

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 private foundations)  
Do not enter social security numbers on this form as it may be made public  
Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No 1545-0047  
**2017**  
Open to Public Inspection

**A For the 2017 calendar year, or tax year beginning 10-01-2017, and ending 09-30-2018**

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

**C** Name of organization  
Texas Scottish Rite Hospital for Crippled Children  
% JEAN ALLEN CONTROLLER  
Doing business as  
SEE SCHEDULE O

Number and street (or P O box if mail is not delivered to street address) Room/suite  
2222 WELBORN ST

City or town, state or province, country, and ZIP or foreign postal code  
DALLAS, TX 75219

**F** Name and address of principal officer  
ROBERT WALKER  
2222 WELBORN ST  
DALLAS, TX 75219

**D** Employer identification number  
75-0818178

**E** Telephone number  
(214) 559-5000

**G** Gross receipts \$ 618,676,071

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
If "No," attach a list (see instructions)  
**H(c)** Group exemption number ▶

- I** Tax-exempt status  501(c)(3)  501(c) ( ) ◀ (insert no )  4947(a)(1) or  527
- J** Website: ▶ WWW.SCOTTISHRITEHOSPITAL.ORG
- K** Form of organization  Corporation  Trust  Association  Other ▶

**L** Year of formation 1921 **M** State of legal domicile TX

## Part I Summary

**1** Briefly describe the organization's mission or most significant activities  
IMPROVING THE LIVES OF CHILDREN WITH ORTHOPEDIC RELATED CONDITIONS THROUGH PATIENT CARE, RESEARCH AND EDUCATION

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	36
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	35
<b>5</b> Total number of individuals employed in calendar year 2017 (Part V, line 2a)	1,280
<b>6</b> Total number of volunteers (estimate if necessary)	974
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	1,765,934
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	-378,166

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	22,531,347	38,963,246
<b>9</b> Program service revenue (Part VIII, line 2g)	73,581,063	73,837,695
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d )	112,344,462	120,707,583
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	96,235,230	179,590,274
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	304,692,102	413,098,798
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3 )	2,118,392	1,977,511
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	117,925,553	117,759,961
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶9,497,264		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	84,382,526	75,894,106
<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	204,426,471	195,631,578
<b>19</b> Revenue less expenses Subtract line 18 from line 12	100,265,631	217,467,220

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	2,731,833,096	2,946,249,361
<b>21</b> Total liabilities (Part X, line 26)	169,093,881	162,548,074
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	2,562,739,215	2,783,701,287

## 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**  
Signature of officer: \_\_\_\_\_ Date: 2019-08-15  
WILLIAM R HUSTON SVP & CFO  
Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name kathleen moseley	Preparer's signature kathleen moseley	Date	Check <input type="checkbox"/> if self-employed	PTIN P00116760
Firm's name ▶ ERNST & YOUNG US LLP			Firm's EIN ▶	
Firm's address ▶ 425 HOUSTON STREET STE 600 FORT WORTH, TX 76102			Phone no (817) 335-1900	

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

**1** Briefly describe the organization's mission  
 TO PROVIDE THE HIGHEST QUALITY CARE TO IMPROVE THE LIVES OF CHILDREN WITH ORTHOPEDIC AND RELATED CONDITIONS AND SPECIFIC LEARNING DISABILITIES TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN FOCUSES ON PATIENT CARE, RESEARCH AND EDUCATION

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
 If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
 If "Yes," describe these changes on Schedule O

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

**4a** (Code ) (Expenses \$ 148,645,180 including grants of \$ 1,977,511 ) (Revenue \$ 72,739,880 )  
 See Additional Data

**4b** (Code ) (Expenses \$ 12,820,593 including grants of \$ 0 ) (Revenue \$ 1,097,815 )  
 See Additional Data

**4c** (Code ) (Expenses \$ 1,375,308 including grants of \$ 0 ) (Revenue \$ 0 )  
 See Additional Data

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

**4e Total program service expenses** ▶ 162,841,081

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> 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> . . . . .	Yes	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .	Yes	
<b>3</b> 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> . . . . .		No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> . . . . .	Yes	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> . . . . .		
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> . . . . .		No
<b>7</b> 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> . . . . .		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> . . . . .		No
<b>9</b> Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> . . . . .		No
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> . . . . .	Yes	
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> . . . . .	Yes	
<b>b</b> Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> . . . . .		No
<b>c</b> Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> . . . . .		No
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> . . . . .		No
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> . . . . .	Yes	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> . . . . .	Yes	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> . . . . .		No
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> . . . . .	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		No
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> . . . . .	Yes	
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> . . . . .		No
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> . . . . .		No
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions) . . . . .		No
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> . . . . .	Yes	
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> . . . . .	Yes	

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

	Yes	No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> . . . . .	Yes	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	Yes	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	Yes	
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .		No
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	Yes	
<b>24a</b> 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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> . . . . .	Yes	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		No
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		No
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		No
<b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) 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> . . . . .		No
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .		No
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> . . . . .		No
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .		No
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions) <b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	Yes	
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	Yes	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .		No
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		No
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .		No
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .		No
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	Yes	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	Yes	
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		No
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .		No
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	Yes	



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

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (36), 1b (35), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17, 18, 19, 20.







