

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)

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2012 calendar year, or tax year beginning **JUL 1, 2012** and ending **JUN 30, 2013**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Temple University Health System, Inc. Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 3509 N Broad Street 936 City, town, or post office, state, and ZIP code Philadelphia, PA 19140	D Employer identification number 23-2825881 E Telephone number 215-707-6133
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		G Gross receipts \$ 118,015,484.
J Website: ▶ www.temple.edu/tuhs		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1995 M State of legal domicile: PA

Part I Summary			
1 Briefly describe the organization's mission or most significant activities: <u>Our mission is to provide access to high quality health care to the community and academic setting.</u>			
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	14
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	389
	6	Total number of volunteers (estimate if necessary)	14
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
	7b	Net unrelated business taxable income from Form 990-T, line 34	0.
	Revenue		
		Current Year	
8		Contributions and grants (Part VIII, line 1h)	12,156,922.
9		Program service revenue (Part VIII, line 2g)	27,251,662.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	60,680,760.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	8,238,650.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	20,918,862.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,770,421.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	83,698,195.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	118,015,484.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	20,552,789.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 865,682.	20,912,667.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	0.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	22,172,063.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	26,508,116.
			0.
			0.
			0.
20	Total assets (Part X, line 16)	48,510,488.	
21	Total liabilities (Part X, line 26)	63,309,241.	
22	Net assets or fund balances. Subtract line 21 from line 20	91,235,340.	
		110,730,024.	
		-7,537,145.	
		7,285,460.	
		Beginning of Current Year	
		End of Year	
		329,705,034.	
		667,612,531.	
		311,038,946.	
		643,601,183.	
		18,666,088.	
		24,011,348.	

Part II Signature Block				
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here ▶ <u>Robert H. Lux</u> Signature of officer	Date <u>5-12-2014</u>			
▶ <u>Robert H. Lux, Vice President and CFO</u> Type or print name and title				
Paid Preparer Use Only Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶		Firm's EIN ▶		
Firm's address ▶		Phone no.		

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III []

1 Briefly describe the organization's mission: Our mission is to provide access to high quality health care to the community and academic setting.

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 [X] No

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

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

4a (Code:) (Expenses \$ 20,912,667. including grants of \$ 20,912,667.) (Revenue \$ 67,074,539.) Pursuant to its Articles of Incorporation, Temple University Health System (TUHS) serves as the sole member of the corporate Affiliates that own and operate hospitals and other health care service providers. Through its Affiliates, TUHS: (1) provides access to sites and programs for clinical training for the Temple University School of Medicine (TUSM) and otherwise supports the academic mission of TUSM; (2) provides access to medical and surgical aid to the sick and disabled persons without regard to race, creed, color, sex, or national origin; and (3) supports such educational, philanthropic, and scientific (including research) activities as are part of an efficient modern health care system as part of an academic medical center.

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

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

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 20,912,667.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical input fields. Contains questions about Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 990, Form 1041, Form 720, and Form 702.

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

Check if Schedule O contains a response to any question in this Part VI X

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	15	
b	Enter the number of voting members included in line 1a, above, who are independent	14	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6	Did the organization have members or stockholders?	6	X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	8a	X
b	Each committee with authority to act on behalf of the governing body?	8b	X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

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

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

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **PA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Joseph G. Klos - 215-707-4884**
2450 W Hunting Park Ave, Philadelphia, PA 19129

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

Check if Schedule O contains a response to any question in this Part VII

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Jane Scaccetti Chair	3.00 4.00	X		X				0.	0.	0.
(2) Clark S. Frame Vice Chair	2.00 2.00	X		X				0.	0.	0.
(3) Larry Kaiser, MD President & CEO	15.00 35.00	X		X				0.	1,504,576.	20,624.
(4) Edward Glickman Director	2.00 2.00	X						0.	0.	0.
(5) Theodore Z. Davis Director	2.00 2.00	X						0.	0.	0.
(6) Lewis Katz Director	2.00 2.00	X						0.	0.	0.
(7) David Marshall Director	2.00 2.00	X						0.	0.	0.
(8) Robert H. LeFever Director	2.00 2.00	X						0.	0.	0.
(9) Ronald Donatucci Director	2.00 2.00	X						0.	0.	0.
(10) Lewis Gould Director	2.00 6.00	X						0.	0.	0.
(11) Lon R. Greenberg Director	1.00 4.00	X						0.	0.	0.
(12) Dr. Soloman Luo Director	2.00 4.00	X						0.	0.	0.
(13) Daniel Polett Director	2.00 2.00	X						0.	0.	0.
(14) Dr. Richard Englert Former	2.00 48.00	X						0.	502,085.	72,210.
(15) Patrick J. O'Connor Ex Officio - Voting	2.00 4.00	X						0.	0.	0.
(16) Neil Theobald Ex Officio - Voting	2.00 2.00	X						0.	0.	0.
(17) Verdi DiSesa, MD Chief Operating Officer	10.00 40.00			X				0.	820,873.	44,901.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Beth C. Koob Secretary	32.00 18.00			X				528,081.	0.	88,175.
(19) George E. Moore Asst. Secretary	2.00 48.00			X				0.	464,614.	72,210.
(20) Betty McAdams Asst. Secretary	38.00 12.00			X				80,588.	0.	22,822.
(21) Robert H. Lux Treasurer	38.00 12.00			X				604,747.	0.	129,704.
(22) Joseph G. Klos Asst. Treasurer	48.00 2.00			X				237,613.	0.	61,633.
(23) Drew Maser Asst. Treasurer	50.00 0.00			X				110,353.	0.	50,263.
(24) Herb White Asst. Treasurer	46.00 4.00			X				264,819.	0.	71,555.
(25) David Kamowski Chief Information Officer	50.00 0.00				X			460,138.	0.	39,523.
(26) Alan Rosenberg Chief of Staff	50.00 0.00				X			378,809.	0.	90,118.
1b Sub-total								2,665,148.	3,292,148.	763,738.
c Total from continuation sheets to Part VII, Section A								1,636,179.	0.	386,070.
d Total (add lines 1b and 1c)								4,301,327.	3,292,148.	1,149,808.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **47**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Temple University, 400 Carnell Street, 1803 N Broad St, Philadelphia, PA 19121	Purchased Services	2,353,176.
Price Waterhouse Coopers LLP, 2 Commerce Square, 2001 Market Street, Philadelphia,	Consultant	785,139.
McCann & Geschke PC, 1800 John F Kennedy Bld, Suite 801, Philadelphia, PA 19103	Legal Counsel	715,047.
Post & Schell PC, 1600 JFK Blvd Four Penn Center, Philadelphia, PA 19103	Legal Counsel	703,312.
Marshall, Dennehey, Warner, Coleman, & Gogg 2000 Market Street, Philadelphia, PA 19103	Legal Counsel	618,654.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **30**

