

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

**2003**Open to Public  
Inspection**A** For the 2003 calendar year, or tax year beginning **JUL 1, 2003** and ending **JUN 30, 2004**

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

Please use IRS label or print or type See Specific Instructions

**C** Name of organization**CHILDREN'S CLINICS FOR  
REHABILITATIVE SERVICES**

Number and street (or P.O. box if mail is not delivered to street address)

**2600 NORTH WYATT DRIVE**

City or town, state or country, and ZIP + 4

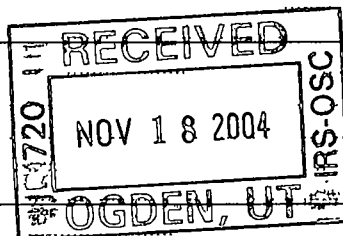
**TUCSON, AZ 85712****D** Employer identification number**86-0667510****E** Telephone number**520-324-5437****F** Accounting method☐ Cash☒ Accrual

Other (specify) ▶

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

**H** and **I** are not applicable to section 527 organizations.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? **N/A** ☐ Yes ☐ No  
(If "No," attach a list.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**G** Website: **WWW.CHILDRENSCLINICS.ORG****J** Organization type (check only one) ☒ 501(c) ( 3 ) (insert no) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **13,601,934.****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue	<b>1</b>	Contributions, gifts, grants, and similar amounts received:			
	<b>a</b>	Direct public support	<b>1a</b>	<b>47,226.</b>	
	<b>b</b>	Indirect public support	<b>1b</b>		
	<b>c</b>	Government contributions (grants)	<b>1c</b>	<b>130,022.</b>	
	<b>d</b>	Total (add lines 1a through 1c) (cash \$ <b>177,248.</b> noncash \$ )	<b>1d</b>	<b>177,248.</b>	
	<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>	<b>13,411,249.</b>	
	<b>3</b>	Membership dues and assessments	<b>3</b>		
	<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>		
	<b>5</b>	Dividends and interest from securities	<b>5</b>	<b>6,944.</b>	
	<b>6a</b>	Gross rents <b>SEE STATEMENT 2</b>	<b>6a</b>	<b>6,493.</b>	
	<b>b</b>	Less: rental expenses	<b>6b</b>		
<b>c</b>	Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>	<b>6,493.</b>		
<b>7</b>	Other investment income (describe )	<b>7</b>			
Expenses	<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
	<b>b</b>	Less: cost or other basis and sales expenses	<b>8a</b>		
	<b>c</b>	Gain or (loss) (attach schedule)	<b>8b</b>		
	<b>d</b>	Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8c</b>		
	<b>8d</b>				
	<b>9</b>	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	<b>a</b>	Gross revenue (not including \$ of contributions reported on line 1a)	<b>9a</b>		
	<b>b</b>	Less: direct expenses other than fundraising expenses	<b>9b</b>		
	<b>c</b>	Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>		
	<b>10a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>		
	<b>b</b>	Less: cost of goods sold	<b>10b</b>		
<b>c</b>	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>			
Net Assets	<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>		
	<b>12</b>	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>	<b>13,601,934.</b>	
	<b>13</b>	Program services (from line 44, column (B))	<b>13</b>	<b>12,264,167.</b>	
	<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>	<b>1,818,026.</b>	
	<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>		
	<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>		
	<b>17</b>	Total expenses (add lines 16 and 44, column (A))	<b>17</b>	<b>14,082,193.</b>	
<b>18</b>	Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>	<b>-480,259.</b>		
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>	<b>2,215,865.</b>		
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>0.</b>		
<b>21</b>	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>	<b>1,735,606.</b>		