**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>	3,059,078				
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>	360,561				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	35,543,607				
	<b>g</b> Noncash contributions included in lines 1a-1f \$ _____		1,914,798				
	<b>h Total.</b> Add lines 1a-1f . . . . .		38,963,246				
<b>Program Service Revenue</b>			<b>Business Code</b>				
	<b>2a</b> OUTPATIENT REVENUE		622310	108,120,257	108,120,257	0	
	<b>b</b> INPATIENT REVENUE		622310	72,625,057	72,625,057	0	
	<b>c</b> DEDUCTIONS FROM REVENUE		622310	-111,281,534	-111,281,534	0	
	<b>d</b> OTHER PATIENT RELATED REV		622310	4,373,915	4,373,915	0	
	<b>e</b> _____						
	<b>f</b> All other program service revenue						
<b>g Total.</b> Add lines 2a-2f . . . . .		73,837,695					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .			64,419,593		24,182	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .			0			
	<b>5</b> Royalties . . . . .			112,150,914		112,150,914	
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
			550,812				
		<b>b</b> Less rental expenses	101,311				
		<b>c</b> Rental income or (loss)	449,501	0			
	<b>d</b> Net rental income or (loss) . . . . .			449,501		449,501	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			255,083,966	2,105,580			
		<b>b</b> Less cost or other basis and sales expenses	200,043,326	858,230			
		<b>c</b> Gain or (loss)	55,040,640	1,247,350			
	<b>d</b> Net gain or (loss) . . . . .			56,287,990		8,000	
	<b>8a</b> Gross income from fundraising events (not including \$ 3,059,078 of contributions reported on line 1c) See Part IV, line 18 . . . . .		<b>a</b>		707,883		
	<b>b</b> Less direct expenses . . . . .		<b>b</b>		1,254,427		
<b>c</b> Net income or (loss) from fundraising events . . . . .				-546,544		-546,544	
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .		<b>a</b>		15,545			
<b>b</b> Less direct expenses . . . . .		<b>b</b>		7,484			
<b>c</b> Net income or (loss) from gaming activities . . . . .				8,061		8,061	
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>			5,384,336			
	<b>b</b> Less cost of goods sold . . . . .	<b>b</b>		3,312,495			
	<b>c</b> Net income or (loss) from sales of inventory . . . . .			2,071,841		1,507,056	
Miscellaneous Revenue		<b>Business Code</b>					
<b>11a</b> SURFACE DAMAGE/WATER SALE		110000	4,098,500	0	0	4,098,500	
<b>b</b> LEASE BONUS REVENUE		211110	61,093,366	0	0	61,093,366	
<b>c</b> HUNTING PERMITS		900099	94,425	0	94,425	0	
<b>d</b> All other revenue . . . . .			170,210	0	132,271	37,939	
<b>e Total.</b> Add lines 11a-11d . . . . .			65,456,501				
<b>12 Total revenue.</b> See Instructions . . . . .			413,098,798	73,837,695	1,765,934	298,531,923	

**Part IX Statement of Functional Expenses**

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

Check if Schedule O contains a response or note to any line in this Part IX

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>				
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	1,977,511	1,977,511		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22.	0	0		
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.	0	0		
<b>4</b> Benefits paid to or for members.	0	0		
<b>5</b> Compensation of current officers, directors, trustees, and key employees.	12,737,740	7,771,848	3,524,984	1,440,908
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0	0	0	0
<b>7</b> Other salaries and wages.	79,007,282	67,813,611	7,255,207	3,938,464
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	10,919,716	9,834,400	515,262	570,054
<b>9</b> Other employee benefits.	10,243,230	9,057,014	500,200	686,016
<b>10</b> Payroll taxes.	4,851,993	4,165,132	403,180	283,681
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management.	0	0	0	0
<b>b</b> Legal.	504,360	132,602	371,758	0
<b>c</b> Accounting.	419,713	0	419,713	0
<b>d</b> Lobbying.	121,926	0	121,926	0
<b>e</b> Professional fundraising services. See Part IV, line 17.	0			0
<b>f</b> Investment management fees.	3,913,684	0	3,913,684	0
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	8,928,778	5,507,160	2,924,830	496,788
<b>12</b> Advertising and promotion.	3,789,371	3,784,094	99	5,178
<b>13</b> Office expenses.	7,237,308	5,372,348	792,236	1,072,724
<b>14</b> Information technology.	8,978,573	7,904,257	918,475	155,841
<b>15</b> Royalties.	0	0	0	0
<b>16</b> Occupancy.	5,537,448	5,037,272	408,673	91,503
<b>17</b> Travel.	722,401	546,751	151,033	24,617
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials.	0	0	0	0
<b>19</b> Conferences, conventions, and meetings.	272,423	206,954	56,712	8,757
<b>20</b> Interest.	94,754	83,573	9,096	2,085
<b>21</b> Payments to affiliates.	0	0	0	0
<b>22</b> Depreciation, depletion, and amortization.	14,601,791	12,976,436	1,322,323	303,032
<b>23</b> Insurance.	1,293,806	651,432	623,862	18,512
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> MEDICAL SUPPLIES	12,689,146	12,683,370	3,847	1,929
<b>b</b> MGMT & GENERAL EXP ALLOC		3,673,306	-4,070,481	397,175
<b>c</b> RANCH OPERATIONS	2,840,249		2,840,249	
<b>d</b> BAD DEBT EXPENSE	3,662,010	3,662,010		
<b>e</b> All other expenses	286,365		286,365	
<b>25</b> Total functional expenses. Add lines 1 through 24e.	195,631,578	162,841,081	23,293,233	9,497,264
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).	0			

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part IX

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	3,620,915	<b>1</b>	3,333,287
	<b>2</b> Savings and temporary cash investments . . . . .	0	<b>2</b>	0
	<b>3</b> Pledges and grants receivable, net . . . . .	908,743	<b>3</b>	11,873,695
	<b>4</b> Accounts receivable, net . . . . .	26,797,308	<b>4</b>	35,592,800
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .	0	<b>5</b>	0
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L . . . . .	0	<b>6</b>	0
	<b>7</b> Notes and loans receivable, net . . . . .	11,047	<b>7</b>	9,332
	<b>8</b> Inventories for sale or use . . . . .	5,463,460	<b>8</b>	5,526,955
	<b>9</b> Prepaid expenses and deferred charges . . . . .	6,586,288	<b>9</b>	7,686,043
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	443,121,789		
	<b>b</b> Less accumulated depreciation	172,256,092		
		195,657,758	<b>10c</b>	270,865,697
	<b>11</b> Investments—publicly traded securities . . . . .	2,410,517,901	<b>11</b>	2,525,773,487
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .	124,684	<b>12</b>	124,670
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .	0	<b>13</b>	0
	<b>14</b> Intangible assets . . . . .	0	<b>14</b>	0
<b>15</b> Other assets See Part IV, line 11 . . . . .	82,144,992	<b>15</b>	85,463,395	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	2,731,833,096	<b>16</b>	2,946,249,361	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	25,529,447	<b>17</b>	24,916,057
	<b>18</b> Grants payable . . . . .	0	<b>18</b>	0
	<b>19</b> Deferred revenue . . . . .	279,807	<b>19</b>	518,360
	<b>20</b> Tax-exempt bond liabilities . . . . .	23,000,000	<b>20</b>	23,000,000
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D	0	<b>21</b>	0
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .	0	<b>22</b>	0
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	0	<b>23</b>	0
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .	0	<b>24</b>	0
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	120,284,627	<b>25</b>	114,113,657
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	169,093,881	<b>26</b>	162,548,074
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	2,439,529,597	<b>27</b>	2,657,069,737
	<b>28</b> Temporarily restricted net assets . . . . .	54,903,305	<b>28</b>	54,385,822
	<b>29</b> Permanently restricted net assets	68,306,313	<b>29</b>	72,245,728
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	2,562,739,215	<b>33</b>	2,783,701,287	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	2,731,833,096	<b>34</b>	2,946,249,361	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	413,098,798
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	195,631,578
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	217,467,220
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	2,562,739,215
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-4,884,490
<b>6</b>	Donated services and use of facilities	<b>6</b>	0
<b>7</b>	Investment expenses	<b>7</b>	0
<b>8</b>	Prior period adjustments	<b>8</b>	0
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	8,379,342
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	2,783,701,287