See Part VII, Section A Continuation sheets

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	27,000,000.				
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	251,662.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			27,251,662.			
Program Service Revenue	2 a Related Org Svcs	Business Code	561000	66,728,638.	66,728,638.		
	b Parking		812930	239,420.	239,420.		
	c Population Health		621610	106,481.	106,481.		
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			67,074,539.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			20,918,862.		20,918,862.
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		(i) Real	2,761,524.				
		(ii) Personal					
		b Less: rental expenses	0.				
		c Rental income or (loss)	2,761,524.				
d Net rental income or (loss)				2,761,524.		2,761,524.	
7 a Gross amount from sales of assets other than inventory		(i) Securities					
		(ii) Other					
		b Less: cost or other basis and sales expenses					
		c Gain or (loss)					
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11 a Misc Income		900099	8,897.			8,897.	
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d			8,897.			
12 Total revenue. See instructions.			118,015,484.	67,074,539.	0.	23,689,283.	

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	20,912,667.	20,912,667.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,848,270.		3,848,270.	
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	16,930,395.		16,930,395.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,479,459.		1,479,459.	
9 Other employee benefits	2,544,752.		2,544,752.	
10 Payroll taxes	1,705,240.		1,705,240.	
11 Fees for services (non-employees):				
a Management	712,881.		712,881.	
b Legal	500,000.		500,000.	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	17,064,640.		16,278,111.	786,529.
12 Advertising and promotion	197,555.		120,989.	76,566.
13 Office expenses	3,270,987.		3,270,987.	
14 Information technology				
15 Royalties	6,881,234.		6,878,647.	2,587.
16 Occupancy	115,948.		115,948.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	27,544,704.		27,544,704.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	7,016,870.		7,016,870.	
23 Insurance	4,422.		4,422.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a _____				
b _____				
c _____				
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	110,730,024.	20,912,667.	88,951,675.	865,682.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	56,931,140.	2	42,326,209.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	15,342,543.	4	17,521,964.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net	122,984,069.	7	342,320,880.
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	2,614,113.	9	3,957,431.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 82,099,506.		
	b	Less: accumulated depreciation	10b 43,303,952.	39,267,732.	10c 38,795,554.
	11	Investments - publicly traded securities		11	15,508,797.
	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	92,565,437.	15	207,181,696.
16	Total assets. Add lines 1 through 15 (must equal line 34)	329,705,034.	16	667,612,531.	
Liabilities	17	Accounts payable and accrued expenses	76,144,442.	17	55,122,086.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	210,755,978.	20	519,462,632.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	7,547,472.
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	24,138,526.	25	61,468,993.
	26	Total liabilities. Add lines 17 through 25	311,038,946.	26	643,601,183.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	18,664,797.	27	24,006,057.
	28	Temporarily restricted net assets	1,291.	28	5,291.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	18,666,088.	33	24,011,348.	
34	Total liabilities and net assets/fund balances	329,705,034.	34	667,612,531.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	118,015,484.
2	Total expenses (must equal Part IX, column (A), line 25)	2	110,730,024.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,285,460.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	18,666,088.
5	Net unrealized gains (losses) on investments	5	-1,940,200.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	24,011,348.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

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

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

Name of the organization

Temple University Health System, Inc.

Employer identification number

23-2825881

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

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

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		<input checked="" type="checkbox"/>
(ii) A family member of a person described in (i) above?		<input checked="" type="checkbox"/>
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		<input checked="" type="checkbox"/>
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Temple Health Trans	75-3084023	9		<input checked="" type="checkbox"/>					2,291,667.
Temple Physicians Institute	123-2790607	9		<input checked="" type="checkbox"/>					16,221,000.
for Cancer R	23-6296135	4		<input checked="" type="checkbox"/>					2,400,000.
Total	3								20,912,667.

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

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge ...						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...						
9 Net income from unrelated business activities, whether or not the business is regularly carried on ...						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 33 1/3% support test - 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10% -facts-and-circumstances test - 2011. 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"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

- 19a **33 1/3% support tests - 2012.** 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 - 2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2012

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

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

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

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

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

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

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

Name of organization Temple University Health System, Inc.	Employer identification number 23-2825881
--	---

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

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

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2 a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		329,296.
j Total. Add lines 1c through 1i			329,296.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Part II-B, Line 1, Lobbying Activities:

Direct Lobbying Expenditures in Professional Fees were \$264,604;

Indirect Lobbying Expenditures incurred through dues and memberships

were \$64,692.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

Temple University Health System, Inc.

Employer identification number

23-2825881

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 property and grant fund usage.

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply). 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution... 3 Number of conservation easements modified... 4 Number of states where property subject to conservation easement is located... 5 Does the organization have a written policy regarding the periodic monitoring... 6 Staff and volunteer hours devoted to monitoring... 7 Amount of expenses incurred in monitoring... 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement...

Table with 2 columns: Question, Held at the End of the Tax Year. Rows 2a, 2b, 2c, 2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1 (ii) Assets included in Form 990, Part X 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenues included in Form 990, Part VIII, line 1 b Assets included in Form 990, Part X

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

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

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Temporarily restricted endowment _____ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		8,635.		8,635.
b Buildings				
c Leasehold improvements		23,616,966.	8,216,976.	15,399,990.
d Equipment		58,109,025.	35,086,976.	23,022,049.
e Other		364,880.		364,880.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				38,795,554.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Assets Limited as to Use	161,792,760.
(2) Investment in Temple University Health System Insurance Company, Ltd.	14,214,797.
(3) Other Assets	36,544.
(4) Self Insurance Assets held by Temple University	28,238,605.
(5) Underwriters Discount	2,898,990.
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
1. (1) Federal income taxes	
(2) PA UC Liabilities LTC	625,583.
(3) Other Liabilities Misc	1,629,707.
(4) Self Insurance Claims TU Wkcomp	28,846,541.
(5) Asset Retirement Obligation	270,238.
(6) Due to Affiliates	30,096,924.
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIII Supplemental Information

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

232054
12-10-12

2012

Open to Public Inspection

SCHEDULE I (Form 990)
 Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

Employer identification number
 23-2825881

Name of the organization

Temple University Health System, Inc.

