L ..... |                          | 22          |                    |
|   | 23 Secured mortgages and notes payable to unrelated third parties .....   | 1,950,055.               | 23          | 9,892,387.         |
|   | 24 Unsecured notes and loans payable to unrelated third parties .....   |                          | 24          |                    |
|   | 25 Other liabilities. Complete Part X of Schedule D .....   |                          | 25          |                    |
|   | 26 <b>Total liabilities.</b> Add lines 17 through 25 .....  | 4,283,006.               | 26          | 12,533,869.        |
| <b>NET ASSETS OR FUND BALANCES</b>  | <b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.</b>                                     |                          |             |                    |
|   | 27 Unrestricted net assets .....  | 9,440,979.               | 27          | 11,415,044.        |
|   | 28 Temporarily restricted net assets .....  | 429,952.                 | 28          | 533,309.           |
|   | 29 Permanently restricted net assets .....  |                          | 29          |                    |
|   | <b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>   |                          |             |                    |
|   | 30 Capital stock or trust principal, or current funds .....   |                          | 30          |                    |
|   | 31 Paid-in or capital surplus, or land, building, and equipment fund .....  |                          | 31          |                    |
|   | 32 Retained earnings, endowment, accumulated income, or other funds .....   |                          | 32          |                    |
| 33 Total net assets or fund balances .....                                | 9,870,931.  | 33                       | 11,948,353. |                    |
| 34 Total liabilities and net assets/fund balances .....                   | 14,153,937.   | 34                       | 24,482,222. |                    |

BAA

**Part XI Financial Statements and Reporting**

1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other

If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....

b Were the organization's financial statements audited by an independent accountant? .....

c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? .....

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: .....

Separate basis  Consolidated basis  Both consolidated and separate basis

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? .....

b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits. ....

|    | Yes | No |
|----|-----|----|
|    |     |    |
| 2a |     | X  |
| 2b | X   |    |
| 2c | X   |    |
|    |     |    |
| 3a |     | X  |
| 3b |     |    |

BAA

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

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

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

OMB No. 1545-0047

**2009**

Open to Public Inspection

Name of the organization

MCCREADY FOUNDATION INC

Employer identification number

52-0607921

**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 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 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 – Other
- 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 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? .....
- (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? .....

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

h Provide the following information about the supported organizations.

| (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 Support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
|                                    |          |   | Yes   | No | Yes  | No | Yes   | No |                         |
|                                    |          |   |   |    |  |    |   |    |                         |
|                                    |          |   |   |    |  |    |   |    |                         |
|                                    |          |   |   |    |  |    |   |    |                         |
|                                    |          |   |   |    |  |    |   |    |                         |
|                                    |          |   |   |    |  |    |   |    |                         |
| <b>Total</b>                       |          |   |   |    |  |    |   |    |                         |

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

Schedule A (Form 990 or 990-EZ) 2009

**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.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') . . . . .  |          |          |          |          |          |           |
| <b>2</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .   |          |          |          |          |          |           |
| <b>3</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge . . . . . |          |          |          |          |          |           |
| <b>4 Total.</b> Add lines 1-through 3 . . . . .   |          |          |          |          |          |           |
| <b>5</b> 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) . . . . .          |          |          |          |          |          |           |
| <b>6 Public support.</b> Subtract line 5 from line 4 . . . . .  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total                |
|---|----------|----------|----------|----------|----------|--------------------------|
| <b>7</b> Amounts from line 4 . . . . .  |          |          |          |          |          |                          |
| <b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .   |          |          |          |          |          |                          |
| <b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .   |          |          |          |          |          |                          |
| <b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .   |          |          |          |          |          |                          |
| <b>11 Total support.</b> Add lines 7 through 10 . . . . .   |          |          |          |          |          |                          |
| <b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .   |          |          |          |          | 12       |                          |
| <b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here . . . . . |          |          |          |          |          | <input type="checkbox"/> |

