

**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)

OMB No. 1545-0047

**2008**

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 2008 calendar year, or tax year beginning JUL 1, 2008 and ending JUN 30, 2009**

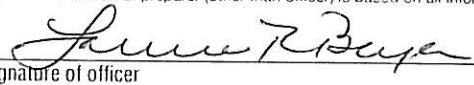
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type.  See Specific Instructions.	<b>C Name of organization</b> UNION HOSPITAL OF CECIL COUNTY, INC. Doing Business As		<b>D Employer identification number</b> 52-0607945
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 106 BOW STREET		<b>E Telephone number</b> (410) 398-4000
		City or town, state or country, and ZIP + 4 ELKTON, MD 21921-5596		<b>G Gross receipts \$</b> 134,480,094.
		<b>F Name and address of principal officer:</b> KENNETH S. LEWIS, MD, JD SAME AS C ABOVE		<b>H(a) Is this a group return for affiliates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all affiliates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c) Group exemption number</b> ▶
<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 <b>J Website:</b> ▶ WWW.UHCC.COM <b>K Type of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ <b>L Year of formation:</b> 1903 <b>M State of legal domicile:</b> MD				


**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <b>PROVIDE HEALTHCARE SERVICES TO THE RESIDENTS OF CECIL COUNTY, MD, AND THE SURROUNDING AREA.</b>		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
	5	Total number of employees (Part V, line 2a)	5	1205
	6	Total number of volunteers (estimate if necessary)	6	300
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	808,057.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-513,265.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 1,410,471.	Current Year 1,326,143.
	9	Program service revenue (Part VIII, line 2g)	114,844,840.	125,031,434.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,398,917.	1,290,256.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	857,598.	890,920.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	124,511,826.	128,538,753.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		9,104,910.
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	50,694,800.	59,824,778.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	61,759,640.	64,786,860.	
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	112,454,440.	133,716,548.	
19	Revenue less expenses. Subtract line 18 from line 12	12,057,386.	-5,177,795.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year 181,400,098.	End of Year 166,050,325.
	21	Total liabilities (Part X, line 26)	88,015,675.	89,130,780.
	22	Net assets or fund balances. Subtract line 21 from line 20	93,384,423.	76,919,545.

**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 ▶  Date 2/8/10  
 Signature of officer  
 ▶ **LAURIE R. BEYER, CPA, SENIOR VP/CFO**  
 Type or print name and title

Paid Preparer's Use Only  
 Preparer's signature  Date 2/8/10 Check if self-employed   
 Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ **PARENTEBEARD LLC**  
**1650 MARKET STREET, SUITE 4500**  
**PHILADELPHIA, PA 19103**  
 Preparer's identifying number (see instructions)  
 EIN ▶  
 Phone no. ▶ **(215) 972-0701**

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

UNION HOSPITAL OF CECIL COUNTY'S MISSION IS TO PROVIDE HEALTHCARE SERVICES TO THE RESIDENTS OF CECIL COUNTY, MARYLAND, WESTERN NEW CASTLE COUNTY, DELAWARE, AND SOUTHERN CHESTER COUNTY, PENNSYLVANIA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No [X]

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No [X]

If "Yes", describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code: ) (Expenses \$ 129,687,027, including grants of \$ 9,104,910.) (Revenue \$ 124,218,897.)

UNION HOSPITAL OF CECIL COUNTY'S MISSION IS TO PROVIDE HEALTH CARE SERVICES TO THE RESIDENTS OF CECIL COUNTY, MARYLAND, WESTERN NEW CASTLE COUNTY, DELAWARE, AND SOUTHERN CHESTER COUNTY, PENNSYLVANIA, THAT REPRESENT QUALITY AND VALUE AND ARE PROVIDED WITH MODERN TECHNOLOGY, COMPASSIONATE NURSES AND STAFF, AND CONVENIENT TO THE CITIZENS OF OUR COMMUNITY. THESE HEALTHCARE SERVICES ARE PROVIDED REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY. ALTHOUGH REIMBURSEMENT FOR SERVICES RENDERED IS VITALLY IMPORTANT TO THE OPERATION, STABILITY, AND VIABILITY OF UNION HOSPITAL OF CECIL COUNTY, WE RECOGNIZE THAT NOT ALL MEMBERS OF OUR COMMUNITY ARE IN THE FINANCIAL POSITION TO PURCHASE ESSENTIAL MEDICAL SERVICES. THEREFORE, CONSISTENT WITH UNION HOSPITAL'S COMMITMENT TO SERVE ALL MEMBERS OF CECIL COUNTY,

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 \$ 129,687,027. (Must equal Part IX, Line 25, column (B).)