Part I General information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any Grants and Other Assistance to Governments and Organizations in the United States. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Temple Health Transport Team, Inc. 3509 N Broad Street Room 939 Philadelphia, PA 19140	75-3084023		2,291,667.	0.			General support
Temple Physicians, Inc. 3509 N Broad Street Room 939 Philadelphia, PA 19140	23-2790607		16,221,000.	0.			General support
Institute for Cancer Research 3509 N Broad Street Room 939 Philadelphia, PA 19140	23-6296135		2,400,000.	0.			Research support & investment

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

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

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

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

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

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Schedule I, Part I, Line 2:
 Grants were made only for tax-exempt purposes to related organizations under common control. Grants are subject to review by the governing bodies and management of the related organizations and the organization which is their common parent.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

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

2012

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

Open to Public Inspection

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

Temple University Health System, Inc.

Employer identification number

23-2825881

Part I Questions Regarding Compensation

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

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

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

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

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

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

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

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

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

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

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

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

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

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

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

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

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

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

Schedule J (Form 990) 2012

Schedule J (Form 990) 2012 **Temple University Health System, Inc.** 23-2825881

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Larry Kaiser, MD President & CEO	0.	0.	0.	0.	0.	0.	0.
(ii)	1,384,709.	100,000.	19,867.	0.	20,624.	1,525,200.	0.
(2) Dr. Richard Englert Former	0.	0.	0.	0.	0.	0.	0.
(ii)	431,983.	50,000.	20,102.	0.	72,210.	574,295.	0.
(3) Verdi DiSesa, MD Chief Operating Officer	0.	0.	0.	0.	0.	0.	0.
(ii)	745,873.	0.	75,000.	0.	44,901.	865,774.	0.
(4) Beth C. Koob Secretary	0.	0.	0.	33,212.	54,963.	616,256.	0.
(ii)	401,883.	99,096.	27,102.	0.	0.	0.	0.
(5) George E. Moore Asst. Secretary	0.	0.	0.	0.	0.	0.	0.
(ii)	420,407.	40,000.	4,207.	0.	72,210.	536,824.	0.
(6) Robert H. Lux Treasurer	0.	0.	0.	52,995.	76,709.	734,451.	0.
(ii)	444,107.	136,573.	24,067.	0.	0.	0.	0.
(7) Joseph G. Klos Asst. Treasurer	226,826.	10,787.	0.	26,755.	34,878.	299,246.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Drew Maser Asst. Treasurer	103,947.	5,473.	933.	15,988.	34,275.	160,616.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Herb White Asst. Treasurer	251,943.	12,876.	0.	27,546.	44,009.	336,374.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(10) David Kamowski Chief Information Officer	353,545.	90,000.	16,593.	10,066.	29,457.	499,661.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(11) Alan Rosenberg Chief of Staff	313,733.	33,312.	31,764.	33,212.	56,906.	468,927.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(12) Paula Stillman VP Integration	296,268.	30,000.	0.	11,250.	28,341.	365,859.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(13) Adam Edelson Business Development	195,708.	10,227.	100.	9,261.	26,946.	242,242.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(14) Paul Neimeyer Legal	210,505.	10,609.	0.	22,788.	30,429.	274,331.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(15) Kenneth Chadwick AVP Real Estate Services	207,183.	10,708.	1,430.	23,034.	41,152.	283,507.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
(16) John O'Donnell Legal	201,287.	10,348.	763.	22,106.	40,655.	275,159.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.

Part III Supplemental Information

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

Area with horizontal lines for supplemental information.

SCHEDULE K (Form 990)
 Department of the Treasury
 Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds (Form 990)
 Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
 Attach to Form 990. See separate instructions.

Name of the organization: **Temple University Health System, Inc.**
 Employer identification number: **23-2825881**

Part I Bond Issues See Part VI for Column (f) Continuations

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Deceased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
Hospitals & Higher Ed Facility Auth of Phila	23-1929132717903C55		08/17/07	149,898,643.	Refunding of Series 97,99,03,0		X		X		X
Hospitals & Higher Ed Facility Auth of Phila	23-1929132717903D54		08/17/07	71,051,466.	Refunding of Series 97,99,03,0		X		X		X
Hospitals & Higher Ed Facility Auth of Phila	23-1929132717903J25		07/01/20	309,132,330.	Refunding of 1993, Acq of Fox Chas		X		X		X

Part II Proceeds

	A		B		C		D
	Yes	No	Yes	No	Yes	No	
1 Amount of bonds retired							
2 Amount of bonds legally defeased							
3 Total proceeds of issue			149,898,643.	71,051,466.	309,132,330.		
4 Gross proceeds in reserve funds			11,583,006.	4,372,559.	28,409,239.		
5 Capitalized interest from proceeds							
6 Proceeds in refunding escrows			137,144,859.	65,803,583.	87,349,270.		
7 Issuance costs from proceeds			1,170,778.	875,324.	4,704,999.		
8 Credit enhancement from proceeds							
9 Working capital expenditures from proceeds							
10 Capital expenditures from proceeds					188,668,822.		
11 Other spent proceeds							
12 Other unspent proceeds							
13 Year of substantial completion	2007		2007				
14 Were the bonds issued as part of a current refunding issue?	X		X		X		
15 Were the bonds issued as part of an advance refunding issue?		X	X			X	
16 Has the final allocation of proceeds been made?	X		X		X		
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		

Part III Private Business Use

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

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?		X		X		X		
c Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?						X		
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	1.96	%	.50	%	1.00	%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	.00	%	.00	%	.00	%		%
6 Total of lines 4 and 5	1.96	%	.50	%	1.00	%		%
7 Does the bond issue meet the private security or payment test?	X		X		X			
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?	X		X		X			
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X			X

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Schedule K, Part I, Bond Issues:

(a) Issuer Name: Hospitals & Higher Ed Facility Auth of Phila
 (f) Description of Purpose: Refunding of Series 97,99,03,05

(a) Issuer Name: Hospitals & Higher Ed Facility Auth of Phila
 (f) Description of Purpose: Refunding of Series 97,99,03,05

(a) Issuer Name: Hospitals & Higher Ed Facility Auth of Phila
 (f) Description of Purpose: Refunding of 1993, Acq of Fox Chase, New Money Projects

SCHEDULE L (Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2012

Open To Public Inspection

Department of the Treasury Internal Revenue Service

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.

Name of the organization: Temple University Health System, Inc. Employer identification number: 23-2825881

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

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

Table with 5 columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

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

Part II Loans to and/or From Interested Persons.

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

Table with 10 columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization? (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Marc Polett	Son of Daniel Polet	67,856.	Employee at		X

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Marc Polett

(b) Relationship Between Interested Person and Organization:

Son of Daniel Polett - Director at TUHS

(c) Amount of Transaction \$ 67,856.

(d) Description of Transaction: Employee at TUHS

(e) Sharing of Organization Revenues? = No

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2012

Open to Public
Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization

Temple University Health System, Inc.