**CHILDREN'S CLINICS FOR  
REHABILITATIVE SERVICES**

**86-0667510**

**Part II Statement of Functional Expenses**

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

Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	cash \$ _____ noncash \$ _____	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	504,298.	89,755.	414,543.
26	Other salaries and wages	26	3,771,229.	2,867,722.	903,507.
27	Pension plan contributions	27			
28	Other employee benefits	28	599,046.	414,540.	184,506.
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31	22,800.	18,012.	4,788.
32	Legal fees	32			
33	Supplies	33	1,383,902.	1,324,143.	59,759.
34	Telephone	34			
35	Postage and shipping	35	33,991.	26,853.	7,138.
36	Occupancy	36	132,553.	104,717.	27,836.
37	Equipment rental and maintenance	37	75,508.	59,651.	15,857.
38	Printing and publications	38	5,797.	4,580.	1,217.
39	Travel	39	16,201.	12,799.	3,402.
40	Conferences, conventions, and meetings	40	18,467.	14,589.	3,878.
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	179,193.	141,562.	37,631.
43	Other expenses not covered above (itemize):				
a	_____	43a			
b	_____	43b			
c	_____	43c			
d	_____	43d			
e	<b>SEE STATEMENT 3</b>	43e	7,339,208.	7,185,244.	153,964.
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	14,082,193.	12,264,167.	1,818,026.

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;

(iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? ☐

**HEALTH CARE & MEDICAL SERVICES**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)

<b>a</b>	<b>TO PROVIDE A COMPREHENSIVE RANGE OF PEDIATRIC AND MEDICAL AND SUPPORT SERVICES TO CHILDREN WITH SPECIAL HEALTHCARE NEEDS IN SOUTHERN ARIZONA - SEE STATEMENT A</b>	
	(Grants and allocations \$ _____)	12,264,167.
<b>b</b>	_____	
	(Grants and allocations \$ _____)	
<b>c</b>	_____	
	(Grants and allocations \$ _____)	
<b>d</b>	_____	
	(Grants and allocations \$ _____)	
<b>e</b>	Other program services (attach schedule)	(Grants and allocations \$ _____)
<b>f</b>	<b>Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>	<b>12,264,167.</b>

**CHILDREN'S CLINICS FOR  
REHABILITATIVE SERVICES**

86-0667510

Page 3

**Part IV Balance Sheets**

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing		45	
	46 Savings and temporary cash investments	2,981,736.	46	2,420,953.
	47 a Accounts receivable	47a 198,040.		
	b Less: allowance for doubtful accounts	47b	47c	198,040.
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	59,281.	53	98,161.
	54 Investments - securities	Cost FMV	54	
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b	55c	
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	57a 3,006,682.			
b Less: accumulated depreciation STMT 4	57b 2,048,161.	57c	958,521.	
58 Other assets (describe )		58		
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74)	3,979,788.	59	3,675,675.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	1,763,923.	60	1,940,069.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe )		65	
66 <b>Total liabilities</b> (add lines 60 through 65)	1,763,923.	66	1,940,069.	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	2,215,865.	67	1,735,606.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	2,215,865.	73	1,735,606.	
74 <b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)	3,979,788.	74	3,675,675.	

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

<b>Part IV-A</b>	<b>Reconciliation of Revenue per Audited Financial Statements with Revenue per Return</b>
------------------	---

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	14,091,934.
<b>b</b>	Amounts included on line <b>a</b> but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ _____		
(2)	Donated services and use of facilities \$ 490,000.		
(3)	Recoveries of prior year grants \$ _____		
(4)	Other (specify): \$ _____		
	Add amounts on lines (1) through (4)	<b>b</b>	490,000.
<b>c</b>	Line <b>a</b> minus line <b>b</b>	<b>c</b>	13,601,934.
<b>d</b>	Amounts included on line 12, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify): \$ _____		
	Add amounts on lines (1) and (2)	<b>d</b>	0.
<b>e</b>	Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> )	<b>e</b>	13,601,934.

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

<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	14,572,193.
<b>b</b>	Amounts included on line <b>a</b> but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$ 490,000.		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify): \$		
	Add amounts on lines (1) through (4)	<b>b</b>	490,000.
<b>c</b>	Line <b>a</b> minus line <b>b</b>	<b>c</b>	14,082,193.
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses and losses not included on line 6b, Form 990 \$		
(2)	Other (specify): \$		
	Add amounts on lines (1) and (2)	<b>d</b>	0.
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> )	<b>e</b>	14,082,193.

