

**CitizenAudit.org**

Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2006

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 2006 calendar year, or tax year beginning 01-01-2006 and ending 12-31-2006

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: CATHOLIC HEALTH SYSTEM, % James Dunlop Jr CPA, Number and street (or P O box if mail is not delivered to street address) Room/suite: 515 Abbott Road Suite 508, City or town, state or country, and ZIP + 4: Buffalo, NY 14220

D Employer identification number: 22-2565278, E Telephone number: (716) 828-3766, F Accounting method: [ ] Cash [x] Accrual [ ] Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Web site: www.CHSBuffalo.org

J Organization type (check only one): [x] 501(c)(3) (insert no) [ ] 4947(a)(1) or [ ] 527

K Check here [ ] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than 25,000

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? [ ] Yes [x] No. H(b) If "Yes" enter number of affiliates. H(c) Are all affiliates included? [ ] Yes [ ] No. H(d) Is this a separate return filed by an organization covered by a group ruling? [x] Yes [ ] No. I Group Exemption Number: 0928. M Check [x] if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 51,337,002

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with 21 rows for Revenue, Expenses, and Net Assets. Revenue section includes lines 1-12, Expenses section includes lines 13-17, and Net Assets section includes lines 18-21. Total revenue is 51,337,002 and total expenses is 51,337,002.

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions.)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b>	Grants paid from donor advised funds (attach Schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a 0	0		
<b>22b</b>	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b 0	0		
<b>23</b>	Specific assistance to individuals (attach schedule)	23 0	0		
<b>24</b>	Benefits paid to or for members (attach schedule)	24 0	0		
<b>25a</b>	Compensation of current officers, directors, key employees etc Listed in Part V-A (attach schedule)	25a 2,028,497	1,345,516	682,981	0
<b>b</b>	Compensation of former officers, directors, key employees etc listed in Part V-B (attach schedule)	25b 296,918	296,918	0	0
<b>c</b>	Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c 0	0	0	0
<b>26</b>	Salaries and wages of employees not included on lines 25a, b and c	26 24,576,312	24,397,941	178,371	0
<b>27</b>	Pension plan contributions not included on lines 25a, b and c	27 1,345,383	1,330,944	14,439	0
<b>28</b>	Employee benefits not included on lines 25a - 27	28 3,274,338	2,940,827	333,511	0
<b>29</b>	Payroll taxes	29 1,777,759	1,777,759	0	0
<b>30</b>	Professional fundraising fees	30 0	0	0	0
<b>31</b>	Accounting fees	31 619,154	619,154	0	0
<b>32</b>	Legal fees	32 569,495	336,746	232,749	0
<b>33</b>	Supplies	33 491,816	457,538	34,278	0
<b>34</b>	Telephone	34 145,452	144,218	1,234	0
<b>35</b>	Postage and shipping	35 62,628	38,766	23,862	0
<b>36</b>	Occupancy	36 783,300	645,182	138,118	0
<b>37</b>	Equipment rental and maintenance	37 106,028	105,066	962	0
<b>38</b>	Printing and publications	38 159,235	157,737	1,498	0
<b>39</b>	Travel	39 304,921	274,784	30,137	0
<b>40</b>	Conferences, conventions, and meetings	40 150,492	89,865	60,627	0
<b>41</b>	Interest	41 61,352	61,352	0	0
<b>42</b>	Depreciation, depletion, etc (attach schedule)	42 911,483	911,483	0	0
<b>43</b>	Other expenses not covered above (itemize)				
<b>a</b>	Recruiting	43a 439,767	439,767	0	0
<b>b</b>	Dues	43b 3,538,252	76,580	3,461,672	0
<b>c</b>	Public Relations	43c 62,295	62,295	0	0
<b>d</b>	Consulting Fees	43d 980,706	582,897	397,809	0
<b>e</b>	Miscellaneous Expenses	43e 1,614,056	860,927	753,129	0
<b>f</b>	Contracted Services	43f 6,633,722	6,311,414	322,308	0
<b>g</b>	Insurance	43g 403,641	403,641	0	0
<b>44</b>	<b>Total functional expenses.</b> Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 51,337,002	44,669,317	6,667,685	0