Employer identification number
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Form 990, Part VI, Section A, line 1: Pursuant to the organization's bylaws, the Executive Committee consists of at least five (5) Directors including the Chair, the Vice-Chair and the Chief Executive Officer of the organization. The Executive Committee is authorized to act for the Board between its regular meetings.

Form 990, Part VI, Section A, line 6: The sole member of the organization is Temple University - Of The Commonwealth System of Higher Education. The member has the power to appoint and remove the organizations Board of Directors. The approval of the member is required for any of the following actions by the organization, (a) any dissolution or liquidation, (b) any merger, (c) any amendments to the articles of incorporation, (d) any amendments to the bylaws regarding the member, the number of directors, quorum or voting requirements, (e) the sale, pledge, lease (but only a lease from the organization of substantially all of the organizations real property), or transfer of the assets of the organization other than transactions occurring in the ordinary course of business, (f) any decision resulting in the organizations ceasing to provide appropriate sites for Temple University School of Medicine for comprehensive tertiary acute care services through the organization or related organizations (g) any decision to merge with, acquire, or enter into an affiliation with medical schools or medical school hospitals other than the Universitys (h) the deletion of any clinical programs that are needed for the accreditation of Temple University School of Medicine (i) the adoption of the organizations annual capital and operating budgets (j) the issuance or assumption of any indebtedness in excess of two million five hundred thousand (\$2,500,000)

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and (k) the execution of any contract providing for the management of the organization.

Form 990, Part VI, Section A, line 7a: Please refer to the response for question 6

Form 990, Part VI, Section A, line 7b: Please refer to the response for question 6

Form 990, Part VI, Section B, line 11: After review by management and outside tax counsel, the 990 and 990T (if any) are posted to the website of the Secretary's Office. Each Board member is contacted and provided with the web address. A Board member without internet access is provided a paper copy to review. The website and paper mailing have an overview of the 990 and 990T preparation process and internal reviews. Each Board member is asked to review the 990 and 990T within 2 weeks and contact the Chief Financial Officer with any questions.

Form 990, Part VI, Section B, Line 12c: The Office of the Secretary provides each director and officer with copies of the Conflict of Interest Policy and a disclosure statement to be completed on an annual basis. The Office of the Secretary reviews the completed disclosure statements which are then reviewed in summary format by a committee of the Board of Directors and any recommended actions are presented to the full Board of Directors. In addition to completing the annual disclosure statement, directors and officers must disclose potential or actual conflicts on an ongoing basis as matters arise. All disclosures are evaluated and a determination of whether a conflict exists is made by the Board or a

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committee of the Board.

Form 990, Part VI, Section B, Line 15: There is a compensation committee that reviews and approves all total compensation of executive / key personnel at Temple University Health System through an evaluation performed by an external compensation expert before the compensation is approved.

Form 990, Part VI, Section C, Line 19: The Unaudited Internal Financial Statements of the Temple University Health System and certain of its related organizations are distributed and made available to the public at the end of each quarter per the Systems Continuing Disclosure Agreement (Series of 2007 Bond Issue) through Digital Assurance Corp (DAC), the Municipal Services Reporting Boards EMMA disclosure site and the Health Systems financial web site. The Annual Audited Financial Statements are also released to the public in the same manner. To the extent required by applicable law, the organization makes its governing documents available to the public upon request.

COMMUNITY BENEFIT OVERVIEW

Temple University Health System, as the sole member of its affiliated hospitals and physician practices, provides access to facilities, programs, and other resources to carry out a broad array of community services. We take great pride in our comprehensive efforts to improve the health and quality of living in North Philadelphia and our Southeast Pennsylvania region.

Our services are especially important in the diverse, economically

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challenged neighborhoods surrounding Temple University Hospital, where about 84% of the patients served by Temple University Hospital are covered by government programs, including 31% by Medicare and 53% by Medicaid. We are an indispensable provider of health care in the largest city in America without a public hospital. Among Pennsylvania's full-service safety-net providers, Temple University Hospital serves the greatest volume and highest percentage of patients covered by Medicaid.

Temple University Hospital also serves as a critical access point for vital public health services. It is the only Level 1 Trauma Center in Southeast Pennsylvania with a Burn Unit. Its Episcopal Campus contains all of Temple's behavioral health services, including a psychiatric Crisis Response Center, a full-service Emergency Department, and a 21-bed medical telemetry unit.

Temple University Hospital also serves as a critical access point for vital public health services. Last year we handled more than 130,000 patients in our Emergency Department; 11,000 patients in our Crisis Response Center; 700 victims of gun and stab violence in our Trauma Unit; and more than 300 patients in our Burn Center. We also delivered about 3,100 babies, of whom nearly 90% were covered by Medicaid.

Temple University Hospital is in a federally designated urban Renewal Area and is located in a federally designated Medically Underserved Area. Its Episcopal Campus is located in a Federal Empowerment Zone. About 35% of individuals in Temple's primary service area live below the federal poverty level.

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Temple University Health system takes great pride in the broad array of services it provides to the community. Below is a summary of some of the programs and activities conducted this year to help advance the wellness and improve the quality of life in our communities.

PROVIDING CRITICAL SOCIAL RESOURCES. Temple connected about 15,000 people with community-based social services, including free transportation services, legal services, and clothing to destitute patients upon discharge, and free pharmaceuticals, co-pays and medical supplies that provide our most vulnerable patients with the resources they need to help them heal after discharge.

REACHING OUT TO THE COMMUNITY. Our hospitals reached more than 25,000 people, providing free health screenings; support groups for patients and families dealing with alcoholism, narcotics abuse, behavioral health disorders, cancer and other diseases; providing free immunization for flu in cooperation with the City Health Department; offering education on childbirth, mental health, burn prevention, diabetes care, stroke awareness, healthy diet and exercise, and other topics; and providing many other outreach activities. In collaboration with local food banks, public schools, and community organizations, we also conduct numerous food, new clothing, and school supply drives to benefit children and adults living in our impoverished neighborhoods.

CONNECTING PATIENTS WITH FINANCIAL RESOURCES. Temple employs 35 Financial Counselors dedicated to helping uninsured and under-insured patients obtain medical coverage. This team processes about 5,500

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applications annually.

COMBATTING GUN VIOLENCE. Philadelphia leads the nation's 10 largest cities in homicides per capita. Three police districts with the highest number of shootings fall within our footprint. Last year Temple treated more than 500 gunshot wound victims, the highest number in Pennsylvania. To address this epidemic, Temple's Cradle to Grave program works with at-risk youth to help break the cycle of gun violence. Cradle to Grave engaged 1,700 teens this year, and engaged more than 8,000 teens since the program began in 2006. Its Turning Point intervention program takes advantage of teachable moments that exist during the post-injury/pre-discharge period for survivors of violence.