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

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

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 75-0818178

**Name:** Texas Scottish Rite Hospital for Crippled  
Children

Form 990 (2017)

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**Form 990, Part III, Line 4a:**

PATIENT CARE TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN IS ONE OF THE NATION'S LEADING PEDIATRIC CENTERS FOR THE TREATMENT OF ORTHOPEDIC CONDITIONS, CERTAIN RELATED ARTHRITIC AND NEUROLOGICAL DISORDERS AND LEARNING DISORDERS, SUCH AS DYSLEXIA PATIENTS RECEIVE TREATMENT REGARDLESS OF THE FAMILY'S ABILITY TO PAY THE ORTHOPEDICS PROGRAM INCLUDES OUTPATIENT CLINIC VISITS AND INPATIENT STAYS FOR THE DIAGNOSIS AND TREATMENT OF SUCH CONDITIONS AS SCOLIOSIS, CLUBFOOT, DISLOCATED HIP, LEGG-PERTHES, LIMB-LENGTH DIFFERENCES AND LIMB DEFICIENCIES, HAND DIFFERENCES AND SPORTS INJURIES (CONTINUED ON SCHEDULE O )

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**Form 990, Part III, Line 4b:**

RESEARCH THE HOSPITAL'S DEDICATED RESEARCH CENTER, THE SARAH M AND CHARLES E SEAY CENTER FOR MUSCULOSKELETAL RESEARCH, IS MADE UP OF SIX CENTERS OF EXCELLENCE - SCOLIOSIS AND SPINE DISORDERS, CLUBFOOT AND FOOT DISORDERS, HIP DISORDERS, LIMB LENGTH AND RECONSTRUCTION, HAND DIFFERENCES AND SPORTS MEDICINE - SUPPORTED BY RESEARCH DIVISIONS AND CORE FACILITIES (CONTINUED ON SCHEDULE O )

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**Form 990, Part III, Line 4c:**

EDUCATION TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN FUNCTIONS AS A PREMIER TEACHING INSTITUTION, PROVIDING COMPREHENSIVE EDUCATION AND TRAINING TO ORTHOPEDIC RESIDENTS AND POST-GRADUATE ORTHOPEDIC FELLOWS IN ADDITION, THE HOSPITAL CONTRIBUTES TO THE EDUCATION OF ALLIED HEALTH PROFESSIONALS BY PROVIDING CLINICAL EXPERIENCE AND DIDACTIC EDUCATION FOR STUDENTS AS WELL AS CONTINUING EDUCATION FOR HEALTH CARE PROFESSIONALS THE HOSPITAL IS CURRENTLY AFFILIATED WITH 57 INSTITUTIONS, INCLUDING COLLEGES, UNIVERSITIES AND TECHNICAL TRAINING PROGRAMS (CONTINUED ON SCHEDULE O )

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**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
M DOUGLAS ADKINS ..... VICE CHAIRMAN	4 0 ..... 1 0	X		X				0	0	0
W EUGENE BROOKSHIRE ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
RUSSELL C BROWN ..... TRUSTEE	3 0 ..... 1 0	X						0	0	0
W VERNON BURKE JR ..... TRUSTEE	3 0 ..... 1 0	X						0	0	0
HAROLD D CARTER ..... VICE CHAIRMAN	4 0 ..... 1 0	X		X				0	0	0
RONALD L CARTER ..... TRUSTEE	4 0 ..... 1 0	X						0	0	0
DANIEL H CHAPMAN ..... VICE PRESIDENT (RESIGNED 2/19)	4 0 ..... 1 0	X		X				0	0	0
GRAHAM H CHILDRESS ..... VICE PRESIDENT (DECEASED 9/18)	4 0 ..... 0 0	X		X				0	0	0
STEPHEN F CROSS ..... TRUSTEE	3 0 ..... 1 0	X						0	0	0
KENNETH C CURRY ..... TRUSTEE	2 0 ..... 0 0	X						0	0	0



**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DAN F DAVIDSON ..... TRUSTEE	4 0 ..... 0 0	X						0	0	0
JOSEPH M DEALY JR ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
LEE DRAIN ..... VICE CHAIRMAN(DECEASED 2/2019)	4 0 ..... 1 0	X		X				0	0	0
CLAUDE O ERVIN ..... TRUSTEE	4 0 ..... 0 0	X						0	0	0
JERRY C GILMORE ..... VP & ASSISTANT SECRETARY	4 0 ..... 1 0	X		X				0	0	0
W M GOWER ..... TRUSTEE	4 0 ..... 0 0	X						0	0	0
THOMAS F GRIFFIN ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
TOM L HIGGINS ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
BRACK JONES JR ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
JAMES E LANEY ..... VP & TREASURER	4 0 ..... 0 0	X		X				0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ROBERT C MADISON ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
BERT V MASSEY II ..... TRUSTEE	5 0 ..... 0 0	X						0	0	0
DOUGLAS S MAXEY ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
JOHN C NOBLES ..... TRUSTEE	4 0 ..... 0 0	X						0	0	0
ROBERT A NORTHCUTT PHD ..... TRUSTEE	4 0 ..... 1 0	X						0	0	0
JAMES D NYFELER SR ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
LYNDON L OLSON JR ..... CHAIRMAN	6 0 ..... 1 0	X		X				0	0	0
JAMES C PENN ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
MICHAEL K PICKENS ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
RONALD L SKAGGS ..... VP & SECRETARY	4 0 ..... 1 0	X		X				0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JEFF W SMITH ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
GUY F STOVALL JR ..... VP & ASSISTANT TREASURER	3 0 ..... 0 0	X		X				0	0	0
JOE H TYDLASKA ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
H FINLAY WATKINS ..... TRUSTEE	4 0 ..... 0 0	X						0	0	0
MURRAY WATSON JR ..... TRUSTEE(DECEASED 7/2018)	3 0 ..... 0 0	X						0	0	0
RALPH WAYNE ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
MICHAEL L WIGGINS PHD ..... TRUSTEE	3 0 ..... 1 0	X						0	0	0
JOHN E WOOD ..... TRUSTEE	3 0 ..... 0 0	X						0	0	0
TOM GUEST ..... TRUSTEE (TERM JAN 2018)	2 0 ..... 0 0	X						0	0	0
JEAN ALLEN ..... CONTROLLER	40 0 ..... 2 0			X				178,931	0	34,034