**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 Schedule B, Schedule of Contributors?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>		X
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>		
6	Did the organization maintain any donor advised funds or any accounts where 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; 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 hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
13	Is the organization a school as 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 U.S.?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? <i>If "Yes," complete Schedule F, Part I</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, Part II</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, Part III</i>		X
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total 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 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	X	
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>	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	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i>		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	X	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X

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

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? 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, Parts II, III, IV, and V, line 1	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36	<b>Section 501(c)(3) organizations.</b> 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

Form 990 (2008)



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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1a	143		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2a	1205		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
2b			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3a			
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4a			
b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5a			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5b			
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
5c			
6a	Did the organization solicit any contributions that were not tax deductible?		X
6a			
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
6b			
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
7a			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7c			
d	If "Yes," indicate the number of Forms 8282 filed during the year		
7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7f			
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
7h			
8	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
8			
9	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
a	Did the organization make any taxable distributions under section 4966?		
9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
9b			
10	<b>Section 501(c)(7) organizations.</b> Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12		
10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
10b			
11	<b>Section 501(c)(12) organizations.</b> Enter: N/A		
a	Gross income from members or shareholders		
11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
11b			
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		
12b			

**Part VI Governance, Management, and Disclosure** (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

	Yes	No
1a Enter the number of voting members of the governing body		
1a		15
b Enter the number of voting members that are independent		
1b		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?		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?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

**Section B. Policies**

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	X	
b Other officers or key employees of the organization?	X	
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?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed ► MD
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website  Another's website  Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ►  
 CARLA MOORE - (410) 398-4000  
 106 BOW STREET, ELKTON, MD 21921

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

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

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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			
KENNETH S. LEWIS, MD, JD PRESIDENT/CEO	40.00	X		X				0.	605,873.	25,892.
HARLAND GRAEF CHAIRMAN	1.00	X		X				0.	0.	0.
HOWARD COSGROVE VICE CHAIRMAN	1.00	X		X				0.	0.	0.
RICHARD GUTTENDORF TREASURER	1.00	X		X				0.	0.	0.
EUGENE MACKIE DIRECTOR	1.00	X						0.	0.	0.
MARY BOLT, PH.D. DIRECTOR	1.00	X						0.	0.	0.
JACK GOLDSTEIN DIRECTOR	1.00	X						0.	0.	0.
PHILLIP FARMER DIRECTOR	1.00	X						0.	0.	0.
RONALD GRAYBEAL DIRECTOR	1.00	X						0.	0.	0.
HENRY PASSI DIRECTOR	1.00	X						0.	0.	0.
SHEELMOHAN SACHDEV, MD DIRECTOR	1.00	X						0.	0.	0.
TIMOTHY SMITH DIRECTOR	1.00	X						0.	0.	0.
CYDNEY TEAL, MD DIRECTOR	1.00	X						0.	0.	0.
DWIGHT THOMEY DIRECTOR	1.00	X						0.	0.	0.
MARTIN J. HEALY DIRECTOR	1.00	X						0.	0.	0.
JEFFREY TIONGSON, MD DIRECTOR	1.00	X						0.	0.	0.
LAURIE R. BEYER, CPA SENIOR VP/CFO	40.00			X				0.	233,769.	25,057.



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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(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			
DAVID GIPSON SENIOR VP/COO	40.00				X			0.	231,270.	24,710.
JOANNE MILLER SENIOR VP PATIENT CARE S	40.00				X			0.	198,328.	16,691.
JOSE MA VP MEDICAL AFFAIRS	40.00				X			0.	294,129.	26,497.
PETER GLOGGNER VP HUMAN RESOURCES	40.00				X			161,608.	0.	8,216.
MARY JANE KAMPS VP/CIO	40.00				X			156,395.	0.	15,812.
NADER J. DABANEH, MD PHYSICIAN	40.00					X		481,628.	0.	19,460.
IRFAN M. HISAMUDDIN, MD PHYSICIAN	40.00					X		392,298.	0.	20,026.
RANI S. CHINTAM, MD PHYSICIAN	40.00					X		409,943.	0.	9,889.
JOHN M. HEBEKA, MD ANESTHESIOLOGIST	40.00					X		325,666.	0.	21,957.
DAVID W. COMPTON, MD ANESTHESIOLOGIST	40.00					X		315,437.	0.	21,106.
<b>1b Total</b>								<b>2,242,975.</b>	<b>1,563,369.</b>	<b>235,313.</b>

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization 59

	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		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	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		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.

(A) Name and business address	(B) Description of services	(C) Compensation
WEATHERBY LOCUMS P.O. BOX 972633, DALLAS, TX 75397	PHYSICIAN	292,781.
JAY LEVY, 8820 HOWARD FOREST LANE, BALTIMORE, MD 21208	ATTORNEY	200,000.
BEDFORD F. BOYLSTON 4028 HARNEY ROAD, TANEYTOWN, MD 21787	PHYSICIAN	152,308.
HARNE, SONG, AND WOO, 2007 ROCKSPRING ROAD, FOREST HILLS, MD 21050	PHYSICIAN	150,000.
STANLEY GRAMCH CROSSLAND, MD, LTD, 611 S. CARLIN SPRINGS ROAD, ARLINGTON, VA 22204	PHYSICIAN	109,000.
<b>2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization</b>		<b>5</b>