**Joint Costs.** Check  if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_, (ii) the amount allocated to Program services \$ \_\_\_\_\_, (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments (See the instructions.)**

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? <b>See Statement #4</b> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	<b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)
<b>a</b> Health Care Programs, General/Other Catholic Health System is a full-service health care delivery system dedicated to providing superior medical care to the community at each stage of life. Our Mission - Committed to a common mission, WNY's Catholic health providers continue the healing ministry of Jesus. Seeking to improve the health of individuals and communities, we provide high quality service that is holistic, compassionate and respectful of human dignity. Central to this endeavor is the service to those who are poor and disadvantaged. The 2006 Catholic Health System Community Service Report will be faxed under separate cover. (0 Unknown)  (Grants and allocations \$ 0 ) If this amount includes foreign grants, check here <input type="checkbox"/>	44,669,317
<b>b</b>  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>c</b>  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>d</b>  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>e</b> Other program services (attach schedule) (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . <input type="checkbox"/>	44,669,317

**Part IV Balance Sheets (See the instructions.)**

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		<b>(A)</b>		<b>(B)</b>	
		Beginning of year		End of year	
Assets	<b>45</b> Cash—non-interest-bearing . . . . .		159,748	<b>45</b>	416,324
	<b>46</b> Savings and temporary cash investments . . . . .		7,231,854	<b>46</b>	1,754,854
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>	0		
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>47b</b>	0	0	<b>47c</b> 0
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>	0		
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>48b</b>	0	0	<b>48c</b> 0
	<b>49</b> Grants receivable . . . . .		0	<b>49</b>	0
	<b>50a</b> Receivables from current and former officers, directors, trustees, and key employees (attach schedule) . . . . .		0	<b>50a</b>	0
	<b>b</b> Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule) . . . . .		0	<b>50b</b>	0
	<b>51a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>	0		
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>51b</b>	0	0	<b>51c</b> 0
	<b>52</b> Inventories for sale or use . . . . .		0	<b>52</b>	0
	<b>53</b> Prepaid expenses and deferred charges . . . . .		1,792,677	<b>53</b>	1,826,330
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	<b>54a</b>	0
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		2,445,412	<b>54b</b>	2,563,116
<b>55a</b> Investments—land, buildings, and equipment basis . . . . .	<b>55a</b>	0			
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>55b</b>	0	0	<b>55c</b> 0	
<b>56</b> Investments—other (attach schedule) . . . . .		0	<b>56</b>	0	
<b>57a</b> Land, buildings, and equipment basis . . . . .	<b>57a</b>	12,260,428			
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	2,215,699	5,260,205	<b>57c</b>	10,044,729
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> _____ )		20,977,000	<b>58</b>	24,056,172	
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .		37,866,896	<b>59</b>	40,661,525	
Liabilities	<b>60</b> Accounts payable and accrued expenses . . . . .		43,584,987	<b>60</b>	32,767,300
	<b>61</b> Grants payable . . . . .		0	<b>61</b>	0
	<b>62</b> Deferred revenue . . . . .		0	<b>62</b>	0
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		0	<b>63</b>	0
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .		0	<b>64a</b>	0
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		33,488	<b>64b</b>	8,941,867
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____ )		4,743,885	<b>65</b>	7,845,627
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .		48,362,360	<b>66</b>	49,554,794	
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74</b>				
	<b>67</b> Unrestricted . . . . .		-10,495,464	<b>67</b>	-8,893,269
	<b>68</b> Temporarily restricted . . . . .		0	<b>68</b>	0
	<b>69</b> Permanently restricted . . . . .		0	<b>69</b>	0
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74</b>				
	<b>70</b> Capital stock, trust principal, or current funds . . . . .			<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .			<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>72</b>	
	<b>73 Total net assets or fund balances</b> Add lines 67 through 69 <b>or</b> lines 70 through 72 (Column (A) <b>must</b> equal line 19 and column (B) <b>must</b> equal line 21) . . . . .		-10,495,464	<b>73</b>	-8,893,269
	<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .		37,866,896	<b>74</b>	40,661,525