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARK G BATEMAN ..... SR VP, PUBLIC RELATIONS	35 0 ..... 5 0			X				389,756	0	52,053
STEPHANIE BRIGGER ..... VICE PRESIDENT, DEVELOPMENT	35 0 ..... 5 0			X				205,560	0	85,973
MATT CHANCE ..... SR VP, OPERATIONS	40 0 ..... 1 0			X				309,787	0	46,008
LESLIE A CLONCH ..... VP & CHIEF INFORMATION OFFICER	40 0 ..... 0 0			X				370,560	0	49,233
LORI DALTON ..... SR VP & GENERAL COUSEL	40 0 ..... 2 0			X				447,921	0	48,758
ELLEN HAYNES ..... VICE PRESIDENT, MAJOR GIFTS	35 0 ..... 5 0			X				202,126	0	21,816
JEREMY L HOWELL ..... VICE PRESIDENT, NORTH CAMPUS	40 0 ..... 0 0			X				224,219	0	42,770
WILLAM R HUSTON ..... SR VP & CFO	40 0 ..... 2 0			X				457,908	0	37,695
DONALD K KATZ ..... VP, FACILITIES	40 0 ..... 0 0			X				271,643	0	143,228
FREDRIC RICHMOND ..... SR VP & CHIEF INVESTMENT OFFIC	40 0 ..... 0 0			X				391,089	0	46,758

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DEBRA SAYLES ..... VP AND CNO	40 0 ..... 0 0			X				301,621	0	10,940
KRIS KEEVER-SMITH ..... INVESTMENT OFFICER	40 0 ..... 2 0			X				234,348	0	40,226
ROBERT L WALKER ..... PRESIDENT/CEO	40 0 ..... 1 0			X				850,727	0	23,995
CONNIE WRIGHT ..... VP, HUMAN RESOURCES	40 0 ..... 1 0			X				269,484	0	33,566
MOLLY DEMPSEY MD ..... CMIO	40 0 ..... 0 0				X			579,406	0	208,236
LORI KAROL MD ..... ASST COS (SEE SCH J*)	40 0 ..... 2 0				X			783,534	24,300	301,433
KARL E RATHJEN MD ..... ASSISTANT CHIEF OF STAFF	35 0 ..... 5 0				X			576,289	30,800	167,802
B STEPHENS RICHARDS MD ..... CMO (SEE SCH J*)	40 0 ..... 1 0				X			894,388	0	466,132
DANIEL J SUCATO MD ..... CHIEF OF STAFF	40 0 ..... 1 0				X			884,347	51,800	293,774
PHILIP WILSON MD ..... ASSISTANT CHIEF OF STAFF	40 0 ..... 2 0				X			697,687	63,300	134,542

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
HENRY B ELLIS MD ..... ORTHOPEDIC SURGEON	40 0 ..... 1 0					X		695,637	45,500	54,258
GAIL HACKNEY MD ..... ANESTHESIOLOGIST( SEE SCH J**)	40 0 ..... 0 0					X		851,597	0	199,976
BRANDON A RAMO MD ..... ORTHOPEDIC SURGEON	40 0 ..... 1 0					X		701,165	54,400	49,258
ANTHONY RICCIO MD ..... ORTHOPEDIC SURGEON	40 0 ..... 1 0					X		692,015	47,300	51,503
AMY L MCINTOSH MD ..... ORTHOPEDIC SURGEON	40 0 ..... 1 0					X		697,797	51,500	46,503
JC MONTGOMERY JR ..... FORMER OFFICER	10 0 ..... 30 0						X	475,375	0	23,386
JOHN G BIRCH MD ..... ORTHOPEDIC SURGEON	0 0 ..... 0 0						X	162,827	0	0
LAWSON A COPLEY MD ..... FORMER CMIO	1 0 ..... 40 0						X	31,950	686,061	186,079
J ANTHONY HERRING MD ..... ORTHOPEDIC SURGEON	40 0 ..... 0 0						X	559,588	0	21,265
CHARLES E JOHNSTON II MD ..... ORTHOPEDIC SURGEON	40 0 ..... 0 0						X	712,780	0	39,759

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

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.  
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2017**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**

Texas Scottish Rite Hospital for Crippled Children

**Employer identification number**

75-0818178

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

The organization is not a private foundation because it is (For lines 1 through 12, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ) )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university \_\_\_\_\_
- 10  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )
- 11  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 12  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f Enter the number of supported organizations \_\_\_\_\_

g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
<b>Total</b>						

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

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶		(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
<b>1</b>	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant.")						
<b>2</b>	Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b>	The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4</b>	<b>Total.</b> Add lines 1 through 3						
<b>5</b>	The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
<b>6</b>	<b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶		(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
<b>7</b>	Amounts from line 4						
<b>8</b>	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b>	Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b>	Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>11</b>	<b>Total support.</b> Add lines 7 through 10						
<b>12</b>	Gross receipts from related activities, etc. (see instructions)					<b>12</b>	

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

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

<b>14</b>	Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	
<b>15</b>	Public support percentage for 2016 Schedule A, Part II, line 14	<b>15</b>	

- 16a 33 1/3% support test—2017.** 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 ▶
- b 33 1/3% support test—2016.** 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 ▶
- 17a 10%-facts-and-circumstances test—2017.** 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶
- b 10%-facts-and-circumstances test—2016.** 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶



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

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►		(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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</b>	<b>Total.</b> Add lines 1 through 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 \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b>	Add lines 7a and 7b						
<b>8</b>	<b>Public support.</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►		(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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 VI.)						
<b>13</b>	<b>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 2017 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
<b>16</b>	Public support percentage from 2016 Schedule A, Part III, line 15	<b>16</b>	

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

<b>17</b>	Investment income percentage for <b>2017</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
<b>18</b>	Investment income percentage from <b>2016</b> Schedule A, Part III, line 17	<b>18</b>	

**19a 33 1/3% support tests—2017.** 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—2016.** 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 ►