**Part VIII Statement of Revenue**

				(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	1,137,894.			
	e	Government grants (contributions)	1e	88,249.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	100,000.			
	g	Noncash contributions included in lines 1a-1f: \$		88,249.			
	h	<b>Total.</b> Add lines 1a-1f		1,326,143.			
	Program Service Revenue	2 a	<u>NET PATIENT SERVICE RE</u>	Business Code 621990	123,363,260.	123,363,260.	
b		<u>LABORATORY REVENUE</u>	621500	810,297.		810,297.	
c		<u>OTHER OPERATING REVENUE</u>	621990	404,997.	404,997.		
d		<u>ADULT DAY CARE</u>	623990	332,839.	332,839.		
e		<u>LIFELINE</u>	900099	120,041.	120,041.		
f		All other program service revenue					
g		<b>Total.</b> Add lines 2a-2f		125,031,434.			
3		Investment income (including dividends, interest, and other similar amounts)		206,309.6.			2,063,096.
4	Income from investment of tax-exempt bond proceeds						
5	Royalties						
Other Revenue	6 a	Gross Rents	(i) Real 153,882.				
	b	Less: rental expenses	51,722.				
	c	Rental income or (loss)	102,160.				
	d	Net rental income or (loss)		102,160.			102,160.
	7 a	Gross amount from sales of assets other than inventory	(i) Securities 5,094,138.	(ii) Other 22,641.			
	b	Less: cost or other basis and sales expenses	5,712,942.	176,677.			
	c	Gain or (loss)	618,804.	-154,036.			
	d	Net gain or (loss)			-772,840.		-772,840.
	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	11 a	<u>CAFETERIA/FOOD SERVICE</u>	Business Code 722210	779,031.			779,031.
	b	<u>MISCELLANEOUS REVENUE</u>	900099	11,969.			11,969.
	c	<u>UBI LOSS FROM PARTNERS</u>	541900	-2,240.		-2,240.	
	d	All other revenue					
	e	<b>Total.</b> Add lines 11a-11d		788,760.			
12	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		128,538,753.	124,221,137.	808,057.	2,183,416.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.  
 All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

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 U.S. See Part IV, line 21	9,104,910.	9,104,910.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	342,031.		342,031.	
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	50,003,662.	49,526,774.	476,888.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,049,437.	1,019,130.	30,307.	
9 Other employee benefits	4,783,726.	4,725,544.	58,182.	
10 Payroll taxes	3,645,922.	3,596,629.	49,293.	
11 Fees for services (non-employees):				
a Management	3,242,421.	1,621,210.	1,621,211.	
b Legal	268,420.		268,420.	
c Accounting	120,250.		120,250.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	119,224.		119,224.	
g Other	14,077,641.	13,397,617.	680,024.	
12 Advertising and promotion	541,947.	541,947.		
13 Office expenses	18,848,326.	18,729,862.	118,464.	
14 Information technology				
15 Royalties				
16 Occupancy	2,429,882.	2,429,882.		
17 Travel	150,709.	137,496.	13,213.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	24,951.	2,517.	22,434.	
20 Interest	3,841,443.	3,841,443.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	7,750,880.	7,750,880.		
23 Insurance	1,832,620.	1,832,620.		
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <b>BAD DEBT</b>	10,823,403.	10,823,403.		
b <b>DUES/ACCREDITATIONS</b>	346,382.	236,802.	109,580.	
c <b>REPAIRS &amp; MAINTENANCE</b>	268,013.	268,013.		
d <b>PUBLICATIONS</b>	100,348.	100,348.		
e				
f All other expenses				
<b>25 Total functional expenses.</b> Add lines 1 through 24f	133716548.	129687027.	4,029,521.	0.
<b>26 Joint Costs.</b> Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				



**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	63,011.
	2 Savings and temporary cash investments	12,671,718.	2	3,313,138.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	18,017,783.	4	17,071,711.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	20,000.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	2,865,224.
	8 Inventories for sale or use	1,638,162.	8	1,838,694.
	9 Prepaid expenses and deferred charges	1,043,043.	9	1,115,404.
	10a Land, buildings, and equipment: cost basis	10a 143,464,981.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 65,576,047.		
		79,508,737.	10c	77,888,934.
	11 Investments - publicly traded securities	52,118,027.	11	48,256,763.
	12 Investments - other securities. See Part IV, line 11	7,428,090.	12	5,543,093.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	8,974,538.	15	8,074,353.	
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	181,400,098.	16	166,050,325.	
Liabilities	17 Accounts payable and accrued expenses	9,946,756.	17	10,713,030.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	75,904,724.	20	74,468,276.
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 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	1,502,326.
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	2,164,195.	25	2,447,148.
	26 <b>Total liabilities.</b> Add lines 17 through 25	88,015,675.	26	89,130,780.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	90,631,960.	27	74,993,171.
	28 Temporarily restricted net assets	2,752,463.	28	1,926,374.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, 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 <b>Total net assets or fund balances</b>	93,384,423.	33	76,919,545.	
34 <b>Total liabilities and net assets/fund balances</b>	181,400,098.	34	166,050,325.	

**Part XI Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to lines 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?	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?		



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

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 <b>Total.</b> Add lines 1 - 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 <b>Public Support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 <b>Total support.</b> Add lines 7 through 10 .....						
12 Gross receipts from related activities, etc. (see instructions) .....					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here .....						<input type="checkbox"/>

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

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) .....	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f .....	15	%
16a <b>33 1/3% support test - 2008.</b> 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 <b>33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
17a <b>10% -facts-and-circumstances test - 2008.</b> 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 <b>10% -facts-and-circumstances test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input type="checkbox"/>



**Part III Support Schedule for Organizations Described in Section 509(a)(2)** (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> 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 .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 - 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.) .....						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>13 Total support.</b> (Add 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**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2007 Schedule A, Part IV-A, line 27h .....	<b>18</b>	%

**19a 33 1/3% support tests - 2008.** 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 - 2007.** 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 B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

**2008**

Name of the organization

Employer identification number

UNION HOSPITAL OF CECIL COUNTY, INC.