PREVAILING UPON CANCER. In furtherance of its mission, the Fox Chase Cancer Center operates several comprehensive screening and education programs, including the following: (1) the Fox Chase Mobile Screening Unit is outfitted with state-of-the-art breast cancer screening equipment. In 2013, we provided skin and breast cancer screening to more than 3,800 people. (2) Through its Speakers Bureau, Fox Chase reached about 5,000 people, of whom 48% were educated in Spanish language. Topics included breast, cervical, ovarian, prostate, lung, and skin cancer. (3) Through its Resource and Education Center, Fox Chase staff provided about 3,800 patients, families, and community members with access to free cancer information and resources that address the cancer continuum. (4) Fox Chase also provides psychosocial supports through nine separate support groups.

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INVESTING IN HEALTH PROFESSIONS EDUCATION. Temple invests about \$65 million to provide the education and training necessary to develop a professional healthcare workforce to benefit the broader community. This includes part of the cost of training more than 500 residents and fellows in over 45 teaching programs. Our residents and fellows are involved in various efforts that directly impact the community, including our Cradle to Grave program, the Temple CAREs primary clinic, our HIV clinic, and other community outreach initiatives. The exposure that our Residents receive caring for our diverse, low-income community helps Temple address health disparities while developing our nation's future physicians. Our investment in health professions also includes part of the cost of operating the Northeastern School of Nursing RN Diploma Program, providing an affordable option for diverse, community members who would not otherwise be able to attend traditional collegiate programs.

INVESTING IN OUR HOSPITAL WORKFORCE. Temple University Hospital's Community Healthcare Workforce program provided comprehensive training and education to help frontline workers living in the community adapt and build skills to enable them to participate in a changing healthcare workplace. About half of the students are union members, and half from the general community, many of whom are laid-off workers and Welfare recipients.

IMMERSION IN SCIENCE HIGH SCHOOL PROGRAM. Fox Chase Cancer Center provided free education programming to diverse high school students from the target region. In total, 157 students from 47 Philadelphia schools participated. This program provides staged, comprehensive

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exposure of high school students to increase careers in science, and to provide direct instruction in basic lab practices and scientific thought. Summer salaries were provided to students in the Phase 3 segment of the program. In total eight (8) students were paid; 3 were awarded half-time fellowships (\$1125) and 5 received full-time fellowships (\$2250).

FOSTERING VOLUNTEERISM. Members of the Health system's Board of Directors are comprised of dedicated volunteers from diverse backgrounds who offer expertise and govern the organization without compensation. Similarly, our executive team routinely participates in not-for-profit community health and social service organizations, as volunteer members of their boards-of-directors, and as participants in their outreach services. In addition, our hospitals engages volunteer community members to help advance its healthcare mission. Through our chaplaincy, family support, and other programs, our volunteers touch more than 12,000 people annually, helping to advance healing through their compassionate services to patients and their families.

PROMOTING MULTI-CULTURAL SERVICES. With an annual investment of \$1.5 million, Temple University Hospital has 349 language-proficient staff, all who have been credentialed through the Linguistic and Cultural Services Department, including 10 full-time medical interpreters, 2 medical interpreters in leadership roles, 39 active dual-role interpreters, 61 language proficient physicians, 21 RNs, 1 social worker, and 215 other language proficient bi-lingual staff.

EMERGENCY PREPAREDNESS AND RESEARCH. With an investment of more than

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\$127,000.00, this program helps ensure our staff and hospital facilities are prepared to continue to provide safe, quality patient care even under the most austere conditions. We work on many levels, both inside and outside the Temple Health System, educating our communities about the importance of personal preparedness. Temple's Emergency Preparedness and Research Program is a critical link in the federal, state, and local disaster response plans.

AMERICAN RED CROSS BLOOD DRIVES. We help ensure that our nation has a safe and reliable blood supply. Temple hospitals helped collect about 700 pints of blood from employees, physicians and community members.

PHILADELPHIA "MOM" PROGRAM. Temple's nursing staff and social workers assist the City in enrolling the new mothers shortly after delivering their infant and prior to discharge. New mothers and their babies from birth through age 5 are connected with social, educational, and healthcare supports.

FUELING OUR REGION'S ECONOMIC ENGINE. The Health system employed about 8,400 people and paid about \$750 million in salaries and benefits. As a critical employer for North Philadelphia, about 22% of our employees live within its immediate and adjacent zip codes. For every \$1.00 of hospital employee compensation, about \$.92 additional compensation is spent elsewhere in the community (about \$690 million). For every job at Temple University Hospital, about 1.2 additional jobs are generated elsewhere (about 10,000 spin-off jobs).

REDUCING THE GOVERNMENT BURDEN. Temple's hospitals incurred about \$68

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million in net charity and under-reimbursed care expenses. In addition, Temple maintains strong affiliations with the City of Philadelphia, Federally Qualified Health Centers, and numerous community health organizations to help ensure access to care for our vulnerable population. We are also partnering with government on the following innovative programs to improve care delivery and reduce costs: (1) In partnership with CMS, the Albert Einstein Medical Center and the Philadelphia Corporation for Aging, our Community-based Care Transitions program will improve transitions of beneficiaries from the inpatient setting to other care settings, improve care quality, reduce readmissions for high-risk Medicare beneficiaries; (2) Temple's Episcopal Campus is participating in the "Extended Acute Care Pilot" with the City of Philadelphia and its contractor Community Behavioral Health to improve patient care and recovery, to reduce long-term behavioral health costs and integrate patients into community settings; (3) In collaboration with Temple University School of Social Policy, the American Health Information Community (AHIC) and Local 1199C Training and Upgrade Fund, we developed a program to certify Community Health Peer Coaches. This program trains community members to work with providers to help coordinate care, improve patient compliance, and encourage wellness; and (4) Agency for Healthcare Quality and Research-Reducing Readmissions in Medicaid. Along with two high-volume Medicaid Hospitals in Boston (Bay State in Springfield) and Texas (University Health System in San Antonio), as well as with the Pennsylvania Department of Public Welfare, Temple is assisting AHRQ in a project focused on implementing best practices for reducing readmission in hospitals serving a high volume of Medicaid patients.

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SUBSIDIZING CRITICAL HEALTH SERVICES. Temple University Hospital
 invested about \$20 million to subsidize critical health care services
 needed in our community. This includes support for our outpatient
 emergency, acute care and psychiatric services, as well as the
 inpatient psychiatric services on our Episcopal Campus. These physical
 and mental health services are critical to the health and welfare of
 our vulnerable communities.