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

|  |                          |   |
|--|--------------------------|---|
| <b>14</b> Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) . . . . .   | 14                       | % |
| <b>15</b> Public support percentage from 2008 Schedule A, Part II, line 14 . . . . .   | 15                       | % |
| <b>16a 33-1/3 support test – 2009.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization. . . . .   | <input type="checkbox"/> |   |
| <b>b 33-1/3 support test – 2008.</b> If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. . . . .  | <input type="checkbox"/> |   |
| <b>17a 10%-facts-and-circumstances test – 2009</b> If the organization did not check a box on line 13, 16a, or 17a, 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. . . . .     | <input type="checkbox"/> |   |
| <b>b 10%-facts-and-circumstances test – 2008.</b> 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. . . . . | <input type="checkbox"/> |   |
| <b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .   | <input type="checkbox"/> |   |

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

(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

| Calendar year (or fiscal yr beginning in) ▶   | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') ...  |          |          |          |          |          |           |
| <b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose ..... |          |          |          |          |          |           |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....   |          |          |          |          |          |           |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....  |          |          |          |          |          |           |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5 .....   |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, 3 received from disqualified persons .....  |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the amount on line 13 for the year .....                    |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b .....  |          |          |          |          |          |           |
| <b>8 Public support</b> (Subtract line 7c from line 6.) .....   |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal yr beginning in) ▶   | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>9</b> Amounts from line 6 .....  |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ..... |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....                          |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b .....  |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....     |          |          |          |          |          |           |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....                                 |          |          |          |          |          |           |
| <b>13 Total support.</b> (add lns 9, 10c, 11, and 12.) .....  |          |          |          |          |          |           |

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

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

|  |           |   |
|--|-----------|---|
| <b>15</b> Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)) ..... | <b>15</b> | % |
| <b>16</b> Public support percentage from 2008 Schedule A, Part III, line 15 .....                      | <b>16</b> | % |

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

|   |           |   |
|---|-----------|---|
| <b>17</b> Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f)) ..... | <b>17</b> | % |
| <b>18</b> Investment income percentage from 2008 Schedule A, Part III, line 17 .....                        | <b>18</b> | % |

**19a 33-1/3 support tests – 2009.** 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 – 2008.** If the organization did not check a box on line 14 or 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





SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

Employer identification number

MCCREADY FOUNDATION INC

52-0607921

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: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and two yes/no questions about donor advisement.

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

Table with 3 columns: Question, Held at the End of the Year. Rows include purpose(s) of conservation easements, total number of easements, total acreage, and various other details.

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.

Table with 3 columns: Question, Revenues, Assets. Rows include questions about reporting art and historical treasures and the amounts reported.

**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 XIV.

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 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 XIV and complete the following table:

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

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

b If 'Yes,' explain the arrangement in Part XIV.

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

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     | 971,468.         | 878,512.       |                    |                      |                     |
| b Contributions                                  | 103,357.         | 85,144.        |                    |                      |                     |
| c Net Investment earnings, gains, and losses     | 6,655.           | 7,812.         |                    |                      |                     |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs |                  |                |                    |                      |                     |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            | 1,081,480.       | 971,468.       |                    |                      |                     |

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ 55.74 %
- b Permanent endowment ▶ %
- c Term endowment ▶ 44.26 %

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

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

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

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated Depreciation | (d) Book Value |
|---------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land                   | 47,300.                              |                                 |                              | 47,300.        |
| b Buildings               | 20,772,252.                          |                                 | 5,093,908.                   | 15,678,344.    |
| c Leasehold improvements  |                                      |                                 |                              |                |
| d Equipment               | 5,297,352.                           |                                 | 2,303,847.                   | 2,993,505.     |
| e Other                   |                                      |                                 |                              |                |

**Total.** Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶ 18,719,149.

BAA



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

|    |  |  |             |
|----|--|--|-------------|
| 1  | Total revenue (Form 990, Part VIII, column (A), line 12)                                 |  | 23,286,843. |
| 2  | Total expenses (Form 990, Part IX, column (A), line 25)                                  |  | 21,209,506. |
| 3  | Excess or (deficit) for the year. Subtract line 2 from line 1                            |  | 2,077,337.  |
| 4  | Net unrealized gains (losses) on investments   |  |             |
| 5  | Donated services and use of facilities   |  |             |
| 6  | Investment expenses  |  |             |
| 7  | Prior period adjustments   |  |             |
| 8  | Other (Describe in Part XIV)   |  |             |
| 9  | Total adjustments (net). Add lines 4 through 8   |  |             |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 |  | 2,077,337.  |