52-0607945

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

**General Rule**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ \_\_\_\_\_

**Caution.** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization

Employer identification number

UNION HOSPITAL OF CECIL COUNTY, INC.

52-0607945

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 88,249.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 1,137,894.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Name of organization

Employer identification number

UNION HOSPITAL OF CECIL COUNTY, INC.

52-0607945

**Part II Noncash Property** (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	2008 FORD VAN (80% OF COST) ON 12/1/08; 2009 FORD VAN (80% OF COST) ON 6/1/09	\$ 88,249.	12/01/08
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____

**Schedule D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

**2008**

Open to Public Inspection

Name of the organization UNION HOSPITAL OF CECIL COUNTY, INC. Employer identification number 52-0607945

**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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate contributions to (during year) .....		
3 Aggregate grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

- Purpose(s) of conservation easements held by the organization (check all that apply).
 

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	
- Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
 

	Held at the End of the Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 8/17/06 .....	2d
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ \_\_\_\_\_
- Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_
- Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? .....
- Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ \_\_\_\_\_
- Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ \_\_\_\_\_
- 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)? .....
- In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

- If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items.
- If the organization elected, as permitted under SFAS 116, 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 .....	▶ \$ _____
- 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 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 accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

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

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

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

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

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or 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 year end balance held as:

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
- b Permanent endowment ▶ \_\_\_\_\_ %
- c Term endowment ▶ \_\_\_\_\_ %

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		
(ii) related organizations		
3a(i)		
3a(ii)		
3b		

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		1,134,905.		1,134,905.
b Buildings		63,781,003.	18,894,516.	44,886,487.
c Leasehold improvements		375,000.	375,000.	0.
d Equipment		75,013,766.	45,538,543.	29,475,223.
e Other		3,160,307.	767,988.	2,392,319.
<b>Total.</b> Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				77,888,934.





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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	128,538,753.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	133,716,548.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-5,177,795.
4	Net unrealized gains (losses) on investments	4	-9,171,088.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-2,115,995.
9	Total adjustments (net). Add lines 4-8	9	-11,287,083.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	-16,464,878.

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

1	Total revenue, gains, and other support per audited financial statements	1	117132446.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	-9,171,088.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-2,235,219.
e	Add lines 2a through 2d	2e	-11406307.
3	Subtract line 2e from line 1	3	128538753.
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 XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	128538753.

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

1	Total expenses and losses per audited financial statements	1	133597324.
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	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	133597324.
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 XIV)	4b	119,224.
c	Add lines 4a and 4b	4c	119,224.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	133716548.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

**PART X: THE HOSPITAL FOLLOWS THE PROVISIONS OF FASB**

INTERPRETATION NO. 48, "ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES - AN  
INTERPRETATION OF FASB STATEMENT NO. 109" ("FIN 48"). FIN 48 CLARIFIES THE  
ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN A COMPANY'S  
FINANCIAL STATEMENTS AND PRESCRIBES A RECOGNITION THRESHOLD OF  
MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPROPRIATE  
TAXING AUTHORITY. MEASUREMENT OF THE TAX UNCERTAINTY OCCURS IF THE  
RECOGNITION THRESHOLD HAS BEEN MET. FIN 48 ALSO PROVIDES GUIDANCE ON

**Part XIV** Supplemental Information (continued)

DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, ACCOUNTING IN INTERIM PERIODS, AND DISCLOSURE. MANAGEMENT HAS DETERMINED THAT THE ADOPTION OF FIN 48 DID NOT HAVE A MATERIAL IMPACT ON THE FINANCIAL STATEMENTS.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

CHANGE IN INTEREST IN NET ASSETS OF FOUNDATION & SUBSIDIARY: -2063331.

NET ASSETS RELEASED FROM RESTRICTION: -52664.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN INTEREST IN NET ASSETS OF FOUNDATION & SUBSIDIARY: -2063331.

NET ASSETS RELEASED FROM RESTRICTION: -52664.

INVESTMENT FEES: -119224.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

INVESTMENT FEES: 119224.

**SCHEDULE H  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

▶ To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.  
▶ Attach to Form 990.

OMB No. 1545-0047

**2008**  
Open to Public  
Inspection

Name of the organization **UNION HOSPITAL OF CECIL COUNTY, INC.** Employer identification number **52-0607945**

**Part I** Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

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

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>7 Charity Care and Certain Other Community Benefits at Cost</b>						
<b>Charity Care and Means-Tested Government Programs</b>						
a Charity care at cost (from Worksheets 1 and 2)						
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d <b>Total Charity Care and Means-Tested Government Programs</b>						
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j <b>Total Other Benefits</b>						
k <b>Total (line 7d and 7j)</b>						





**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the U.S.**

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

OMB No. 1545-0047

2008

Open to Public  
Inspection

Name of the organization

**UNION HOSPITAL OF CECIL COUNTY, INC.**

Employer identification number  
**52-0607945**

**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.

**Part II** Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) 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
UNION HOSPITAL OF CECIL COUNTY HEALTH SERVICES, INC. - 106 BOW STREET - ELKTON, MD 21921	52-1794553	501(C)(3)	9,104,910.	0.			CHARITABLE ACTIVITIES

**2** Enter total number of section 501(c)(3) and government organizations

**3** Enter total number of other organizations

1.