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>a</b>	51,337,002
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12		
<b>1</b>	Net unrealized gains on investments . . . . .	<b>b1</b>	0
<b>2</b>	Donated services and use of facilities . . . . .	<b>b2</b>	0
<b>3</b>	Recoveries of prior year grants . . . . .	<b>b3</b>	0
<b>4</b>	Other (specify) _____	<b>b4</b>	0
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	0
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	51,337,002
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	0
<b>2</b>	Other (specify) _____	<b>d2</b>	0
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	0
<b>e</b>	<b>Total revenue</b> (Part I, line 12) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	51,337,002

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements . . . . .	<b>a</b>	51,337,002
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17		
<b>1</b>	Donated services and use of facilities . . . . .	<b>b1</b>	0
<b>2</b>	Prior year adjustments reported on Part I, line 20 . . . . .	<b>b2</b>	0
<b>3</b>	Losses reported on Part I, line 20 . . . . .	<b>b3</b>	0
<b>4</b>	Other (specify) _____	<b>b4</b>	0
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	0
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	51,337,002
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	0
<b>2</b>	Other (specify) _____	<b>d2</b>	0
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	0
<b>e</b>	<b>Total expenses</b> (Part I, line 17) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	51,337,002

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
See Additional Data Table				

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Yes No

- 75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . . . 23
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization"
d Does the organization have a written conflict of interest policy?

Table with 3 columns: Question ID (75a-d), Yes, No. Row 75b: Yes. Row 75c: No. Row 75d: Yes.

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation (If not paid enter -0-), (D) Contributions to employee benefit plans and deferred compensation plans, (E) Expense account and other allowances. Row 1: Thomas Briody, 2121 Main Street, Suite 300, Buffalo, NY 14214, 0, 296,918, 18,237, 0.

Part VI Other Information (See the instructions.)

Yes No

- 76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?
b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt
81a Enter direct or indirect political expenditures (See line 81 instructions)
b Did the organization file Form 1120-POL for this year?

Table with 3 columns: Question ID, Yes, No. Row 76: No. Row 77: No. Row 78a: No. Row 78b: No. Row 79: No. Row 80a: Yes. Row 81a: 0. Row 81b: No.

Part VI Other Information (continued)

Form with multiple sections (82a-91b) containing questions and answers regarding organizational activities, dues, and financial matters. Includes sub-sections like 85c-f and 89c-g.



**Part VI Other Information (continued)**

**c** At any time during the calendar year, did the organization maintain an office outside of the United States? **91c**  Yes  No

If "Yes," enter the name of the foreign country \_\_\_\_\_

**92** Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here  and enter the amount of tax-exempt interest received or accrued during the tax year **92** \_\_\_\_\_

**Part VII Analysis of Income-Producing Activities (See the instructions.)**

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue					
<b>a</b> Admin/Clinical Svcs-Related Entities		0		0	50,785,043
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>f</b> Medicare/Medicaid payments . . . . .					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings and temporary cash investments		0	14	59,667	0
<b>96</b> Dividends and interest from securities . . . . .		0	14	117,704	0
<b>97</b> Net rental income or (loss) from real estate					
<b>a</b> debt-financed property . . . . .					
<b>b</b> non debt-financed property . . . . .					
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income . . . . .					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue <b>a</b> Vendor Credits on Invoices		0	8	262,412	0
<b>b</b> Community Education Programs		0	8	112,176	0
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .		0		551,959	50,785,043
<b>105</b> Total (add line 104, columns (B), (D), and (E)) . . . . .					51,337,002