**Part IV Supporting Organizations**

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

		Yes	No
<b>1</b>	Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
	<b>1</b>		
<b>2</b>	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
	<b>2</b>		
<b>3a</b>	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
	<b>3a</b>		
<b>b</b>	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.		
	<b>3b</b>		
<b>c</b>	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
	<b>3c</b>		
<b>4a</b>	Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
	<b>4a</b>		
<b>b</b>	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
	<b>4b</b>		
<b>c</b>	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
	<b>4c</b>		
<b>5a</b>	Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in <b>Part VI</b> , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
	<b>5a</b>		
<b>b</b>	<b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
	<b>5b</b>		
<b>c</b>	<b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
	<b>5c</b>		
<b>6</b>	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in <b>Part VI</b> .		
	<b>6</b>		
<b>7</b>	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
	<b>7</b>		
<b>8</b>	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
	<b>8</b>		
<b>9a</b>	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in <b>Part VI</b> .		
	<b>9a</b>		
<b>b</b>	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .		
	<b>9b</b>		
<b>c</b>	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .		
	<b>9c</b>		
<b>10a</b>	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.		
	<b>10a</b>		
<b>b</b>	Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		
	<b>10b</b>		

**Part IV Supporting Organizations** (continued)

		Yes	No
<b>11</b>	Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b>	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b>	A family member of a person described in (a) above?		
<b>c</b>	A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI</i>		

**Section B. Type I Supporting Organizations**

		Yes	No
<b>1</b>	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
<b>2</b>	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i>		

**Section C. Type II Supporting Organizations**

		Yes	No
<b>1</b>	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

**Section D. All Type III Supporting Organizations**

		Yes	No
<b>1</b>	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>2</b>	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
<b>3</b>	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

**Section E. Type III Functionally-Integrated Supporting Organizations**

<b>1</b>	Check the box next to the method that the organization used to satisfy the Integral Part Test during the year ( <b>see instructions</b> )		
<b>a</b>	<input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.		
<b>b</b>	<input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.		
<b>c</b>	<input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).		
<b>2</b>	Activities Test <b>Answer (a) and (b) below.</b>		
<b>a</b>	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
<b>b</b>	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
<b>3</b>	Parent of Supported Organizations <b>Answer (a) and (b) below.</b>		
<b>a</b>	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
<b>b</b>	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1**  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Net short-term capital gain	<b>1</b>	
<b>2</b>	Recoveries of prior-year distributions	<b>2</b>	
<b>3</b>	Other gross income (see instructions)	<b>3</b>	
<b>4</b>	Add lines 1 through 3	<b>4</b>	
<b>5</b>	Depreciation and depletion	<b>5</b>	
<b>6</b>	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>	
<b>7</b>	Other expenses (see instructions)	<b>7</b>	
<b>8</b>	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	
<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	<b>1</b>	
<b>a</b>	Average monthly value of securities	<b>1a</b>	
<b>b</b>	Average monthly cash balances	<b>1b</b>	
<b>c</b>	Fair market value of other non-exempt-use assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>	
<b>e</b>	<b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI)		
<b>2</b>	Acquisition indebtedness applicable to non-exempt use assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	
<b>4</b>	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	
<b>5</b>	Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>	
<b>6</b>	Multiply line 5 by .035	<b>6</b>	
<b>7</b>	Recoveries of prior-year distributions	<b>7</b>	
<b>8</b>	<b>Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>	
<b>Section C - Distributable Amount</b>			Current Year
<b>1</b>	Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>	
<b>2</b>	Enter 85% of line 1	<b>2</b>	
<b>3</b>	Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>	
<b>4</b>	Enter greater of line 2 or line 3	<b>4</b>	
<b>5</b>	Income tax imposed in prior year	<b>5</b>	
<b>6</b>	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>	
<b>7</b>	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

<b>Section D - Distributions</b>	<b>Current Year</b>
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ) See instructions	
<b>9</b> Distributable amount for 2017 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

<b>Section E - Distribution Allocations (see instructions)</b>	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2017</b>	<b>(iii) Distributable Amount for 2017</b>
<b>1</b> Distributable amount for 2017 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2017 (reasonable cause required-- explain in Part VI) See instructions			
<b>3</b> Excess distributions carryover, if any, to 2017			
<b>a</b>			
<b>b</b> From 2013. . . . .			
<b>c</b> From 2014. . . . .			
<b>d</b> From 2015. . . . .			
<b>e</b> From 2016. . . . .			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2017 distributable amount			
<b>i</b> Carryover from 2012 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2017 from Section D, line 7			
<b>\$</b>			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2017 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2017, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
<b>6</b> Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
<b>7 Excess distributions carryover to 2018.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b> Excess from 2013. . . . .			
<b>b</b> Excess from 2014. . . . .			
<b>c</b> Excess from 2015. . . . .			
<b>d</b> Excess from 2016. . . . .			
<b>e</b> Excess from 2017. . . . .			

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 75-0818178

**Name:** Texas Scottish Rite Hospital for Crippled  
Children

**Part VI Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b, Part V, line 1, Part V, Section B, line 1e, Part V Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6 Also complete this part for any additional information (See instructions)

**Facts And Circumstances Test**

**SCHEDULE C**  
(Form 990 or 990-EZ)  
  
Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**  
For Organizations Exempt From Income Tax Under section 501(c) and section 527  
  
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at**  
[www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
  
**2017**  
  
**Open to Public Inspection**

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

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

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

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

**If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then**

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

Name of the organization Texas Scottish Rite Hospital for Crippled Children	Employer identification number 75-0818178
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$ \_\_\_\_\_
- 3 Volunteer hours for political campaign activities (see instructions) \_\_\_\_\_

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
1				
2				
3				
4				
5				
6				

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

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

**Limits on Lobbying Expenditures**  
(The term "expenditures" means amounts paid or incurred.)

(a) Filing organization's totals	(b) Affiliated group totals
----------------------------------	-----------------------------

- 1a** Total lobbying expenditures to influence public opinion (grass roots lobbying)
- b** Total lobbying expenditures to influence a legislative body (direct lobbying)
- c** Total lobbying expenditures (add lines 1a and 1b)
- d** Other exempt purpose expenditures
- e** Total exempt purpose expenditures (add lines 1c and 1d)
- f** Lobbying nontaxable amount Enter the amount from the following table in both columns

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over \$500,000	20% of the amount on line 1e
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000	\$1,000,000

- g** Grassroots nontaxable amount (enter 25% of line 1f)
- h** Subtract line 1g from line 1a If zero or less, enter -0-
- i** Subtract line 1f from line 1c If zero or less, enter -0-
- j** If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?