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

Schedule I (Form 990) 2008

**Part III** Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) 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, and any other additional information.

SCHEDULE I, PART I, LINE 2: THE ORGANIZATION ONLY PROVIDES ASSISTANCE TO ITS AFFILIATED, TAX-EXEMPT ENTITIES. IT DOES NOT PROVIDE GRANTS TO OTHER ORGANIZATIONS.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2008**

Open to Public Inspection

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

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

Department of the Treasury  
Internal Revenue Service

Name of the organization

**UNION HOSPITAL OF CECIL COUNTY, INC.**

Employer identification number

**52-0607945**

**Part I Questions Regarding Compensation**

		Yes	No								
<p><b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input checked="" type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input checked="" type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input checked="" type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input checked="" type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>				<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees	<input checked="" type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use										
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence										
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees										
<input checked="" type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)										
<b>1b</b>	If line 1a is 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	<input checked="" type="checkbox"/>									
<b>2</b>	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	<input checked="" type="checkbox"/>									
<p><b>3</b> Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>				<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		
<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										
<p><b>4</b> During the year, did any person listed in Form 990, Part VII, Section A, line 1a:</p>											
<b>4a</b>	Receive a severance payment or change of control payment?		<input checked="" type="checkbox"/>								
<b>4b</b>	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	<input checked="" type="checkbox"/>									
<b>4c</b>	Participate in, or receive payment from, an equity-based compensation arrangement?		<input checked="" type="checkbox"/>								
<p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>											
<p><b>Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.</b></p>											
<p><b>5</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</p>											
<b>5a</b>	The organization?		<input checked="" type="checkbox"/>								
<b>5b</b>	Any related organization?		<input checked="" type="checkbox"/>								
<p>If "Yes," to line 5a or 5b, describe in Part III.</p>											
<p><b>6</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</p>											
<b>6a</b>	The organization?	<input checked="" type="checkbox"/>									
<b>6b</b>	Any related organization?		<input checked="" type="checkbox"/>								
<p>If "Yes" to line 6a or 6b, describe in Part III.</p>											
<b>7</b>	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	<input checked="" type="checkbox"/>									
<b>8</b>	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III		<input checked="" type="checkbox"/>								

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

Schedule J (Form 990) 2008

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

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

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
KENNETH S. LEWIS, MD, JD	(i) 0. (ii) 398,308. (iii) 0.	0. 174,162. 0.	0. 33,403. 0.	0. 6,900. 0.	0. 18,992. 0.	0. 631,765. 0.	0. 385,943. 0.
LAURIE R. BEYER, CPA	(i) 187,810. (ii) 189,123. (iii) 160,815.	0. 35,908. 30,995.	10,051. 11,152. 8,389.	6,377. 6,109. 5,261.	18,680. 18,601. 11,430.	258,826. 255,980. 215,019.	137,062. 129,960. 111,439.
JOANNE MILLER	(i) 241,345. (ii) 139,927. (iii) 0.	40,365. 14,731. 0.	12,419. 6,950. 0.	6,900. 2,336. 0.	19,597. 5,880. 0.	320,626. 169,824. 0.	166,827. 0. 0.
PETER GLOGGNER	(i) 133,569. (ii) 461,420. (iii) 0.	15,758. 20,000. 0.	7,068. 208. 0.	2,304. 3,450. 0.	13,508. 16,010. 0.	172,207. 501,088. 0.	0. 232,600. 0.
MARY JANE KAMPS	(i) 347,090. (ii) 374,170. (iii) 0.	45,000. 34,250. 0.	208. 1,523. 0.	6,825. 5,397. 0.	13,201. 4,492. 0.	412,324. 419,832. 0.	0. 198,231. 0.
NADER J. DABANEH, MD	(i) 308,460. (ii) 0. (iii) 297,546.	16,860. 0. 17,660.	346. 0. 231.	6,825. 0. 6,068.	15,132. 0. 15,038.	347,623. 0. 336,543.	165,176. 0. 0.
IRFAN M. HISAMUDDIN, MD	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
RANI S. CHINTAM, MD	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
JOHN M. HEBEKA, MD	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
DAVID W. COMPTON, MD	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 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, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 1A: THE ORGANIZATION'S PRESIDENT & CEO, DR. KENNETH LEWIS, RECEIVES THE FOLLOWING BENEFITS WHICH ARE PAID BY AN AFFILIATED, TAX-EXEMPT ENTITY, AFFINITY HEALTH ALLIANCE, INC.:

A) TRAVEL FOR COMPANIONS - \$0

B) GROSS-UP PAYMENTS - \$3,109.95 INCLUDED IN COMPENSATION

C) DISCRETIONARY SPENDING ACCOUNT - \$22,500 (\$12,773 WAS INCLUDED IN COMPENSATION)