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93 a	Revenue generated from administrative and clinical services provided to related organizations. These exempt related organizations provide acute inpatient, outpatient, long-term care, home health care, primary, and rehabilitative care.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

**(a)** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**(b)** Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**NOTE:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI** **Information Regarding Transfers To and From Controlled Entities** *Complete only if the organization is a controlling organization as defined in section 512(b)(13)*

<b>106</b> Did the reporting organization <b>make</b> any transfers <b>to</b> a controlled entity as defined in section 512(b)(13) of the Code? if "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>107</b> Did the reporting organization <b>receive</b> any transfers <b>from</b> a controlled entity as defined in section 512(b)(13) of the Code? if "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>108</b> Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?	<b>Yes</b>	<b>No</b>

<b>Please Sign Here</b>	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.		
		2007-11-06	
	Signature of officer _____ Date		
	James Dunlop Jr VP Finance & Controller Type or print name and title		

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN (See Gen Inst W)
	Firm's name (or yours if self-employed), address, and ZIP + 4			EIN
				Phone no

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

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information—(See separate instructions.)**

**MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

**2006**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
CATHOLIC HEALTH SYSTEM

Employer identification number

22-2565278

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Lee Guterman MD 2121 Main Street Suite 300 Buffalo, NY 14214	MD Neurosciences 37 5	163,541	23,779	0
James Dunlop Jr CPA 2121 Main Street Suite 300 Buffalo, NY 14214	VP Finance/Controlle 37 5	210,343	32,016	0
C Anthony Lyons 2121 Main Street Suite 300 Buffalo, NY 14214	VP Compliance/A dmin 37 5	195,943	29,446	0
Lisa Cilano 2121 Main Street Suite 300 Buffalo, NY 14214	VP Finance/Revenue 37 5	188,970	29,501	0
Shae Peters 2121 Main Street Suite 300 Buffalo, NY 14214	VP Strategic Develop 37 5	176,223	27,361	0
Total number of other employees paid over \$50,000	151			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Pricewaterhouse Coopers LLP PO Box 7247-8001 Philadelphia, PA 191708001	Auditing/Consulting	398,968
Freed Maxick Battaglia PC Liberty Bldg Suite 800 424 Main Street Buffalo, NY 14202	Auditing/Consulting	137,889
Phillips Lytle LLP 3400 HSBC Center Buffalo, NY 14203	Legal	403,999
Pershing Yoakley Associates PO Box 111746 Knoxville, TN 37939	Consulting	117,307
CSC Consulting PO Box 905145 Charlotte, NC 282915145	Consulting	123,116
Total number of others receiving over \$50,000 for professional services	11	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None". See page 2 for instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Siemens Medical Solutions Department AT 40065 Atlanta, GA 311920065	Information Systems Support	4,357,162
Eastern Great Lakes Pathology PO Box 815 Niagara Falls, NY 14303	Pathology Services	859,500
Systems Personnel Inc 968 B Union Road Suite 3 West Seneca, NY 14224	Supplemental Staffing for IT	247,981
COMDOC Inc PO BOX 6434 Carol Stream, IL 601976434	Copy/Fax Equipment & Maintenance	374,440
GE Healthcare Services Inc PO Box 640944 Pittsburg, PA 152640944	Clinical Equipment Maintenance	2,416,956
Total number of other contractors receiving over \$50,000 for other services	21	