<b>Part V</b>	<b>List of Officers, Directors, Trustees, and Key Employees</b> (List each one even if not compensated.)
---------------	--

[illegible]

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. ☐ Yes ☒ No

**CHILDREN'S CLINICS FOR  
REHABILITATIVE SERVICES**

Form 990 (2003)

86-0667510

Page 5

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year? <span style="float: right;">N/A</span>	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions <span style="float: right;">81a 0.</span>	81b	X
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) <span style="float: right;">82b</span>		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? <span style="float: right;">N/A</span>	84b	
85	<b>501(c)(4), (5), or (6) organizations</b> a Were substantially all dues nondeductible by members? <span style="float: right;">N/A</span>	85a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? <span style="float: right;">N/A</span>	85b	
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members <span style="float: right;">85c N/A</span>		
d	Section 162(e) lobbying and political expenditures <span style="float: right;">85d N/A</span>		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <span style="float: right;">85e N/A</span>		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) <span style="float: right;">85f N/A</span>		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? <span style="float: right;">N/A</span>	85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? <span style="float: right;">N/A</span>	85h	
86	<b>501(c)(7) organizations.</b> Enter: a Initiation fees and capital contributions included on line 12 <span style="float: right;">86a N/A</span>		
b	Gross receipts, included on line 12, for public use of club facilities <span style="float: right;">86b N/A</span>		
87	<b>501(c)(12) organizations.</b> Enter: a Gross income from members or shareholders <span style="float: right;">87a N/A</span>		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) <span style="float: right;">87b N/A</span>		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	<b>501(c)(3) organizations</b> Enter: Amount of tax imposed on the organization during the year under: section 4911 <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span> 0.; section 4912 <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span> 0.; section 4955 <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span> 0.		
b	<b>501(c)(3) and 501(c)(4) organizations</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <span style="float: right;">0.</span>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <span style="float: right;">0.</span>		
90 a	List the states with which a copy of this return is filed <span style="float: right;">ARIZONA</span>		
b	Number of employees employed in the pay period that includes March 12, 2003 <span style="float: right;">90b 107</span>		
91	The books are in care of <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> CHERYL LIPPERT Telephone no. <span style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></span> 520-324-3217		
	Located at <span style="border-bottom: 1px solid black; display: inline-block; width: 200px;"></span> 2600 N. WYATT DR., TUCSON, AZ ZIP + 4 <span style="border-bottom: 1px solid black; display: inline-block; width: 50px;"></span> 85712		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <span style="float: right;">92</span>	92	N/A

**CHILDREN'S CLINICS FOR  
REHABILITATIVE SERVICES**

86-0667510

Page 6

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)

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

93 Program service revenue:

a **PATIENT SERVICES**

b

c

d

e

f Medicare/Medicaid payments

g Fees and contracts from government agencies

94 Membership dues and assessments

95 Interest on savings and temporary cash investments

96 Dividends and interest from securities

97 Net rental income or (loss) from real estate:

a debt-financed property

b not debt-financed property

98 Net rental income or (loss) from personal property

99 Other investment income

100 Gain or (loss) from sales of assets  
other than inventory

101 Net income or (loss) from special events

102 Gross profit or (loss) from sales of inventory

103 Other revenue:

a

b

c

d

e

104 Subtotal (add columns (B), (D), and (E))

105 Total (add line 104, columns (B), (D), and (E))

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

93A TO PROVIDE A RANGE OF SERVICES FOR CHRONICALLY ILL OR DISABLED  
CHILDREN AND THEIR FAMILIES - SEE STATEMENT A

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of the instructions.)

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

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

☐ Yes☒ No

accompanying schedules and statements, and to the best of my knowledge and belief, it is true,  
all information of which preparer has any knowledge

Date

Type or print name and title.