D) SOCIAL CLUB DUES - \$898 WAS PART OF THE DISCRETIONARY SPENDING ACCOUNT NOT INCLUDED IN COMPENSATION

PART I, LINE 4B: THE ORGANIZATION'S PRESIDENT & CEO, DR. KENNETH LEWIS, PARTICIPATES IN A SUPPLEMENTAL, NON-QUALIFIED RETIREMENT PLAN UNDER SECTION 457(F) OF THE INTERNAL REVENUE CODE. \$90,000 HAS BEEN CONTRIBUTED TO THE PLAN EACH CALENDAR YEAR SINCE 2007. THE RIGHT TO RECEIVE PAYMENTS UNDER THE PLAN SHALL BE FORFEITED IN THE EVENT THAT EMPLOYMENT WITH THE HOSPITAL TERMINATES PRIOR TO THE VESTING DATE FOR ANY REASON OTHER THAN INVOLUNTARY TERMINATION WITHOUT CAUSE, DEATH, OR DISABILITY. THE ENTIRE BALANCE OF THE ACCOUNT SHALL VEST AND BE PAID IN A SINGLE LUMP-SUM PAYMENT ON OR AFTER JANUARY 1, 2011 AND ON OR BEFORE MARCH 15, 2011.

Part III Supplemental Information

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

PART I, LINE 6: A PORTION OF THE BONUSES AND MERIT INCREASE ARE TIED TO THE OPERATING MARGIN OF UNION HOSPITAL OF CECIL COUNTY, AN AFFILIATED ORGANIZATION.

PART I, LINE 7: A PORTION OF THE BONUSES AND MERIT INCREASE ARE TIED TO THE ORGANIZATIONAL GOALS, SUCH AS PATIENT SATISFACTION, QUALITY, EMPLOYEE TURNOVER, ETC.

**SCHEDULE K  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information on Tax-Exempt Bonds**

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

OMB No. 1545-0047

**2008  
Open to Public  
Inspection**

Name of the organization

**UNION HOSPITAL OF CECIL COUNTY, INC.**

Employer identification number  
**52-0607945**

**Part I Bond Issues (Required for 2008) SEE SCHEDULE O FOR COLUMN (F) CONTINUATIONS**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AU	52-09360915	742168B6	07/14/05	2785000.	NEW INPATIENT TOWER, ROUTINE CAPITAL &		X		X
MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AU	52-09360915	742167Z4	07/14/05	13,745,000.	NEW INPATIENT TOWER, ROUTINE CAPITAL &		X		X
MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AU	52-09360915	742168A8	07/14/05	17,145,000.	NEW INPATIENT TOWER, ROUTINE CAPITAL &		X		X
D									
E									

**Part II Proceeds (Optional for 2008)**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue										
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds										
8 Year of substantial completion										

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9 Were the bonds issued as part of a current refunding issue?										
10 Were the bonds issued as part of an advance refunding issue?										
11 Has the final allocation of proceeds been made?										
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?										

**Part III Private Business Use (Optional for 2008)**

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

832121  
12-18-08 LHA

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

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

**Transactions with Interested Persons**

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.  
▶ To be completed by organizations that answered  
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,  
or Form 990-EZ, Part V, lines 38a or 40b.

**2008**  
Open To Public  
Inspection

Name of the organization **UNION HOSPITAL OF CECIL COUNTY, INC.** Employer identification number **52-0607945**

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

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

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

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

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

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
	BERNARD JOHN HYNE				X	20,000.	20,000.		X	X
Total				▶ \$	20,000.					

Total ..... ▶ \$ 20,000.

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

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

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

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 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

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

Schedule L (Form 990 or 990-EZ) 2008

SEE SCHEDULE O FOR SCHEDULE L CONTINUATIONS



**SCHEDULE M  
(Form 990)**

**NonCash Contributions**

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue Service

▶ To be completed by organizations that answered  
"Yes" on Form 990, Part IV, lines 29 or 30.

**2008**  
Open to Public  
Inspection

▶ Attach to Form 990.

Name of the organization

**UNION HOSPITAL OF CECIL COUNTY, INC.**

Employer identification number

**52-0607945**

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art .....				
2 Art - Historical treasures .....				
3 Art - Fractional interests .....				
4 Books and publications .....				
5 Clothing and household goods .....				
6 Cars and other vehicles .....	X	2	88,249	FAIR MARKET VALUE
7 Boats and planes .....				
8 Intellectual property .....				
9 Securities - Publicly traded .....				
10 Securities - Closely held stock .....				
11 Securities - Partnership, LLC, or trust interests .....				
12 Securities - Miscellaneous .....				
13 Qualified conservation contribution (historic structures) .....				
14 Qualified conservation contribution (other) .....				
15 Real estate - Residential .....				
16 Real estate - Commercial .....				
17 Real estate - Other .....				
18 Collectibles .....				
19 Food inventory .....				
20 Drugs and medical supplies .....				
21 Taxidermy .....				
22 Historical artifacts .....				
23 Scientific specimens .....				
24 Archeological artifacts .....				
25 Other ▶ ( _____ ) .....				
26 Other ▶ ( _____ ) .....				
27 Other ▶ ( _____ ) .....				
28 Other ▶ ( _____ ) .....				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgment .....

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? .....

	Yes	No
30a		X
31	X	
32a		X
33		

b If "Yes," describe the arrangement in Part II. ....

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? .....

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? .....

b If "Yes," describe in Part II. ....