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

|   |   |    |    |             |
|---|---|----|----|-------------|
| 1 | Total revenue, gains, and other support per audited financial statements        |    | 1  | 23,286,843. |
| 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 XIV)  | 2d |    |             |
| e | Add lines 2a through 2d   |    | 2e |             |
| 3 | Subtract line 2e from line 1  |    | 3  | 23,286,843. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1:            |    |    |             |
| a | Investments expenses not included on Form 990, Part VIII, line 7b               | 4a |    |             |
| b | Other (Describe in Part XIV)  | 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  | 23,286,843. |

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

|   |  |    |    |             |
|---|--|----|----|-------------|
| 1 | Total expenses and losses per audited financial statements                       |    | 1  | 21,209,506. |
| 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 XIV)   | 2d |    |             |
| e | Add lines 2a through 2d  |    | 2e |             |
| 3 | Subtract line 2e from line 1   |    | 3  | 21,209,506. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1:               |    |    |             |
| a | Investments expenses not included on Form 990, Part VIII, line 7b                | 4a |    |             |
| b | Other (Describe in Part XIV)   | 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  | 21,209,506. |

**Part XIV Supplemental Information**

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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**Part XIV** Supplemental Information *(continued)*

**SCHEDULE H**  
**(Form 990)**

**Hospitals**

OMB No. 1545-0047

▶ **Complete if the organization answered 'Yes' to Form 990, Part IV, question 20.**  
▶ **Attach to Form 990**  
▶ **See separate instructions**

**2009**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

MCCREADY FOUNDATION INC

Employer identification number

52-0607921

**Part I Charity Care and Certain Other Community Benefits at Cost**

|   | Yes | No |
|---|-----|----|
| <b>1a</b> Does the organization have a charity care policy? If 'No,' skip to question 6a .....  | X   |    |
| <b>b</b> If 'Yes,' is it a written policy? .....  | X   |    |
| <b>2</b> If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals.<br><input type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals<br><input type="checkbox"/> Generally tailored to individual hospital  |     |    |
| <b>3</b> Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.<br><b>a</b> Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If 'Yes,' indicate which of the following is the family income limit for eligibility for free care: .....<br><input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ % | X   |    |
| <b>b</b> Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If 'Yes,' indicate which of the following is the family income limit for eligibility for discounted care: .....<br><input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %  | X   |    |
| <b>c</b> If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.   |     |    |
| <b>4</b> Does the organization's policy provide free or discounted care to the 'medically indigent'? .....  | X   |    |
| <b>5a</b> Does the organization budget amounts for free or discounted care provided under its charity care policy? .....  | X   |    |
| <b>b</b> If 'Yes,' did the organization's charity care expenses exceed the budgeted amount? .....   |     | X  |
| <b>c</b> If 'Yes' to 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? .....  |     | X  |
| <b>6a</b> Does the organization prepare an annual community benefit report? .....   | X   |    |
| <b>b</b> If 'Yes,' does the organization make it available to the public? .....   | X   |    |
| Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.  |     |    |

**7 Charity Care and Certain Other Community Benefits at Cost**

| Charity Care and Means-Tested Government Programs  | (a) Number of activities or programs (optional) | (b) Persons served (optional) | (c) Total community benefit expense | (d) Direct offsetting revenue | (e) Net community benefit expense | (f) Percent of total expense |
|--|---|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| <b>a</b> Charity care at cost (from Worksheets 1 and 2) .....  | 1   | 416                           | 657,678.                            |                               | 657,678.                          | 3.10                         |
| <b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a) ..   |   |                               |                                     |                               |                                   |                              |
| <b>c</b> Unreimbursed costs — other means-tested government programs (from Worksheet 3, column b) .....  |   |                               |                                     |                               |                                   |                              |
| <b>d</b> Total Charity Care and Means-Tested Government Programs .....                                   | 1   | 416                           | 657,678.                            |                               | 657,678.                          | 3.10                         |
| <b>Other Benefits</b>  |   |                               |                                     |                               |                                   |                              |
| <b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) ..... | 11  | 1,695                         | 208,684.                            | 88,090.                       | 120,594.                          | 0.57                         |
| <b>f</b> Health professions education (from Worksheet 5) .....   | 4   | 49                            | 80,980.                             |                               | 80,980.                           | 0.38                         |
| <b>g</b> Subsidized health services (from Worksheet 6) .....   | 2   | 2,864                         | 86,779.                             | 73,518.                       | 13,261.                           | 0.06                         |
| <b>h</b> Research (from Worksheet 7) .....   |   |                               |                                     |                               |                                   |                              |
| <b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8) .....                     | 2   | 0                             | 6,800.                              |                               | 6,800.                            | 0.03                         |
| <b>j</b> Total Other Benefits .....  | 19  | 4,608                         | 383,243.                            | 161,608.                      | 221,635.                          | 1.04                         |
| <b>k</b> Total (line 7d and 7j) .....  | 20  | 5,024                         | 1,040,921.                          | 161,608.                      | 879,313.                          | 4.14                         |