Yes  No

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

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					



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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
<b>a</b> Volunteers?		No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
<b>c</b> Media advertisements?		No	0
<b>d</b> Mailings to members, legislators, or the public?		No	0
<b>e</b> Publications, or published or broadcast statements?		No	0
<b>f</b> Grants to other organizations for lobbying purposes?		No	0
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		14,324
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	0
<b>i</b> Other activities?	Yes		107,602
<b>j</b> Total Add lines 1c through 1i			121,926
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

**Part IV Supplemental Information**

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation
PART II-B, LINE 1B AND 1G	MGMT ACTIVITIES ROBERT WALKER AND LORI DALTON MET WITH MEMBERS OF CONGRESS AND/OR STAFF AND HAD ASSOCIATED EXPENSES INCLUDING TRAVEL AND ASSOCIATED COMPENSATION IN THE AMOUNT OF \$14,324
PART II-B, LINE 11	OTHER ACTIVITIES PER NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS, DALLAS REGIONAL CHAMBER AND TEXAS HOSPITAL ASSOCIATION \$16,341 OF THE HOSPITAL'S DUES WERE ALLOCATED TO LOBBYING THE HOSPITAL RETAINED THE SERVICES OF GREENBERG TRAUIG LLP TO MEET WITH VARIOUS FEDERAL LEGISLATORS OR STAFF AND INCURRED EXPENSES IN THE AMOUNT OF \$91,261

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2017

Open to Public Inspection

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

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization Texas Scottish Rite Hospital for Crippled Children

Employer identification number

75-0818178

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for total number, aggregate value of contributions, aggregate value of grants, and 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?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply)
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

Table titled 'Held at the End of the Year' with columns 2a, 2b, 2c, 2d for total number of conservation easements, total acreage, and number of easements on certified historic structures.

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, 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" on Form 990, Part IV, line 8.

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

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

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

**Part IV Escrow and Custodial Arrangements.**

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .	159,673,309	125,526,503	112,800,210	120,595,294	133,897,630
<b>b</b> Contributions . . . . .	18,347,909	32,469,355	8,057,633	6,843,791	2,949,795
<b>c</b> Net investment earnings, gains, and losses	5,735,433	11,892,042	8,144,805	-7,546,608	-11,210,694
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .	19,727,623	10,214,591	3,476,145	7,092,267	5,041,437
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	164,029,028	159,673,309	125,526,503	112,800,210	120,595,294

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶ 23 000 %
  - b** Permanent endowment ▶ 44 000 %
  - c** Temporarily restricted endowment ▶ 33 000 %
- The percentages on lines 2a, 2b, and 2c should equal 100%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- |  | Yes | No |
|--|-----|----|
| <b>(i)</b> unrelated organizations . . . . .   | Yes |    |
| <b>(ii)</b> related organizations . . . . .  |     | No |
| <b>b</b> If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . . |     |    |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .		46,568,920		46,568,920
<b>b</b> Buildings . . . . .		286,911,917	100,499,839	186,412,078
<b>c</b> Leasehold improvements				
<b>d</b> Equipment . . . . .		109,456,912	71,756,253	37,700,659
<b>e</b> Other . . . . .		184,040		184,040
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) ) . . . ▶				270,865,697

**Part VII Investments—Other Securities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

**Part VIII Investments—Program Related.** Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

**Part IX Other Assets.** Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

**Part X Other Liabilities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
ACCRUED PENSION COSTS	51,530,844
MANAGEMENT BENEFIT PLAN	8,378,711
EMPLOYEE INSURANCE BENEFITS PAYABLE	1,287,750
RESERVE FOR MALPRACTICE CLAIMS	1,097,929
CHARITABLE GIFT ANNUITIES	3,852,832
TRUST OBLIGATIONS	9,587,337
RESERVE FOR RESTORATION PLAN	38,378,254
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	114,113,657

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

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

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

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

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
See Additional Data Table	



## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 75-0818178

**Name:** Texas Scottish Rite Hospital for Crippled  
Children

## Supplemental Information

Return Reference	Explanation
Intended use of endowment funds	SCHEDULE D, PART V, LINE 4 THE INCOME FROM THE ORGANIZATION'S PERMANENT ENDOWMENT FUNDS AND THE TEMPORARILY RESTRICTED ENDOWMENT FUNDS ARE USED TO SUPPORT THE OPERATIONS OF THE MEDICAL, RESEARCH AND EDUCATION PROGRAMS OF THE HOSPITAL

**Supplemental Information**

Return Reference	Explanation
CONSOLIDATED AUDIT FOOTNOTE 16 - INCOME TAXES	SCHEDULE D, PART X, LINE 2 U S GAAP REQUIRES MANAGEMENT TO EVALUATE TAX POSITIONS TAKEN B Y THE HOSPITAL AND RECOGNIZE A TAX LIABILITY (OR ASSET) IF THE HOSPITAL HAS TAKEN AN UNCER TAIN POSITION THAT MORE LIKELY THAN NOT WOULD NOT BE SUSTAINED UPON EXAMINATION BY THE APP LICABLE TAX AUTHORITY THE HOSPITAL HAS ANALYZED THE TAX POSITIONS TAKEN AND HAS CONCLUDED THAT AS OF SEPTEMBER 30, 2018 AND 2017, THERE ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTE D TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF A LIABILITY (OR ASSET) OR DISCLOSURE IN TH E CONSOLIDATED FINANCIAL STATEMENTS THE HOSPITAL IS SUBJECT TO ROUTINE AUDITS BY TAXING J URISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS THE HOSPITAL BELIEVES IT IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY THE TAX AUTHORITIE S FOR YEARS PRIOR TO 2015



**SCHEDULE F  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

# Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.  
▶ Attach to Form 990.

▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

# 2017

**Open to Public Inspection**

Name of the organization  
Texas Scottish Rite Hospital for Crippled Children

**Employer identification number**  
75-0818178

**Part I** **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States
- Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
( 1 ) See Add'l Data					
( 2 )					
( 3 )					
( 4 )					
( 5 )					
<b>3a</b> Sub-total					218,948,526
<b>b</b> Total from continuation sheets to Part I					
<b>c</b> Totals (add lines 3a and 3b)					218,948,526

**Part II Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
( 1)								
( 2)								
( 3)								
( 4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶ \_\_\_\_\_

3 Enter total number of other organizations or entities . . . . . ▶ \_\_\_\_\_

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

<b>(a)</b> Type of grant or assistance	<b>(b)</b> Region	<b>(c)</b> Number of recipients	<b>(d)</b> Amount of cash grant	<b>(e)</b> Manner of cash disbursement	<b>(f)</b> Amount of non-cash assistance	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Method of valuation (book, FMV, appraisal, other)
( 1 )							
( 2 )							
( 3 )							
( 4 )							
( 5 )							
( 6 )							
( 7 )							
( 8 )							
( 9 )							
( 10 )							
( 11 )							
( 12 )							
( 13 )							
( 14 )							
( 15 )							
( 16 )							
( 17 )							
( 18 )							

**Part IV Foreign Forms**

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)*  Yes  No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)*  Yes  No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)*  Yes  No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)*  Yes  No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)*  Yes  No

**Part V Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
PART 1, LINE 3, COLUMN F	ACTIVITIES PER REGION THESE AMOUNTS REPRESENT \$218,948,526 OF INVESTMENTS AT YEAR END AND \$83,608 IN EXPENDITURES BASED ON THE ACCRUAL METHOD OF ACCOUNTING SEE DETAIL BY REGION BELOW INVESTMENTS BY REGION EAST ASIA AND THE PACIFIC \$ 141,848 EUROPE 17,366 NORTH AMERICA 731 SOUTH AMERICA 81 CENTRAL AMERICA & THE CARIBBEAN 218,704,892 TOTAL \$ 218,864,918 EXPENSE BY REGION EAST ASIA AND THE PACIFIC \$ 7,765 EUROPE 36,403 NORTH AMERICA 19,000 RUSSIA & NEIGHBORING STATES 13,979 SOUTH AMERICA 6,461 TOTAL \$ 83,608

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 75-0818178

**Name:** Texas Scottish Rite Hospital for Crippled  
Children

### Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
East Asia and the Pacific			Investments		141,848
Europe (Including Iceland and Greenland)			Investments		17,366

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
North America			Investments		731
South America			Investments		81

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Central America and the Caribbean			Investments		218,704,892
East Asia and the Pacific			Investments	INVEST MGMT FEES	1



**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Europe (Including Iceland and Greenland)			Investments	INVEST MGMT FEES	4
East Asia and the Pacific			Program services	CONFERENCES, TRAINING	7,764

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Europe (Including Iceland and Greenland)			Program services	CONFERENCES, TRAINING	36,399
North America			Program services	CONFERENCES, TRAINING	19,000

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Russia and the Newly Independent States			Program services	CONFERENCES, TRAINING	13,979
South America			Program services	CONFERENCES, TRAINING	6,461

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

**Supplemental Information Regarding  
Fundraising or Gaming Activities**

OMB No 1545-0047

**2017**

**Open to Public  
Inspection**

Complete if the organization answered "Yes" on Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Texas Scottish Rite Hospital for Crippled  
Children

**Employer identification number**  
75-0818178

**Part I Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a**  Mail solicitations
  - b**  Internet and email solicitations
  - c**  Phone solicitations
  - d**  In-person solicitations
  - e**  Solicitation of non-government grants
  - f**  Solicitation of government grants
  - g**  Special fundraising events
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No
- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
<b>Total</b>						

**3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d)
		<b>AUCTION</b> (event type)	<b>GOLF TOURNAMENT</b> (event type)	<b>93</b> (total number)	Total events (add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross receipts . . . . .	633,930	395,090	2,737,942	3,766,962
	<b>2</b> Less Contributions . . . . .	601,930	315,711	2,141,438	3,059,079
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	32,000	79,379	596,504	707,883
<b>Direct Expenses</b>	<b>4</b> Cash prizes . . . . .				
	<b>5</b> Noncash prizes . . . . .		2,489	85,504	87,993
	<b>6</b> Rent/facility costs . . . . .		29,290	106,586	135,876
	<b>7</b> Food and beverages . . . . .	67,974	41,859	130,993	240,826
	<b>8</b> Entertainment . . . . .	9,000		8,435	17,435
	<b>9</b> Other direct expenses . . . . .	48,813	93,390	630,094	772,297
	<b>10</b> Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶				
<b>11</b> Net income summary Subtract line 10 from line 3, column (d) . . . . . ▶					-546,544

**Part III Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))	
		<b>1</b> Gross revenue . . . . .				15,545
<b>Direct Expenses</b>	<b>2</b> Cash prizes . . . . .					
	<b>3</b> Noncash prizes . . . . .			7,484	7,484	
	<b>4</b> Rent/facility costs . . . . .					
<b>5</b> Other direct expenses . . . . .						
	<b>6</b> Volunteer labor . . . . .	<input type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No		
	<b>7</b> Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶					7,484
	<b>8</b> Net gaming income summary Subtract line 7 from line 1, column (d) . . . . . ▶					8,061

**9** Enter the state(s) in which the organization conducts gaming activities TX

**a** Is the organization licensed to conduct gaming activities in each of these states?  Yes  No

**b** If "No," explain \_\_\_\_\_  
 THE STATE OF TEXAS DOES NOT REQUIRE SUCH A LICENSE FOR OCCASSIONAL GAMING ACTIVITIES (UP TO TWO PER YEAR)

**10a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No

**b** If "Yes," explain \_\_\_\_\_

**11** Does the organization conduct gaming activities with nonmembers?  Yes  No

**12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

**13** Indicate the percentage of gaming activity conducted in

<b>a</b>	The organization's facility	0 %
<b>b</b>	An outside facility	100 000 %

**14** Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ JEAN ALLEN CONTROLLER TSRHC

Address ▶ 2222 WELBORN ST  
DALLAS, TX 75219

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No

**b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_

**c** If "Yes," enter name and address of the third party

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**16** Gaming manager information

Name ▶ NA

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ N/A

Director/officer       Employee       Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

**b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

Return Reference	Explanation
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**SCHEDULE H (Form 990)**  
 Department of the Treasury  
 Internal Revenue Service

# Hospitals

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, question 20.**  
 ▶ **Attach to Form 990.**  
 ▶ **Information about Schedule H (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047  
2017  
**Open to Public Inspection**

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

		Yes	No
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<b>1a</b>	Yes	
<b>b</b> If "Yes," was it a written policy? . . . . .	<b>1b</b>	Yes	
<b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
<b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<b>3a</b>	Yes	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was 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 checked="" type="checkbox"/> Other _____ 1000 %	<b>3b</b>	Yes	
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
<b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<b>4</b>	Yes	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<b>5a</b>	Yes	
<b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<b>5b</b>	Yes	
<b>c</b> 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?	<b>5c</b>		No
<b>6a</b> Did the organization prepare a community benefit report during the tax year?	<b>6a</b>	Yes	
<b>b</b> If "Yes," did the organization make it available to the public?	<b>6b</b>	Yes	
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.			