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II. ....

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

Schedule M (Form 990) 2008

SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

UNION HOSPITAL OF CECIL COUNTY, INC.

Employer identification number  
52-0607945

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

MARYLAND, FREE CARE AND/OR SUBSIDIZED CARE AND HEALTH ACTIVITIES AND

PROGRAMS TO SUPPORT THE COMMUNITY WILL BE CONSIDERED WHERE THE NEED

AND/OR AN INDIVIDUAL'S INABILITY TO PAY COEXISTS. THESE ACTIVITIES

INCLUDE COMMUNITY EDUCATION, SPECIAL PROGRAMS FOR THE ELDERLY, SPECIAL

PROGRAMS FOR THE PHYSICALLY/MENTALLY CHALLENGED, MEDICAL UNDERSERVED

AND A VARIETY OF BROAD COMMUNITY SUPPORT ACTIVITIES.

UNION HOSPITAL OF CECIL COUNTY SERVICED 8,521 ADMISSIONS PROVIDING

29,535 PATIENT DAYS TO INPATIENTS IN FISCAL YEAR 2009 OF WHICH:

1) PATIENTS COVERED UNDER THE MEDICARE PROGRAM WERE 3,474 ADMISSIONS

AND 14,497 PATIENT DAYS

2) PATIENTS COVERED UNDER THE MEDICAID PROGRAM WERE 346 ADMISSIONS AND

1,211 PATIENT DAYS

3) PATIENTS COVERED UNDER THE MEDICAID HMO PROGRAM WERE 1,374

ADMISSIONS AND 3,680 PATIENT DAYS

4) PATIENTS COVERED UNDER THE SELF PAY PROGRAM WERE 481 ADMISSIONS AND

1,250 PATIENT DAYS

CHARITY CARE IS ALSO PROVIDED THROUGH MANY REDUCED PRICE SERVICES AND

FREE PROGRAMS OFFERED THROUGHOUT THE YEAR BASED UPON ACTIVITIES AND

SERVICES THAT UNION HOSPITAL OF CECIL COUNTY BELIEVES WILL SERVE A BONA

FIDE COMMUNITY NEED. THESE INCLUDE:

A) ADULT DAY CARE SERVICES FOR THE ELDERLY AND PHYSICALLY/MENTALLY

CHALLENGED

B) SUPPORT GROUPS FOR CANCER PATIENTS AND FAMILIES, DIABETES,

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

Schedule O (Form 990) 2008

832211  
12-18-08

SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

UNION HOSPITAL OF CECIL COUNTY, INC.

Employer identification number

52-0607945

ALCOHOLICS ANONYMOUS, OSTOMY AND SMOKELESS

C) OFFERING AND CONDUCTING FREE BLOOD PRESSURE, CHOLESTEROL SCREENINGS AND PROSTATE SCREENINGS

D) IN CONJUNCTION WITH THE STATE OF MARYLAND AND THE LOCAL DEPARTMENT OF HEALTH, OFFERING AND CONDUCTING A CANCER SCREENING PROGRAM FOR INDIGENT FEMALES

E) PROVIDING MEETING FACILITIES FOR A VARIETY OF NONPROFITS AND VOLUNTEER FIRE COMPANIES

F) HOSPITAL STAFF VOLUNTEERS ON NONPROFIT ORGANIZATION BOARDS SUCH AS THE AMERICAN CANCER SOCIETY

DURING THE YEAR, UNION HOSPITAL OF CECIL COUNTY PROVIDED \$14,717,597 IN UNCOMPENSATED CARE.

FORM 990, PART VI, SECTION A, LINE 4: THE FOLLOWING SIGNIFICANT REVISIONS WERE MADE TO THE HOSPITAL'S BYLAWS DURING THE YEAR ENDED JUNE 30, 2009:

1) SECTION 3.03(II) CLARIFIES THAT THE BY-LAWS MANDATE THE BOARD SHALL INCLUDE AS DIRECTORS TWO (2) PHYSICIANS, ONE (1) OF WHOM IS THE PRESIDENT OF THE MEDICAL STAFF. THE BOARD, MAY, IN ITS DISCRETION, APPOINT ADDITIONAL PHYSICIANS SO LONG AS THE TOTAL NUMBER OF PHYSICIANS IS LESS THAN 50% OF THE TOTAL NUMBER OF BOARD MEMBERS.

2) SECTION 3.03(III) CLARIFIES THAT THE CEO, ALTHOUGH EX OFFICIO, HAS FULL VOTING RIGHTS.

3) SECTION 4.01(B)(IX) PROVIDES THAT THE AUDIT COMMITTEE WILL APPOINT THE INDEPENDENT AUDITOR.

SCHEDULE O  
(Form 990)

Supplemental Information to Form 990

OMB No. 1545-0047

2008

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

Name of the organization

UNION HOSPITAL OF CECIL COUNTY, INC.

Employer identification number  
52-0607945

FORM 990, PART VI, SECTION A, LINE 10: THE FINANCE COMMITTEE OF THE ORGANIZATION REVIEWS THE FORM 990 PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE.