**Part II Community Building Activities** Complete this table if the organization conducted any community building activities.

|   | (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 |
|---|---|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| 1 Physical improvements and housing ..                            |   |                               |                                     |                               |                                   |                              |
| 2 Economic development .....                                      |   |                               |                                     |                               |                                   |                              |
| 3 Community support .....   | 2   | 3,716                         | 30,039.                             | 0.                            | 30,039.                           | 0.14                         |
| 4 Environmental improvements .....                                |   |                               |                                     |                               |                                   |                              |
| 5 Leadership development and training for community members ..... | 2   | 72                            | 2,339.                              | 0.                            | 2,339.                            | 0.01                         |
| 6 Coalition building .....  | 1   | 52                            | 1,442.                              | 0.                            | 1,442.                            | 0.01                         |
| 7 Community health improvement advocacy .....                     | 1   |                               | 2,712.                              | 0.                            | 2,712.                            | 0.01                         |
| 8 Workforce development .....                                     | 2   | 710                           | 5,761.                              | 0.                            | 5,761.                            | 0.03                         |
| 9 Other .....   |   |                               |                                     |                               |                                   |                              |
| 10 Total .....  | 8   | 4,550                         | 42,293.                             | 0.                            | 42,293.                           | 0.20                         |

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

|   | Yes | No |
|---|-----|----|
| 1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? .....  | X   |    |
| 2 Enter the amount of the organization's bad debt expense (at cost) .....   |     |    |
| 3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy .....  |     |    |
| 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit. |     |    |

**Section B. Medicare**

|   |   |            |
|---|---|------------|
| 5 Enter total revenue received from Medicare (including DSH and IME) .....  | 5 | 6,949,222. |
| 6 Enter Medicare allowable costs of care relating to payments on line 5 .....   | 6 | 6,563,663. |
| 7 Subtract line 6 from line 5. This is the surplus or (shortfall) .....   | 7 | 385,559.   |
| 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:<br><input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other |   |            |

**Section C. Collection Practices**

|   |    |   |  |
|---|----|---|--|
| 9a Does the organization have a written debt collection policy? .....   | 9a | X |  |
| b If 'Yes,' does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI ..... | 9b | X |  |

**Part IV Management Companies and Joint Ventures**

| (a) Name of entity | (b) Description of primary activity of entity | (c) Organization's profit % or stock ownership % | (d) Officers, directors, trustees, or key employees' profit % or stock ownership % | (e) Physicians' profit % or stock ownership % |
|--------------------|---|--|--|---|
| 1                  |   |  |  |   |
| 2                  |   |  |  |   |
| 3                  |   |  |  |   |
| 4                  |   |  |  |   |
| 5                  |   |  |  |   |
| 6                  |   |  |  |   |
| 7                  |   |  |  |   |
| 8                  |   |  |  |   |
| 9                  |   |  |  |   |
| 10                 |   |  |  |   |
| 11                 |   |  |  |   |
| 12                 |   |  |  |   |
| 13                 |   |  |  |   |
| 14                 |   |  |  |   |



Part V Facility Information

| Name and address   | Licensed Hospital | General medical and surgical | Children's hospital | Teaching hospital | Critical access hospital | Research facility | ER-24 hours | ER-other | Other (describe) |
|--|-------------------|------------------------------|---------------------|-------------------|--------------------------|-------------------|-------------|----------|------------------|
| MCCREADY FOUNDATION INC<br>201 HALL HIGHWAY<br>CRISFIELD, MD 21817 | X                 | X                            |                     |                   |                          |                   | X           |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |
|  |                   |                              |                     |                   |                          |                   |             |          |                  |