Date

Check if

Preparer's SSN or PTIN

1-12-04 William J. Long, TREASURER

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

Department of the Treasury  
Internal Revenue Service

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

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

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

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

OMB No 1545-0047

**2003**

Name of the organization **CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES** Employer identification number **86 0667510**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>MARK WHEELER</u>	PHYSICIAN			
<u>2600 N. WYATT, TUCSON, AZ</u>	40	139,487.	13,966.	
<u>ALLAN HONDA</u>	IS DIRECTOR			
<u>2600 N. WYATT, TUCSON, AZ</u>	40	80,688.	6,230.	
<u>MARLENE PITTS</u>	MANAGER			
<u>2600 N. WYATT, TUCSON, AZ</u>	40	67,272.	6,302.	
<u>TERRI WYATT</u>	REHAB DIRECTO			
<u>2600 N. WYATT, TUCSON, AZ</u>	40	73,445.	6,657.	
<u>JAIN FOSTER-VALDEZ</u>	PSYCHOLOGIST			
<u>2600 N. WYATT, TUCSON, AZ</u>	40	67,528.	11,618.	
Total number of other employees paid over \$50,000	11			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>UNIVERSITY MEDICAL CENTER</u>		
<u>1501 N. CAMPBELL AVE, TUCSON, AZ 85724</u>	HOSPITAL AND ANCILLARY SERVICE	1896587.
<u>TUCSON MEDICAL CENTER</u>		
<u>5301 E. GRANT RD., TUCSON, AZ 85712</u>	HOSPITAL AND ANCILLARY SERVICE	1155053.
<u>UNIVERSITY PHYSICIANS, INC.</u>		
<u>575 E. RIVER RD., TUCSON, AZ 85704</u>	PATIENT SERVICES	1496953.
<u>CHILDREN'S ORTHO SPECIALISTS</u>		
<u>1605 E. RIVER RD. STE. 101, TUCSON, AZ 85718</u>	PATIENT SERVICES	181,019.
<u>LUCILE SALTER PACKARD CHILDREN'S HOSPITAL</u>		
<u>725 WELCH RD., PALO ALTO, CA 94304</u>	PATIENT SERVICES	289,098.
Total number of others receiving over \$50,000 for professional services	10	

# CHILDREN'S CLINICS FOR

Schedule A (Form 990 or 990-EZ) 2003 **REHABILITATIVE SERVICES**

86-0667510 Page 2

## **Part III** Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities <b>►</b> \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) <b>SEE STATEMENT 6</b>		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <b>SEE PART V, FORM 990</b>	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	X
b Do you have a section 403(b) annuity plan for your employees?	3b	X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4	X

## **Part IV** Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5	<input type="checkbox"/>	A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
6	<input type="checkbox"/>	A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
7	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
8	<input type="checkbox"/>	A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
9	<input type="checkbox"/>	A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state <b>►</b> _____
10	<input type="checkbox"/>	An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the <b>Support Schedule</b> in Part IV-A.)
11a	<input type="checkbox"/>	An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the <b>Support Schedule</b> in Part IV-A.)
11b	<input type="checkbox"/>	A community trust. Section 170(b)(1)(A)(vi). (Also complete the <b>Support Schedule</b> in Part IV-A.)
12	<input type="checkbox"/>	An organization that normally receives: (1) <b>more than 33 1/3%</b> of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) <b>no more than 33 1/3%</b> of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the <b>Support Schedule</b> in Part IV-A.)
13	<input type="checkbox"/>	An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14	<input type="checkbox"/>	An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)
----	--------------------------	--

Schedule A (Form 990 or 990-EZ) 2003



# CHILDREN'S CLINICS FOR

Schedule A (Form 990 or 990-EZ) 2003 **REHABILITATIVE SERVICES**

86-0667510 Page 3

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting. **N/A**  
**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
<b>16</b> Membership fees received					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22	0.	0.	0.	0.	0.
<b>24</b> Line 23 minus line 17					
<b>25</b> Enter 1% of line 23					
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24					<b>26a</b> N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					<b>26b</b> N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					<b>26c</b> N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					<b>26d</b> N/A
e Public support (line 26c minus line 26d total)					<b>26e</b> N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> N/A %
<b>27 Organizations described on line 12:</b> a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					<b>27c</b> N/A
d Add: Line 27a total _____ and line 27b total _____					<b>27d</b> N/A
e Public support (line 27c total minus line 27d total)					<b>27e</b> N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					<b>27f</b> N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b> N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b> N/A %
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

**Part V Private School Questionnaire** (See page 7 of the instructions.)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>		
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/>		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges?		
<b>b</b> Admissions policies?		
<b>c</b> Employment of faculty or administrative staff?		
<b>d</b> Scholarships or other financial assistance?		
<b>e</b> Educational policies?		
<b>f</b> Use of facilities?		
<b>g</b> Athletic programs?		
<b>h</b> Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/>		
<b>34 a</b> Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)

N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ☐ **a** if the organization belongs to an affiliated group. Check ☐ **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

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

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h )			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

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





Children's Clinics for Rehabilitative Services  
Ratio of Health and Medical Related Expenses to Total Revenue  
Fiscal year ended June 30, 2004