FORM 990, PART VI, SECTION B, LINE 12C: ALL VICE PRESIDENTS ANNUALLY RECEIVE A LIST OF THE INDIVIDUALS UNDER THEIR SUPERVISION WHO MAY HAVE A POTENTIAL CONFLICT OF INTEREST. THE LIST IS COMPRISED OF ALL MANAGERS, CERTAIN PROFESSIONAL STAFF WHO MAY HAVE RESPONSIBILITY NEGOTIATING WITH VENDORS, AND ANY OTHER PERSONS THAT HOSPITAL EXECUTIVES DEEM APPROPRIATE. EACH VICE PRESIDENT REVIEWS THE CONFLICT OF INTEREST POLICY WITH THEIR DESIGNATED EMPLOYEES, AND EACH EMPLOYEE IS REQUIRED TO SIGN A FORM STIPULATING WHETHER OR NOT THEY HAVE A CONFLICT. THE FORMS ARE REVIEWED BY THE VICE PRESIDENT OF HUMAN RESOURCES. IF A CONFLICT IS NOTED, IT IS BROUGHT TO THE ATTENTION OF THE APPROPRIATE VICE PRESIDENT AND THE CEO TO DETERMINE WHETHER OPERATIONAL CHANGES NEED TO OCCUR BECAUSE OF THE POTENTIAL CONFLICT. BOARD MEMBERS ARE ALSO REQUIRED TO ANNUALLY DISCLOSE ANY POTENTIAL CONFLICT OF INTEREST.

FORM 990, PART VI, SECTION B, LINE 15: THE COMPENSATION COMMITTEE OF THE ORGANIZATION'S BOARD OF DIRECTORS IS RESPONSIBLE FOR SETTING THE OVERALL COMPENSATION PHILOSOPHY OF THE ORGANIZATION, AS WELL AS SETTING, MONITORING AND REVIEWING THE COMPENSATION PACKAGE OF THE ORGANIZATION'S CEO AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM. THE COMMITTEE USES RELEVANT MARKET INFORMATION, INCLUDING THE USE OF AN INDEPENDENT COMPENSATION CONSULTANT AND COMPENSATION STUDIES OR SURVEYS, TO SET COMPENSATION.

SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008  
Open to Public  
Inspection

Name of the organization

UNION HOSPITAL OF CECIL COUNTY, INC.

Employer identification number

52-0607945

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION WILL MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

NEW INPATIENT TOWER, ROUTINE CAPITAL & PORTION OF PARKING GARAGE

(A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

NEW INPATIENT TOWER, ROUTINE CAPITAL & PORTION OF PARKING GARAGE

(A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

NEW INPATIENT TOWER, ROUTINE CAPITAL & PORTION OF PARKING GARAGE

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: BERNARD JOHN HYNES, MD

(A) PURPOSE OF LOAN: ADVANCE ON INCENTIVE COMPENSATION

(B) LOAN TO OR FROM ORGANIZATION? = FROM

(C) ORIGINAL PRINCIPAL AMOUNT \$ 20000. (D) BALANCE DUE \$ 20000.

(E) LOAN IN DEFAULT? = NO

(F) APPROVED BY BOARD OR COMMITTEE? = YES

(G) WRITTEN AGREEMENT? = YES



SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public  
Inspection

Name of the organization

UNION HOSPITAL OF CECIL COUNTY, INC.

Employer identification number

52-0607945

SCHEDULE L, PART II

LOAN TO INTERESTED PERSON

DR. HYNES RECEIVED A \$20,000 ADVANCE ON HIS INCENTIVE COMPENSATION DURING FISCAL YEAR JUNE 30, 2009. HOWEVER, HE WAS NOT AN EMPLOYEE OF THE HOSPITAL UNTIL FISCAL YEAR JUNE 30, 2010. FOR THE JUNE 30, 2010 FISCAL YEAR, HE WILL BE A HIGHEST COMPENSATED EMPLOYEE AND REPORTED ON PART VII OF FORM 990. THE SALARY ADVANCE WAS APPROVED BY THE MEDICAL STAFF DEVELOPMENT COMMITTEE OF THE HOSPITAL'S BOARD ON OCTOBER 2, 2009. THE SALARY ADVANCE IS EVIDENCED BY A PROMISSORY NOTE WHICH IS PART OF DR. HYNES' EMPLOYMENT AGREEMENT.





**Part V Transactions With Related Organizations**

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

**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 (iv) rent from a controlled entity

**b** Gift, grant, or capital contribution to other organization(s)

**c** Gift, grant, or capital contribution from other organization(s)

**d** Loans or loan guarantees to or for other organization(s)

**e** Loans or loan guarantees by other organization(s)

**f** Sale of assets to other organization(s)

**g** Purchase of assets from other organization(s)

**h** Exchange of assets

**i** Lease of facilities, equipment, or other assets to other organization(s)

**j** Lease of facilities, equipment, or other assets from other organization(s)

**k** Performance of services or membership or fundraising solicitations for other organization(s)

**l** Performance of services or membership or fundraising solicitations by other organization(s)

**m** Sharing of facilities, equipment, mailing lists, or other assets

**n** Sharing of paid employees

**o** Reimbursement paid to other organization for expenses

**p** Reimbursement paid by other organization for expenses

**q** Other transfer of cash or property to other organization(s)

**r** Other transfer of cash or property from other 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(s)	(B) Transaction type (a-r)	(C) Amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