**Part III Statements About Activities** (See page 2 of the instructions.)**Yes No**

<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>754,121</u> (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B ) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities	<b>1</b>	Yes	
<b>2</b> During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) <b>a</b> Sale, exchange, or leasing property?	<b>2a</b>		No
<b>b</b> Lending of money or other extension of credit?	<b>2b</b>		No
<b>c</b> Furnishing of goods, services, or facilities?	<b>2c</b>		No
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	<b>2d</b>	Yes	
<b>e</b> Transfer of any part of its income or assets?	<b>2e</b>		No
<b>3a</b> Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments )	<b>3a</b>		No
<b>b</b> Did the organization have a section 403(b) annuity plan for its employees?	<b>3b</b>	Yes	
<b>c</b> Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	<b>3c</b>		No
<b>d</b> Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	<b>3d</b>		No
<b>4a</b> Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	<b>4a</b>		No
<b>b</b> Did the organization make any taxable distributions under section 4966?	<b>4b</b>		No
<b>c</b> Did the organization make a distribution to a donor, donor advisor, or related person?	<b>4c</b>		No
<b>d</b> Enter the total number of donor advised funds owned at the end of the tax year ▶ _____			
<b>e</b> Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ _____			
<b>f</b> Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ <u>0</u>			
<b>g</b> Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ <u>0</u>			

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box )

- 5**  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6**  A school Section 170(b)(1)(A)(ii) (Also complete Part V )
- 7**  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8**  A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9**  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶
- 10**  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a**  An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b**  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12**  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 charitable, etc , 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) (Also complete the **Support Schedule** in Part IV-A )
- 13**  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization

Type I     Type II     Type III - Functionally Integrated     Type III - Other

**Provide the following information about the supported organizations. (see page 7 of the instructions.)**

(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support?
			Yes	No	
<b>Total</b>					

- 14**  An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 of the instructions )

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12 ) **Use cash method of accounting.**

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28 )	0	0	0	0	0
<b>16</b> Membership fees received	45,969,624	42,193,351	52,185,899	46,583,864	186,932,738
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose	0	0	0	0	0
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	207,862	208,401	232,177	249,143	897,583
<b>19</b> Net income from unrelated business activities not included in line 18	0	0	0	0	0
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge	0	0	0	0	0
<b>22</b> Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	397,133	1,295,521	476,816	1,293,814	3,463,284
<b>23</b> Total of lines 15 through 22	46,574,619	43,697,273	52,894,892	48,126,821	191,293,605
<b>24</b> Line 23 minus line 17	46,574,619	43,697,273	52,894,892	48,126,821	191,293,605
<b>25</b> Enter 1% of line 23	465,746	436,973	528,949	481,268	

<b>26 Organizations described on lines 10 or 11:</b> <b>a</b> Enter 2% of amount in column (e), line 24	<b>26a</b>	
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a <b>Do not file this list with your return.</b> Enter the total of all these excess amounts	<b>26b</b>	
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)	<b>26c</b>	191,293,605
<b>d</b> Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____	<b>26d</b>	
<b>e</b> Public support (line 26c minus line 26d total)	<b>26e</b>	
<b>f</b> <b>Public support percentage (line 26e (numerator) divided by line 26c (denominator))</b>	<b>26f</b>	

**27 Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year

(2005)	0(2004)	0(2003)	0(2002)	0
--------	---------	---------	---------	---

**b** For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals ) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2005)	0(2004)	0(2003)	0(2002)	0
--------	---------	---------	---------	---

<b>c</b> Add Amounts from column (e) for lines 15 _____ 16 _____ 186,932,738 17 _____ 20 _____ 0 21 _____ 0	<b>27c</b>	186,932,738
<b>d</b> Add Line 27a total _____ 0 and line 27b total _____ 0	<b>27d</b>	0
<b>e</b> Public support (line 27c total minus line 27d total)	<b>27e</b>	186,932,738
<b>f</b> Total support for section 509(a)(2) test Enter amount from line 23, column (e)	<b>27f</b>	191,293,605
<b>g</b> <b>Public support percentage (line 27e (numerator) divided by line 27f (denominator))</b>	<b>27g</b>	97.72 %
<b>h</b> <b>Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</b>	<b>27h</b>	0.47 %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