Health and medical related expenses	
Direct expenses related to the care of patients	<u><u>\$ 12,719,110</u></u> ✓
Revenue	
Total revenues and other support	<u><u>\$ 14,091,934</u></u> ✓
Ratio of health and medical related expenses to revenue	<u><u>90.26%</u></u>

# **Statement A**

**CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES**  
**86-0667510**  
**FYE 6/30/04**

## **Appendix A**

### **GEOGRAPHIC SERVICE AREA**

Primary Service Area includes zip codes for all of Pima, Santa Cruz, Cochise, Graham, and Greenlee Counties, as well as Southern and Central Pima County and the southern tip of Gila County (Winkelman/Hayden Area). Some referral patients come from outside this primary service area for selected specialty services.

### **CLINICAL STATISTICAL PROFILE FOR FYE 6/30/04**

Medical/Dental Clinic Visits	14,606
Rehab Service Visits	7,300
Lab Tests	10,316
X-Ray Procedures	1,532
Pharmacy Prescriptions	13,408

# **Statement A**

## **CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES**

**86-0667510**

**FYE 6/30/04**

### **Part III Statement of Program Service Accomplishments & Part VIII: Relationship of Activities to the Accomplishment of Exempt Purposes**

The Children's Clinics for Rehabilitative Services, in keeping with its tax-exempt purposes, has continued to provide a range of services for medically complex, chronically ill or physically disabled children and their families. Our pediatric primary care program for children with special health care needs has continued to grow over the last year, and we continue to provide a wide variety of pediatric specialty clinics and services.

The volume of visits to our Medical/Dental Specialty Clinics, Rehab Services and Ancillary Services during Fiscal Year 03/04 are also shown on Appendix A (attached).

In addition to these services, we provided Social Services, Special Education, Psychology, Child Life and Advocacy Services to our patients. We continue to provide a variety of special programs and outreach services to our patient population and collaborate with other community organizations and agencies that serve children with special health care needs. For example, we have continued to develop transition services for our older patients as they move into adulthood.

Children's Clinics has continued to implement staff education programs for our employees. We have hosted in-service and continuing education meetings in our facility and have made the facility available to other community and advocacy groups. We have continued to maintain educational affiliations in a number of clinical areas enabling medical and allied health students to rotate through our facility for portions of their clinical education experience. We maintain a Parent Resource Library on site, in collaboration with Pilot Parents, for the use of parents and others who want to know more about their children's medical conditions and available resources.



**CCRS**  
**86-0667510**  
**FY 2003-2004**

**Statement B**

In keeping with its tax-exempt purpose, CCRS contracts with a variety of physician practices in order to provide professional medical services to the chronically-ill or disabled children whom it serves. The following noncompensated members of the board of directors engaged in arm's length transactions with CCRS in the normal course of business and at the prevailing rates for providing these services. These physicians are associated with the following physician groups:

Fayez Ghishan, M.D.  
Lawrence Housman, M.D.

University Physicians  
Tucson Orthopaedic Institute

## FOOTNOTES

STATEMENT

1

TAXPAYER HEREBY ELECTS NOT TO CLAIM THE ADDITIONAL 30%  
OR 50% DEPRECIATION ALLOWANCE PURSUANT TO INTERNAL REVENUE  
CODE SECTION 168(K)(2)(C)(III) FOR THE TAX YEAR ENDING  
JUNE 30, 2004.

RECONCILIATION BETWEEN OFFICER COMPENSATION REPORTED ON  
PART II LINE 25 AND PART V (C):

OFFICERS SALARIES REPORTED ON PART II LINE 25	504,289.
EXECUTIVE DIRECTOR'S DEFERRED COMPENSATION RELATED TO SEVERANCE PACKAGE INCLUDED IN AMOUNT REPORTED ON PART V (D)	-139,985.
OFFICERS SALARIES REPORTED ON PART V (C)	<u>364,304.</u>

FORM 990 RENTAL INCOME STATEMENT 2

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
RENTAL INCOME - NON DEBT FINANCED PROPERTY	2	6,493.
TOTAL TO FORM 990, PART I, LINE 6A		6,493.