**Part VI** Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Pt I Line 3c N/A

Pt III Line 4 BAD DEBTS ARE REPORTED AT COST USING THE RATIO OF PATIENT CARE COST TO CHARGES AS DETERMINED USING IRS FORM 990, SCHEDULE H, WORKSHEET 2. THE AMOUNT OF BAD DEBT ATTRIBUTABLE TO CHARITY CARE IS DETERMINED BY CALCULATING THE PERCENTAGE OF GROSS PATIENT CHARGES WRITTEN OFF FOR THE CHARITY ALLOWANCES MULTTIPLIED BY THE TOTAL BAD DEBT EXPENSE.

Pt III Line 8 THE COSTING METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS IS ACQUIRED FROM THE FILED MEDICARE COST REPORTS.

Pt III Line 9b IF AT ANY POINT IN THE COLLECTION PROCESS IT IS DETERMINED THAT A PATIENT MAY QUALIFY FOR FINANCIAL ASSISTANCE NO FURTHER ACTION WILL BE TAKEN UNTIL AN ELIGIBILITY DETERMINATION IS MADE.

Pt VI Line 2 MCCREADY'S STAFF MEMBERS MEET WITH LOCAL SCHOOLS AND HEALTH DEPARTMENTS REGULARLY TO DISCUSS HEALTH CARE NEEDS IN THE LOCAL COMMUNITY. IN 2005, THE MCCREADY FOUNDATION WAS INVOLVED WITH A CONSORTIUM OF AREA HEALTH CARE PROVIDERS WHICH INCLUDED ALL THREE AREA HOSPITALS (MCCREADY FOUNDATION,

See Schedule H (Form 990) - Part VI - Supplemental Information (Continuation Sheet)

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2009**

Open to Public Inspection

Name of the organization

MCCREADY FOUNDATION INC

Employer identification number

52-0607921

**Part I Questions Regarding Compensation**

|   | Yes       | No |
|---|-----------|----|
| <b>1a</b> 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"/> Travel for companions  |           |    |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments   |           |    |
| <input type="checkbox"/> Discretionary spending account   |           |    |
| <input type="checkbox"/> Housing allowance or residence for personal use  |           |    |
| <input type="checkbox"/> Payments for business use of personal residence  |           |    |
| <input type="checkbox"/> Health or social club dues or initiation fees  |           |    |
| <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)  |           |    |
| <b>b</b> If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain             | <b>1b</b> | X  |
| <b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?                       | <b>2</b>  | X  |
| <b>3</b> Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.   |           |    |
| <input type="checkbox"/> Compensation committee   |           |    |
| <input type="checkbox"/> Independent compensation consultant  |           |    |
| <input type="checkbox"/> Form 990 of other organizations  |           |    |
| <input type="checkbox"/> Written employment contract  |           |    |
| <input checked="" type="checkbox"/> Compensation survey or study  |           |    |
| <input checked="" type="checkbox"/> Approval by the board or compensation committee   |           |    |
| <b>4</b> 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:  |           |    |
| <b>a</b> Receive a severance payment or change-of-control payment?  | <b>4a</b> | X  |
| <b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?  | <b>4b</b> | X  |
| <b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?   | <b>4c</b> | X  |
| If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.   |           |    |
| <b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</b>  |           |    |
| <b>5</b> 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:   |           |    |
| <b>a</b> The organization?  | <b>5a</b> | X  |
| <b>b</b> Any related organization?  | <b>5b</b> | X  |
| If 'Yes' to line 5a or 5b, describe in Part III.  |           |    |
| <b>6</b> 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:   |           |    |
| <b>a</b> The organization?  | <b>6a</b> | X  |
| <b>b</b> Any related organization?  | <b>6b</b> | X  |
| If 'Yes' to line 6a or 6b, describe in Part III.  |           |    |
| <b>7</b> For person 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  | <b>7</b>  | X  |
| <b>8</b> 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 Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III              | <b>8</b>  | X  |
| If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?  | <b>9</b>  |    |

**BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2009

**Part III Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 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) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

| (A) Name                      | (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 in prior Form 990 or Form 990-EZ |
|-------------------------------|--|---------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|--|
|                               | (i) Base compensation                              | (ii) Bonus and incentive compensation | (iii) Other reportable compensation |  |                         |                                 |  |
| (i) NOEMIE SPINOLA SALANG     | 239,143  | 0                                     | 0                                   | 0  | 18,117                  | 257,260                         | 228,619  |
| (ii) NOEMIE SPINOLA SALANG    | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) SIDNEY BROWN BARNES III   | 250,099  | 500                                   | 0                                   | 0  | 5,251                   | 255,850                         | 265,530  |
| (ii) SIDNEY BROWN BARNES III  | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) VIJAYKOMAR KARUMBUNATHAN  | 236,930  | 0                                     | 0                                   | 0  | 18,117                  | 255,047                         | 254,431  |
| (ii) VIJAYKOMAR KARUMBUNATHAN | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) CHARLES F PINKERMAN       | 133,037  | 64,391                                | 0                                   | 0  | 13,447                  | 210,875                         | 190,500  |
| (ii) CHARLES F PINKERMAN      | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) MARYLYNNE EVERETT         | 281,687  | 0                                     | 0                                   | 0  | 2,614                   | 284,301                         | 294,505  |
| (ii) MARYLYNNE EVERETT        | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) JON ROBERT BEACHER        | 205,077  | 0                                     | 0                                   | 0  | 12,631                  | 217,708                         | 0  |
| (ii) JON ROBERT BEACHER       | 0  | 0                                     | 0                                   | 0  | 0                       | 0                               | 0  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (i) [Empty]                   | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |
| (ii) [Empty]                  | ---  | ---                                   | ---                                 | ---  | ---                     | ---                             | ---  |

**Part III Supplemental Information**

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

Pt I Line 1b BUSES ARE GROSSED UP. THERE IS NO WRITTEN POLICY REGARDING THIS PRACTICE.

Pt I Line 1b IT IS A TRADITIONAL POLICY TO QUOTE A SET AMOUNT AND GROSS IT UP SO THE

Pt I Line 1b PARTY WILL NET THE SAME AMOUNT.

Pt I Line 6a MR PINKERMAN'S BONUS IS BASED UPON 4% OF THE OPERATING PROFIT THAT IS OVER

Pt I Line 6a \$250,000.

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

Department of the Treasury  
Internal Revenue Service

**Transactions with Interested Persons**

► Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.  
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No. 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization

MCCREADY FOUNDATION INC

Employer identification number

52-0607921

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only).  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

| 1 | (a) Name of disqualified person | (b) Description of transaction | (c) Corrected? |    |
|---|---------------------------------|--------------------------------|----------------|----|
|   |                                 |                                | Yes            | No |
|   |                                 |                                |                |    |
|   |                                 |                                |                |    |
|   |                                 |                                |                |    |
|   |                                 |                                |                |    |

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ..... ► \$ \_\_\_\_\_
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ..... ► \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

| (a) Name of interested person and purpose | (b) Loan to or from the organization? |      | (c) Original principal amount | (d) Balance due | (e) In default? |    | (f) Approved by board or committee? |    | (g) Written agreement? |    |
|---|---------------------------------------|------|-------------------------------|-----------------|-----------------|----|-------------------------------------|----|------------------------|----|
|   | To                                    | From |                               |                 | Yes             | No | Yes                                 | No | Yes                    | No |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
|   |                                       |      |                               |                 |                 |    |                                     |    |                        |    |
| <b>Total</b> .....                        |                                       |      |                               | ► \$ _____      |                 |    |                                     |    |                        |    |

**Part III Grants or Assistance Benefiting Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount and type 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 |
| JAY TAWES                     | DIRECTOR  | 5,185.                       | TAWES INSURANCE PROVIDED A BUILDERS |   | X  |
|                               |   |                              |                                     |   |    |
|                               |   |                              |                                     |   |    |
|                               |   |                              |                                     |   |    |

**SCHEDULE O**  
**(Form 990)**

**Supplemental Information to Form 990**

OMB No. 1545-0047

**2009**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

MCCREADY FOUNDATION INC

Employer identification number

52-0607921

Pt VI-B, Line 11A THE BOARD REVIEWS THE 990 PRIOR TO FILING.

Pt VI-B, Line 12c ANY ISSUES WHICH COULD CAUSE A CONFLICT OF INTEREST

IS REVIEWED BY THE BOARD WITH THE EXCLUSION OF THE

AFFECTED PARTY.