**Part V Private School Questionnaire** (See page 7 of the instructions.)**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
<b>29</b>	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b>	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
<b>31</b>	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )   		
<b>32</b>	Does the organization maintain the following		
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?		
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b>	Copies of all material used by the organization or on its behalf to solicit contributions?  If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )  		
<b>33</b>	Does the organization discriminate by race in any way with respect to		
<b>a</b>	Students' rights or privileges?		
<b>b</b>	Admissions policies?		
<b>c</b>	Employment of faculty or administrative staff?		
<b>d</b>	Scholarships or other financial assistance?		
<b>e</b>	Educational policies?		
<b>f</b>	Use of facilities?		
<b>g</b>	Athletic programs?		
<b>h</b>	Other extracurricular activities?  If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )  		
<b>34a</b>	Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b>	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
<b>35</b>	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 10 of the instructions.)(To be completed **ONLY** by an eligible organization that filed Form 5768)Check  **a** if the organization belongs to an affiliated group Check  **b** if you checked "a" and "limited control" provisions apply**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred )

**(a)**  
Affiliated group  
totals**(b)**  
To be completed  
for all electing  
organizations

<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>		
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>		
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	<b>38</b>		
<b>39</b>	Other exempt purpose expenditures	<b>39</b>		
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>		
<b>41</b>	Lobbying nontaxable amount Enter the amount from the following table— <b>If the amount on line 40 is—</b> <b>The lobbying nontaxable amount is—</b> Not over \$500,000                                      20% of the amount on line 40 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	<b>41</b>		
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>		
<b>43</b>	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b>		
<b>44</b>	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b>		

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.**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 45 through 50 on page 13 of the instructions )**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	<b>(a)</b> 2006	<b>(b)</b> 2005	<b>(c)</b> 2004	<b>(d)</b> 2003	<b>(e)</b> Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					
<b>47</b> Total lobbying expenditures					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					
<b>50</b> Grassroots lobbying expenditures					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

	<b>Yes</b>	<b>No</b>	<b>Amount</b>
<b>a</b> Volunteers	Yes		
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.)		No	
<b>c</b> Media advertisements	Yes		173,314
<b>d</b> Mailings to members, legislators, or the public	Yes		26,475
<b>e</b> Publications, or published or broadcast statements	Yes		219,182
<b>f</b> Grants to other organizations for lobbying purposes		No	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body	Yes		187,597
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	Yes		147,553
<b>i</b> Total lobbying expenditures (Add lines c through h.)			754,121

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities





## TY 2006 Depreciation and Depletion Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Asset	Amount
Major Moveable Equipment - CHS	376,181
Fixed Equipment - IT	66,719
Leasehold Improvements	9,833
Lab Major Moveable Equipment	44,216
Automobile	38,371
Capitalized Leases	114,340
Fixed Equipment - CHS	261,823

**TY 2006 Investments - Securities Schedule**

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Description	Book Value	Cost/FMV
Brokerage Account	2,563,116	F

**TY 2006 Land etc. Schedule**

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
Capital Leases	1,120,529	552,643	567,886
Construction In Progress	5,722,726	0	5,722,726
Leasehold Improvements	329,646	10,637	319,009
Automobiles	147,202	86,572	60,630
Major Moveable and Fixed Equipment	4,940,325	1,565,847	3,374,478

## TY 2006 Mortgages and Notes Payable Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

**Total Mortgage Amount:**

<b>Item No.</b>	1
<b>Lender's Name</b>	GMAC
<b>Lender's Title</b>	
<b>Relationship to Insider</b>	N/A
<b>Original Amount of Loan</b>	29361
<b>Balance Due</b>	12571
<b>Date of Note</b>	2004-02
<b>Maturity Date</b>	2009-01
<b>Repayment Terms</b>	Monthly paymemts
<b>Interest Rate</b>	0
<b>Security Provided by Borrower</b>	Truck
<b>Purpose of Loan</b>	Truck
<b>Description of Lender Consideration</b>	Truck
<b>Consideration FMV</b>	12571