Related Organizations and Unrelated Partnerships
 Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
 Attach to Form 990. See separate instructions.

SCHEDULE R
 (Form 990)
 Department of the Treasury
 Internal Revenue Service

Name of the organization: Temple University Health System, Inc. Employer identification number: 23-2825881

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 1712(b)(13) controlled entity?	
						Yes	No
Temple University Hospital, Inc. - 23-2825878, 3509 N Broad Street Room 936 or c/o Chief Legal Counsel, Philadelphia, PA	Health care	Pennsylvania	501(c)(3)	Line 3	Temple University Health System Inc		X
Jeanes Hospital - 23-2826045 3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 3	Temple University Health System Inc		X
Temple Physicians, Inc. - 23-2790607 3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 9	Temple University Health System Inc		X
Temple Health Transport Team, Inc. - 75-3084023, 3509 N Broad Street Room 936 or c/o Chief Legal Counsel, Philadelphia, PA	Health care	Pennsylvania	501(c)(3)	Line 9	Temple University Health System Inc		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule R (Form 990) 2012

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
Temple East, Inc. - 23-2547305							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 11a, I	Temple University Hospital		X
Temple University - 23-1365971							
300 Sullivan Hall 1330 W Berks St Philadelphia, PA 19140	Education	Pennsylvania	501(c)(3)	Line 2	n/a		X
Temple University Health System Foundation, Inc. - 23-2916108, 3509 N Broad Street Room 936 or c/o Chief Legal Counsel,	Health care	Pennsylvania	501(c)(3)	Line 11a, I	Temple University Hospital		X
Episcopal Hospital - 23-1365351							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 11a, I	Temple University Hospital		X
Temple East Real Estate, Inc. - 20-1776524							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 11a, I	Temple University Hospital		X
Jeanes Hospital Auxiliary - 23-1917776							
7600 Central Avenue Philadelphia, PA 19111	Health care	Pennsylvania	501(c)(3)	Line 9	Jeanes Hospital		X
American Oncologic Hospital - 23-1352156							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 3	Temple University Health System Inc		X
Institute for Cancer Research - 23-6296135							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Delaware	501(c)(3)	Line 4	American Oncologic Hospital		X
Fox Chase Cancer Center Medical Group - 45-4540585, 3509 N Broad Street Room 936 or c/o Chief Legal Counsel, Philadelphia, PA	Health care	Pennsylvania	501(c)(3)	Line 3	American Oncologic Hospital		X
Fox Chase Network, Inc. - 23-2467337							
3509 N Broad Street Room 936 or c/o Chief Le Philadelphia, PA 19140	Health care	Pennsylvania	501(c)(3)	Line 11b, II	American Oncologic Hospital		X

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
TUHS Insurance Company, Inc. 3509 N Broad Street Room 936 or c/o Chief Leg Philadelphia, PA 19140	Reinsurance	Bermuda	n/a				100.00%		X
Fox Chase Limited - 23-2396731 3509 N Broad Street Room 936 or c/o Chief Leg Philadelphia, PA 19140	Health care	PA	American Oncologic Hospital	C CORP			100.00%		X

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

- 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?
 - a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
 - b Gift, grant, or capital contribution to related organization(s)
 - c Gift, grant, or capital contribution from related organization(s)
 - d Loans or loan guarantees to or for related organization(s)
 - e Loans or loan guarantees by related organization(s)
 - f Dividends from related organization(s)
 - g Sale of assets to related organization(s)
 - h Purchase of assets from related organization(s)
 - i Exchange of assets with related organization(s)
 - j Lease of facilities, equipment, or other assets to related organization(s)
 - k Lease of facilities, equipment, or other assets from related organization(s)
 - l Performance of services or membership or fundraising solicitations for related organization(s)
 - m Performance of services or membership or fundraising solicitations by related organization(s)
 - n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
 - o Sharing of paid employees with related organization(s)
 - p Reimbursement paid to related organization(s) for expenses
 - q Reimbursement paid by related organization(s) for expenses
 - r Other transfer of cash or property to related organization(s)
 - s Other transfer of cash or property from related organization(s)

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved	Yes	No
(1) Temple University Hospital	C	20,000,000.		X	
(2) Jeanes Hospital	C	7,000,000.		X	
(3) Temple Health Transport Team	B	2,291,667.		X	
(4) Temple Physicians Inc.	B	16,221,000.		X	
(5) Temple University Hospital	L	53,604,686.		X	
(6) Jeanes Hospital	L	11,076,023.		X	

Temple University Health System, Inc.

Schedule R (Form 990)

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) Temple Transport Team	L	183,112.	
(8) Temple Physicians Inc.	L	1,864,818.	
(9) Institute for Cancer Research	B	2,400,000.	
(10) Temple University Hospital	A	11,795,321.	
(11) Jeanes Hospital	A	2,707,971.	
(12) American Oncologic Hospital	A	4,874,615.	
(13) Institute for Cancer Research	A	1,255,795.	
(14) Temple University Hospital	O	5,348,088.	
(15) Jeanes Hospital	O	358,769.	
(16) American Oncologic Hospital	O	284,760.	
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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

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

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

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

OMB No. 1545-0704

(Rev. December 2012)
Department of the Treasury
Internal Revenue Service

▶ For more information about Form 5471, see www.irs.gov/form5471.
Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1, 2012**, and ending **JUN 30, 2013**

Attachment
Sequence No. **121**

Name of person filing this return
Temple University Health System, Inc.
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address)
3509 N Broad Street, No. 936
City or town, state, and ZIP code
Philadelphia, PA 19140

A Identifying number
23-2825881

B Category of filer (See instructions. Check applicable box(es)):
1 (repealed) 2 3 4 5

C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period _____ %

Filer's tax year beginning **JUL 1, 2012**, and ending **JUN 30, 2013**

D Person(s) on whose behalf this information return is filed:

Stmt 1 (1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
Larry Kaiser	3509 N Broad Street Philadelp			X	X
Ron Jasner	3509 N Broad Street Philadelp			X	
Robert Lux	3509 N Broad Street Philadelp			X	X
Lisa Corbin	3509 N Broad Street Philadelp				X

Important: Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation
**TUHS Insurance Company LTD.
Aon House, 30 Woodbourne Ave, P.O. Box 2450
Hamilton FC
Bermuda**

b(1) Employer identification number, if any

b(2) Reference ID number (see instructions)
TUHC1998

c Country under whose laws incorporated
Bermuda

d Date of incorporation 06/26/98	e Principal place of business Bermuda	f Principal business activity code number 524150	g Principal business activity Reinsurance	h Functional currency U.S., Dollar
--	---	--	---	--