Pt VI-C, Line 19 UPON REQUEST.

Pt XI, Line 2c THE BOARD OVERSEES THE AUDIT REVIEW PROCESS.

Schedule H (Form 990) - Part VI - Supplemental Information (continued)

**Schedule H (Form 990) - Part VI - Supplemental Information (Continuation Sheet)**

PENINSULA REGIONAL MEDICAL CENTER AND ATLANTIC GENERAL HOSPITAL), LOCAL HEALTH DEPARTMENTS, AS WELL AS AREA SCHOOLS AND OTHER AGENCIES. THE TEAM DEVELOPED A TRI-COUNTY SURVEY THAT WAS SENT TO LOWER SHORE RESIDENTS. THE RESULTS OF THIS SURVEY WERE USED TO IDENTIFY HEALTH CARE NEEDS IN THE TRI-COUNTY AREA (WICOMICO, WORCESTER AND SOMERSET) AND PROGRAMS WERE DEVELOPED IN RESPONSE TO THAT SURVEY. THE STUDY IDENTIFIED THE FOLLOWING MEDICAL CONDITIONS TO BE THE MOST PREVALENT IN THE COMMUNITY: DIABETES, HEARD AND LUNG DISEASE, CANCER, OBESITY AND METABOLIC SYNDROME. A 2009 SURVEY WAS CONDUCTED BY THE SAME STAKEHOLDERS PARTICIPATING IN THE 2005 STUDY TO ADDRESS ANY POTENTIALLY NEW AREAS OF CONCERN IN THE COMMUNITY. AS THE NEW FINDINGS DEVELOPED, MCCREADY'S MEDICAL AND NURSING STAFFS WORKED WITH THE FOUNDATION'S LEADERSHIP TO DETERMINE WHICH COMMUNITY NEEDS MCCREADY COULD HELP ADDRESS.

Pt VI Line 3 UNINSURED AND UNDERINSURED PATIENTS MEET WITH A FINANCIAL COUNSELOR BEFORE ADMISSION TO HELP THEM EITHER: 1) QUALIFY FOR GOVERNMENT PROGRAMS OR 2) FILL OUT THE ORGANIZATION'S FINANCIAL ASSISTANCE APPLICATION. ALL PATIENTS RECEIVE AN INFORMATIONAL SHEET UPON ADMISSION DETAILING THE HOSPITAL'S BILLING AND COLLECTION PRACTICES AND PROVIDING INFORMATION ON THE GOVERNMENTAL AND HOSPITAL FINANCIAL ASSISTANCE PROGRAMS. IN ADDITION, HOSPITAL COLLECTIONS PERSONNEL EXPLAIN AVAILABLE PROGRAMS TO PATIENTS WHEN CALLING THE PATIENTS ABOUT THEIR ACCOUNTS. ALSO, PATIENTS ARE SENT INFORMATION ABOUT AVAILABLE ASSISTANCE PROGRAMS WITH THEIR 4TH STATEMENTS AND WITH ALL FINAL NOTICES.

Pt VI Line 4 THE COMMUNITY SERVED IS LOCATED IN A RURAL AREA OF MARYLAND AND IS DESIGNATED AS MEDICALLY UNDERSERVED. THE COUNTY IN WHICH THE FACILITY OPERATES IS THE POOREST IN THE STATE AND HAS THE HIGHEST UNEMPLOYMENT RATE IN THE STATE OF MARYLAND.

Pt VI Line 5 SEVERAL STAFF MEMBERS PARTICIPATE IN DISASTER PREPAREDNESS PLANNING WITH OTHER HEALTHCARE AND EMERGENCY MANAGEMENT TO ENSURE THAT THE COMMUNITY'S HEALTHCARE NEEDS ARE PROTECTED IN THE EVENT OF A DISASTER. STAFF MEMBERS ALSO PARTICIPATE ON VARIOUS HEALTH COUNCILS DESIGNED TO EDUCATE, PREVENT AND ADDRESS HEALTH-RELATED ARTICLES FOR THE LOCAL NEWSPAPERS TO EDUCATE THE COMMUNITY ON CURRENT ISSUES.

Pt VI Line 6 NONE

Pt VI Line 7 N/A