<b>Item No.</b>	2
<b>Lender's Name</b>	HSBC
<b>Lender's Title</b>	
<b>Relationship to Insider</b>	N/A
<b>Original Amount of Loan</b>	8380467
<b>Balance Due</b>	8380467
<b>Date of Note</b>	2006-11
<b>Maturity Date</b>	2007-11
<b>Repayment Terms</b>	Monthly Payments
<b>Interest Rate</b>	6.75
<b>Security Provided by Borrower</b>	Mortgage on Real Property of Related Acute Facilities
<b>Purpose of Loan</b>	Outstanding Balance On Line Of Credit
<b>Description of Lender Consideration</b>	Line of Credit
<b>Consideration FMV</b>	8380467

<b>Item No.</b>	3
<b>Lender's Name</b>	Siemens Financial Services
<b>Lender's Title</b>	
<b>Relationship to Insider</b>	N/A
<b>Original Amount of Loan</b>	548829
<b>Balance Due</b>	548829
<b>Date of Note</b>	2006-12
<b>Maturity Date</b>	2011-12
<b>Repayment Terms</b>	Monthly Payments
<b>Interest Rate</b>	7.45
<b>Security Provided by Borrower</b>	Equipment
<b>Purpose of Loan</b>	Equipment Lease
<b>Description of Lender Consideration</b>	Equipment
<b>Consideration FMV</b>	548829

## TY 2006 Other Assets Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Description	Beginning of Year Amount	End of Year Amount
Due From Facilities	19,984,000	22,779,660
Other Receivables	993,000	1,276,512

## TY 2006 Other Changes in Net Assets Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Description	Amount
Net Equity Transfer Between CHS and Subsidiaries Relating to Soarian Project	1,226,408
Equity Transfers to Parent for System Capital Expenditures	3,196,146
Minimum Pension Liability Adjustment	-2,820,359



## TY 2006 Other Liabilities Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Description	Beginning of Year Amount	End of Year Amount
Accrued Pension	4,743,885	7,845,627

# TY 2006 Relationship Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Person Name / Business Name	Title or Role	Person Name 2 / Business Name 2	Title or Role 2	Relationship
Arthur Russ Jr Esq	Chairman	Phillips Lytle LLP	Legal Firm	Arthur Russ is a member of the Catholic Health System Board. The Catholic Health System utilizes Phillips Lytle, a legal firm at which Mr. Russ is a partner. Services are provided at fair market value.

**TY 2006 Non Electing Public Charities Statement**

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

**Statement:** C.-Media advertisements - \$173,314 - TV & radio - related to CHS activity to oppose the closing of St. Joseph Hospital. D.-Mailings to associates and public - \$26,475 related to CHS activity to oppose the closing of St. Joseph Hospital. Publications and broadcasting - \$219,182 newspaper other flyers related to CHS activity to oppose the closing of St. Joseph Hospital. G.-Direct contact with legislators - \$187,597 normal miscellaneous activity for health care issues. H.-Other means - \$147553 related to CHS activity to oppose the closing of St. Joseph Hospital.

## TY 2006 Other Income Schedule

**Name:** CATHOLIC HEALTH SYSTEM

**EIN:** 22-2565278

**Software ID:** 06000173

**Software Version:** v1.00

Description	2003	2002	2001	2000	Total
Community Education Classes	168,547	180,266	59,806	58,201	466,820
Vendor Refunds	135,564	366,363	0	276,700	778,627
Physician Fees	26,300	35,550	0	0	61,850
Miscellaneous	21,683	304,052	272,759	591,116	1,189,610
WNY MRI	0	4,908	32,124	149,140	186,172
Expense Reimbursement	45,039	404,382	112,127	218,657	780,205