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States
**Aon Risk Services, Inc. of PA
1 Liberty Place, 1650 Market St.
Philadelphia PA 19103**

b If a U.S. income tax return was filed, enter:
(i) Taxable income or (loss) _____
(ii) U.S. income tax paid (after all credits) _____

c Name and address of foreign corporation's statutory or resident agent in country of incorporation Aon Insurance Managers (Bermuda)LTD Aon House, 30 Woodbourne Ave Hamilton HMJX BERMUDA	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different TUHS Insurance Company, Ltd. Aon House, 30 Woodbourne Ave Hamilton HMJX BERMUDA
--	--

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
Common	120,000	120,000

Schedule B U.S. Shareholders of Foreign Corporation

Table with 5 columns: (a) Name, address, and identifying number of shareholder; (b) Description of each class of stock held by shareholder; (c) Number of shares held at beginning of annual accounting period; (d) Number of shares held at end of annual accounting period; (e) Pro rata share of subpart F income (enter as a percentage). Includes entry for Temple University Health System, Inc. with 120,000 shares.

Schedule C Income Statement

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

Income Statement table with 3 columns: Description, Functional Currency, and U.S. Dollars. Rows include Income (Gross receipts, Cost of goods sold, etc.), Deductions (Compensation, Rents, etc.), and Net Income (Net income before extraordinary items, etc.). Total net income is reported as -1,261,749.

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1	U.S.			
2				
3				
4				
5				
6				
7				
8	Total			

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	417,788.	1,611,610.
2a	Trade notes and accounts receivable		
b	Less allowance for bad debts	()	()
3	Inventories		
4	Other current assets (attach statement) See Statement 5	9,543,822.	4,627,085.
5	Loans to shareholders and other related persons		
6	Investment in subsidiaries (attach statement)		
7	Other investments (attach statement) See Statement 6	43,720,731.	48,227,048.
8a	Buildings and other depreciable assets		
b	Less accumulated depreciation	()	()
9a	Depletable assets		
b	Less accumulated depletion	()	()
10	Land (net of any amortization)		
11	Intangible assets:		
a	Goodwill		
b	Organization costs		
c	Patents, trademarks, and other intangible assets		
d	Less accumulated amortization for lines 11a, b, and c	()	()
12	Other assets (attach statement) See Statement 7	8,500,000.	4,250,000.
13	Total assets	62,182,341.	58,715,743.
Liabilities and Shareholders' Equity			
14	Accounts payable	780,388.	0.
15	Other current liabilities (attach statement) See Statement 8	29,350,468.	23,730,332.
16	Loans from shareholders and other related persons		
17	Other liabilities (attach statement) See Statement 9	15,064,957.	20,770,615.
18	Capital stock:		
a	Preferred stock		
b	Common stock	120,000.	120,000.
19	Paid-in or capital surplus (attach reconciliation)	8,569,899.	8,569,899.
20	Retained earnings	8,296,629.	5,524,897.
21	Less cost of treasury stock	()	()
22	Total liabilities and shareholders' equity	62,182,341.	58,715,743.

Schedule G Other Information

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
If "Yes," see the instructions for required statement. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2 During the tax year, did the foreign corporation own an interest in any trust? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
If "Yes," you are generally required to attach Form 8858 for each entity (see instructions). | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4 During the tax year, was the foreign corporation a participant in any cost sharing arrangement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5 During the course of the tax year, did the foreign corporation become a participant in any cost sharing arrangement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6 During the tax year, did the foreign corporation participate in any reportable transaction as defined in Regulations section 1.6011-4?
If "Yes," attach Form(s) 8886 if required by Regulations section 1.6011-4(c)(3)(i)(G). | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7 During the tax year, did the foreign corporation pay or accrue any foreign tax that was disqualified for credit under section 901(m)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8 During the tax year, did the foreign corporation pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Schedule H Current Earnings and Profits

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account	1		-1,261,749.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):			
		Net Additions	Net Subtractions
a Capital gains or losses			
b Depreciation and amortization			
c Depletion			
d Investment or incentive allowance			
e Charges to statutory reserves			
f Inventory adjustments			
g Taxes			
h Other (attach statement) Statement 10		1,509,983.	
3 Total net additions		1,509,983.	
4 Total net subtractions			
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a		-2,771,732.
b DASTM gain or (loss) for foreign corporations that use DASTM	5b		
c Combine lines 5a and 5b	5c		-2,771,732.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations)	5d		-2,771,732.

Enter exchange rate used for line 5d ▶

Schedule I Summary of Shareholder's Income From Foreign Corporation

If item D on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This schedule I is being completed for:

Name of U.S. shareholder ▶ **Temple University Health System, Inc** Identifying number ▶ **23-2825881**

1 Subpart F income (line 38b, Worksheet A in the instructions)	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5 Factoring income	5	
6 Total of lines 1 through 5. Enter here and on your income tax return	6	
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income	8	

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| • Was any income of the foreign corporation blocked? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If the answer to either question is "Yes," attach an explanation. **Statement 11**

Form 5471 Person(s) on Whose Behalf this Statement 1
 Information Return is Filed

(1) Name	(2) Address	(3) Identifying Number	(4) Check Appli- cable Box(es)		
			Shr- hldr	Offi- -cer	Direc- -tor
George Moore	3509 N Broad Street Philadelp				X
Lisa Zimmaro	3509 N Broad Street Philadelp				X
Andromeda Ridgeway	3509 N Broad Street Philadelp				X
Beth C Koob	3509 N Broad Street Philadelp				X

Form 5471 Amount and Type of Indebtedness of Foreign Statement 2
 Corporation to the Related Persons Described
 in Regulations Section 1.6046-1(b)(11)

Description	Amount
No Debt	

Form 5471 Name, Address, Identifying Number and Number of Statement 3
 Shares Subscribed to by Each Subscriber to
 the Stock of the Foreign Corporation

Name and Address	Identifying Number	Number of Shares
There are no outstanding subscriptions to the stock of TUHS Insurance Company, Ltd. Bermuda		

Form 5471 Other Deductions Statement 4

Description	Functional Currency	Exchange Rate	U.S. Dollar
Losses and loss adjustment expenses			18,665,078.
Acquisition Costs			134,500.
General & Administrative Expenses			101,936.
Total to 5471, Schedule C, line 16			18,901,514.

Form 5471 Other Current Assets Statement 5

Description	Beg. of Annual Accounting Period	End of Annual Accounting Period
Accrued Investment Income	344,548.	363,830.
Prepaid Expenses	7,336.	7,310.
Reinsurance balance receivable	8,500,000.	4,250,000.
Pending trades receivable	691,938.	0.
Insurance balances receivable	0.	5,945.
Total to 5471, Page 3, Schedule F, line 4	9,543,822.	4,627,085.