FORM 990 OTHER EXPENSES STATEMENT 3

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
OUTSIDE SERVICES	200,564.	98,857.	101,707.	
INSURANCE	80,056.	63,244.	16,812.	
ENVIRONMENTAL SERVICES	57,108.	45,115.	11,993.	
PERSONNEL SERVICES	3,180.	2,512.	668.	
SECURITY SERVICES	2,775.	2,192.	583.	
PLANT ENGINEERING	5,642.	4,457.	1,185.	
COMMUNITY EDUCATION, MARKETING	1,591.	1,257.	334.	
LICENSES AND ASSESSMENTS	55,967.	44,214.	11,753.	
RECRUITMENT	11,580.	9,148.	2,432.	
DUES	7,186.	5,677.	1,509.	
INFORMATION SERVICES	3,029.	2,393.	636.	
SPECIAL FUNCTIONS	3,946.	3,117.	829.	
MISCELLANEOUS	16,785.	13,262.	3,523.	
PROFESSIONAL SERVICES TO PATIENTS	6,733,814.	6,733,814.		
LABORATORY FEES	90,027.	90,027.		
MEDICAL DIRECTION	65,958.	65,958.		
TOTAL TO FM 990, LN 43	7,339,208.	7,185,244.	153,964.	

---



---

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	4
----------	--	-----------	---

---

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
EQUIPMENT	2,774,418.	1,951,741.	822,677.
LEASEHOLD IMPROVEMENTS	232,264.	96,420.	135,844.
TOTAL TO FORM 990, PART IV, LN 57	3,006,682.	2,048,161.	958,521.

---



---

FORM 990	PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	STATEMENT	5
----------	---	-----------	---

---

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JUDITH C. KEAGY, MHA 2600 N. WYATT DRIVE TUCSON, AZ 85712	EXECUTIVE DIRECTOR 40	121,016.	181,516.	0.
EDITH JORDAN, RN, MBA 2600 N. WYATT DRIVE TUCSON, AZ 85712	DIRECTOR, OPERATIONS 40	89,755.	8,881.	0.
CHERYL LIPPERT 2600 N. WYATT DRIVE TUCSON, AZ 85712	CONTROLLER/ PROJ. MGR 40	70,143.	11,904.	0.
WILLIAM LONG 8921 E. SIERRA ST. TUCSON, AZ 85710	TREASURER 2	0.	0.	0.
WALTER STEVENS 2600 N. WYATT DRIVE TUCSON, AZ 85712	NON VOTING MEMBER 2	0.	0.	0.
RODRIGO VILLAR, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	NON VOTING MEMBER 2	0.	0.	0.
TRACY NUCKOLLS 5301 E. GRANT ROAD TUCSON, AZ 85712	VOTING MEMBER 2	0.	0.	0.

· CHILDREN'S CLINICS FOR REHABILITATIVE SE

86-0667510

RICHARD DONNERSTEIN, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2	0.	0.	0.
KEVIN BURNS P.O. BOX 245128 TUCSON, AZ 85724-5128	VOTING MEMBER 2	0.	0.	0.
JUDY DYE P.O. BOX 245128 TUCSON, AZ 85724-5128	VICE PRESIDENT 2	0.	0.	0.
PALMER EVANS, M.D. 301 E. GRANT ROAD TUCSON, AZ 85712	PRESIDENT 2	0.	0.	0.
FAYEZ GHISHAN, M.D. P.O. BOX 245073 TUCSON, AZ 85724-5073	VOTING MEMBER 2	0.	0.	0.
CLINTON E. HAMILTON 5512 E. BELLEVUE TUCSON, AZ 85712	VOTING MEMBER 2	0.	0.	0.
HARMON HARRISON, M.D. 7301 N. SAN PASQUALE AVE. TUCSON, AZ 85704	VOTING MEMBER 2	0.	0.	0.
LAWRENCE HOUSMAN, M.D. 2424 N. WYATT DR., SUITE 260 TUCSON, AZ 85712	VOTING MEMBER 2	0.	0.	0.
BONNIE TYPLIN, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	DIRECTOR, MEDICAL 40	83,390.	6,841.	0.
TOTALS INCLUDED ON FORM 990, PART V		364,304.	209,142.	0.

SCHEDULE A	STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC., PART III, LINE 2	STATEMENT	6
------------	---	-----------	---

SEE STATEMENT B.