\*\*\* 990 Online Filers: Please fax completed and signed form to 866-699-3916

Form <b>8453-EO</b>	<b>Exempt Organization Declaration and Signature for Electronic Filing</b> For calendar year 2006, or tax year beginning <u>1/1/2006</u> , and ending <u>12/31/2006</u> For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868 ▶ See instructions on back.	DMB No. 1545-1879  <b>2006</b>
Department of the Treasury Internal Revenue Service		Employer identification number <b>22 2565278</b>
Name of exempt organization <b>CATHOLIC HEALTH SYSTEM</b>		

**Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (that is, do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, line 12)	1b <u>\$51,337,002</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b _____

**Part II Declaration of Officer**

- 6  I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.
- If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2006 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here ▶ James Dunlop Jr. Signature of officer      11/15/07 Date      ▶ James Dunlop Jr, VP Finance & Control Title

**Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)**

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Publication 4206, Information for Authorized IRS e-file Providers of Exempt Organization Filings. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

<b>ERO's Use Only</b>	ERO's signature ▶	Date	Check if also paid preparer <input type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code ▶				EIN _____ Phone no. ( ) _____

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code ▶			EIN _____ Phone no. ( ) _____

**Form 990, Part VI, Line 80b - If "Yes", enter the name of the organization and whether it is exempt or nonexempt:**

Name of the Organization	Exempt	Nonexempt
Mercy Hospital Of Buffalo	X	
Kenmore Mercy Hospital	X	
St Joseph Hospital	X	
The McAuley Residence	X	
St Joseph Manor	X	
St Elizabeth's Home	X	
OLV Renaissance Corp	X	
St Francis Williamsville	X	
St Francis Buffalo	X	
Mercy Home Care	X	
Father Baker Manor	X	
St Clare Manor	X	
St Luke's Manor	X	
Continuing Care Foundation	X	
Sisters Of Charity Hospital	X	
McAuley Seton Home Care	X	
St Vincent's Home	X	
Nazareth Nursing Home	X	
St Mary's Manor	X	

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Sr Kathleen Natwin 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Paul Bauer 2121 Main Street Suite 300 Buffalo, NY 14214	Treasurer 1	0	0	0
Marguerite Hambleton 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Bertram Portin MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Marcus Romanowski 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Datta Wagle MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Joseph McDonald 2121 Main Street Suite 300 Buffalo, NY 14214	President/CEO 37.5	682,981	347,951	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Monsignor Robert E Zapfel 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
K David Crone 2121 Main Street Suite 300 Buffalo, NY 14214	Sr VP - CFO 37.5	387,589	62,135	0
Carl J Montante 2121 Main Street Suite 300 Buffalo, NY 14214	Chairman 1	0	0	0
Dennis Dombek 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Shelley Drake 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
James P Giambone MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Brian J D'Arcy MD 2121 Main Street Suite 300 Buffalo, NY 14214	Sr VP Medical Affairs 37.5	317,081	67,777	0
Michael Moley 2121 Main Street Suite 300 Buffalo, NY 14214	Sr VP Human Resources 37.5	269,051	66,301	0
Sr Paulene Tirone FSSJ 2121 Main Street Suite 300 Buffalo, NY 14214	Secretary 1	0	0	0
Mecca S Cranley PH D 2121 Main Street Suite 300 Buffalo, NY 14214	Vice Chairman 1	0	0	0



**Additional Data****Software ID:** 06000173**Software Version:** v1.00**EIN:** 22-2565278**Name:** CATHOLIC HEALTH SYSTEM**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
David Macholz 2121 Main Street Suite 300 Buffalo, NY 14214	Sr Director/Finance 37.5	154,601	26,595	0
Joseph Anain MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Sister Hilary Davis DC 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
David Durante MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Judge Hugh Scott 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Christine Kluckhohn 2121 Main Street Suite 300 Buffalo, NY 14214	Sr VP Senior Services 37.5	217,194	30,741	0
Sr Nancy Hoff RSM 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Ramesh Luther MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Anthony P Markello MD 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0
Ralph Macey Jr 2121 Main Street Suite 300 Buffalo, NY 14214	Board Member 1	0	0	0