Form 5471 Other Investments Statement 6

Description	Beg. of Annual Accounting Period	End of Annual Accounting Period
United States Treasury Notes	27,930,537.	31,934,231.
Corporate debt securities	10,949,961.	12,829,348.
Mortgage backed securities	4,840,233.	3,463,469.
Total to 5471, Page 3, Schedule F, line 7	43,720,731.	48,227,048.

Form 5471	Other Assets	Statement	7
Description		Beg. of Annual Accounting Period	End of Annual Accounting Period
Deferred reinsurance premium		8,500,000.	4,250,000.
Total to 5471, Page 3, Schedule F, line 12		8,500,000.	4,250,000.

Form 5471	Other Current Liabilities	Statement	8
Description		Beg. of Annual Accounting Period	End of Annual Accounting Period
Losses and loss adjustment expenses		12,245,911.	15,201,356.
Accrued expenses		33,217.	28,976.
Reinsurance balances payable		8,571,340.	4,250,000.
Unearned premium		8,500,000.	4,250,000.
Total to 5471, Page 3, Schedule F, line 15		29,350,468.	23,730,332.

Form 5471	Other Liabilities	Statement	9
Description		Beg. of Annual Accounting Period	End of Annual Accounting Period
Losses and loss adjustment expenses		15,064,957.	20,770,615.
Total to 5471, Page 3, Schedule F, line 17		15,064,957.	20,770,615.

Form 5471	Other Net Adjustments	Statement	10
Description		Net Additions	Net Subtractions
Net change unreal g/l on invest			1,509,983.
Total to 5471, Page 4, Schedule H, line 2h			1,509,983.

Form 5471

Explanation of Blocked or Unblocked
Income of Foreign Corporation

Statement 11

In accordance with Internal Revenue Code sections 951(a), 952(a)(1), and 953(a), TUHS Insurance Company, Ltd. does not recognize its related party insurance income as Subpart F income for tax purposes. However, in accordance with generally accepted accounting principles, insurance premiums recieved are recognized as insurance revenues on TUHS Insurance Company's audited financial statements.

Foreign Corporation TUHS Insurance Company LTD.

Schedule I Shareholder's Income From Foreign Corporation

Name of shareholder described in Category 5	Identifying number
Temple University Health System, Inc.	

Shareholder's income from foreign corporation

1 Subpart F income	1	
2 Earnings invested in U.S. property	2	
3 Previously excluded subpart F income withdrawn from qualified investments	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets	4	
5 Factoring income	5	
6 Total of lines 1 through 5	6	
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income	8	

**SCHEDULE J
(Form 5471)**

(Rev. December 2012)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

▶ Information about Schedule J (Form 5471) and its instructions is at www.irs.gov/form5471.
▶ Attach to Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

Temple University Health System, Inc.

Name of foreign corporation

Identifying number

23-2825881

Reference ID number

TUHIC1998

EIN (if any)

00-0000000

TUHS Insurance Company LTD.

(c) Previously Taxed E&P
(sections 959(c)(1) and (2) balances)

(i) Earnings Invested
in U.S. Property

(ii) Earnings Invested in
Excess Passive Assets

(iii) Subpart F Income

(d) Total Section
964(a) E&P
(combine columns
(a), (b), and (c))

	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (sections 959(c)(1) and (2) balances)	(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets
				(iii) Subpart F Income
1 Balance at beginning of year	8,296,629.			
2a Current year E&P				
b Current year deficit in E&P	2,771,732.			
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	5,524,897.			
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year				
5a Actual distributions or reclassifications of previously taxed E&P				
b Actual distributions of nonpreviously taxed E&P				
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)	5,524,897.			
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)				
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	5,524,897.			8,296,629.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 12-2012)

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Information about Schedule M (Form 5471) and its instructions is at www.irs.gov/form5471.
► Attach to Form 5471.

Name of person filing Form 5471		Identifying number
Temple University Health System, Inc.		23-2825881
Name of foreign corporation	EIN (if any)	Reference ID number
TUHS Insurance Company LTD.	00-0000000	TUHC1998

Important: Complete a *separate* Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► **U.S., Dollar**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory) ...					
2 Sales of tangible property other than stock in trade					
3 Sales of property rights (patents, trademarks, etc.)					
4 Platform contribution transaction payments received					
5 Cost sharing transaction payments received					
6 Compensation received for technical, managerial, engineering, construction, or like services					
7 Commissions received					
8 Rents, royalties, and license fees received					
9 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income)					
10 Interest received					
11 Premiums received for insurance or reinsurance	16,530,724.				
12 Add lines 1 through 11	16,530,724.				
13 Purchases of stock in trade (inventory)					
14 Purchases of tangible property other than stock in trade					
15 Purchases of property rights (patents, trademarks, etc.)					
16 Platform contribution transaction payments paid					
17 Cost sharing transaction payments paid					
18 Compensation paid for technical, managerial, engineering, construction, or like services					
19 Commissions paid					
20 Rents, royalties, and license fees paid					
21 Dividends paid					
22 Interest paid					
23 Premiums paid for insurance or reinsurance					
24 Add lines 13 through 23					
25 Amounts borrowed (enter the maximum loan balance during the year) - see instr.					
26 Amounts loaned (enter the maximum loan balance during the year) - see instr.					

Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of its Stock

OMB No. 1545-0704

Information about Schedule O (Form 5471) and its instructions is at www.irs.gov/form5471
▶ Attach to Form 5471.

Name of person filing Form 5471		Identifying number
Temple University Health System, Inc.		23-2825881
Name of foreign corporation	EIN (if any)	Reference ID number
TUHS Insurance Company LTD.	00-0000000	TUHIC1998

Important: Complete a separate Schedule O for each foreign corporation for which information must be reported.

Part I To Be Completed by U.S. Officers and Directors				
(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

Part II To Be Completed by U.S. Shareholders
Note: If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

Section A - General Shareholder Information				
(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
Temple University Health System 3509 N Broad Street Philadelphia PA 19140	990	05/15/14	E-FILED	05/15/13

Section B - U.S. Persons Who Are Officers or Directors of the Foreign Corporation				
(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director
Larry Kaiser	3509 N Broad Street Philadelphia PA 19140		X	X
Ronald Jasner	3509 N Broad Street Philadelphia PA 19140		X	
Robert Lux	3509 N Broad Street Philadelphia PA 19140		X	X

Section C - Acquisition of Stock						
(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

Section D - Disposition of Stock

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

Section E - Organization or Reorganization of Foreign Corporation

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

Section F - Additional Information

(a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

(b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►

(c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see instructions for an example).