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheet 1)			14,607,350		14,607,350	7 610 %
<b>b</b> Medicaid (from Worksheet 3, column a)			59,445,407	26,851,154	32,594,253	16 980 %
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)						
<b>d Total</b> Financial Assistance and Means-Tested Government Programs			74,052,757	26,851,154	47,201,603	24 590 %
Other Benefits						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)			8,993,163		8,993,163	4 680 %
<b>f</b> Health professions education (from Worksheet 5)			1,367,609	47,059	1,320,550	0 690 %
<b>g</b> Subsidized health services (from Worksheet 6)						
<b>h</b> Research (from Worksheet 7)			13,404,744	1,040,339	12,364,405	6 440 %
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)			1,867,633		1,867,633	0 970 %
<b>j Total.</b> Other Benefits			25,633,149	1,087,398	24,545,751	12 780 %
<b>k Total.</b> Add lines 7d and 7j			99,685,906	27,938,552	71,747,354	37 370 %

**Part III Community Building Activities** Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other			853,220	0	853,220	0.440 %
<b>10 Total</b>			853,220	0	853,220	0.440 %

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

**Section A. Bad Debt Expense**

		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1 Yes	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2	3,662,010
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

**Section B. Medicare**

5	Enter total revenue received from Medicare (including DSH and IME).	5	25,664
6	Enter Medicare allowable costs of care relating to payments on line 5.	6	22,328
7	Subtract line 6 from line 5. This is the surplus (or shortfall).	7	3,336
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.	9b	Yes

**Part IV Management Companies and Joint Ventures**

	(a) Name of entity (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					



**Part V Facility Information****Section A. Hospital Facilities**

(list in order of size from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year?

1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

See Additional Data Table	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A) TX SCOT RITE HOSPITAL FOR CHILDREN

Name of hospital facility or letter of facility reporting group

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

Table with 3 columns: Question, Yes, No. Rows include Community Health Needs Assessment questions 1 through 12b.

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

TX SCOT RITE HOSPITAL FOR CHILDREN

Name of hospital facility or letter of facility reporting group \_\_\_\_\_

		Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that		
<b>13</b>	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP	<b>13</b> Yes	
<b>a</b>	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>999 99</u> %		
<b>b</b>	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
<b>c</b>	<input type="checkbox"/> Asset level		
<b>d</b>	<input checked="" type="checkbox"/> Medical indigency		
<b>e</b>	<input type="checkbox"/> Insurance status		
<b>f</b>	<input type="checkbox"/> Underinsurance discount		
<b>g</b>	<input type="checkbox"/> Residency		
<b>h</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>14</b>	Explained the basis for calculating amounts charged to patients? . . . . .	<b>14</b> Yes	
<b>15</b>	Explained the method for applying for financial assistance? . . . . . If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)	<b>15</b> Yes	
<b>a</b>	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
<b>b</b>	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
<b>c</b>	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
<b>d</b>	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
<b>e</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>16</b>	Was widely publicized within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	<b>16</b> Yes	
<b>a</b>	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url) <u>www.scottishritehospital.org</u>		
<b>b</b>	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) <u>www.scottishritehospital.org</u>		
<b>c</b>	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) <u>www.scottishritehospital.org</u>		
<b>d</b>	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>e</b>	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>f</b>	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>g</b>	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
<b>h</b>	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
<b>i</b>	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations		
<b>j</b>	<input type="checkbox"/> Other (describe in Section C)		

**Part V Facility Information** (continued)**Billing and Collections**

TX SCOT RITE HOSPITAL FOR CHILDREN

**Name of hospital facility or letter of facility reporting group**

		Yes	No
<b>17</b>	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment? . . . . .	17	Yes
<b>18</b>	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
<b>a</b>	<input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b>	<input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b>	<input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b>	<input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b>	<input type="checkbox"/> Other similar actions (describe in Section C)		
<b>f</b>	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
<b>19</b>	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? . . . . . If "Yes," check all actions in which the hospital facility or a third party engaged	19	No
<b>a</b>	<input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b>	<input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b>	<input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b>	<input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b>	<input type="checkbox"/> Other similar actions (describe in Section C)		
<b>20</b>	Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply)		
<b>a</b>	<input type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs		
<b>b</b>	<input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process		
<b>c</b>	<input checked="" type="checkbox"/> Processed incomplete and complete FAP applications		
<b>d</b>	<input checked="" type="checkbox"/> Made presumptive eligibility determinations		
<b>e</b>	<input checked="" type="checkbox"/> Other (describe in Section C)		
<b>f</b>	<input type="checkbox"/> None of these efforts were made		

**Policy Relating to Emergency Medical Care**

<b>21</b>	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . . If "No," indicate why	21	Yes
<b>a</b>	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
<b>b</b>	<input type="checkbox"/> The hospital facility's policy was not in writing		
<b>c</b>	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
<b>d</b>	<input type="checkbox"/> Other (describe in Section C)		

**Part V Facility Information** *(continued)*

**Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

TX SCOT RITE HOSPITAL FOR CHILDREN

**Name of hospital facility or letter of facility reporting group** \_\_\_\_\_

- 22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care
- a**  The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
  - b**  The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
  - c**  The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
  - d**  The hospital facility used a prospective Medicare or Medicaid method

**23** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? . . . . .

If "Yes," explain in Section C

**24** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? . . . . .

If "Yes," explain in Section C

	Yes	No
<b>23</b>		No
<b>24</b>		No



**Part V** Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 1

Name and address	Type of Facility (describe)
<b>1</b> TSRHC SPORTS MEDICINE CENTER 7000 W PLANO PARKWAY PLANO, TX 75093	OUTPATIENT CLINIC DEPARTMENT OF HOSPITAL
<b>2</b>	
<b>3</b>	
<b>4</b>	
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	
<b>9</b>	
<b>10</b>	

**Part VI Supplemental Information**

Provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc )
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART I, LINE 3C	ELIGIBILITY FOR FINANCIAL ASSISTANCE SINCE ITS FOUNDING IN 1921, TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN ("TSRHC") PROVIDED CARE TO PATIENTS WITH NEEDS WITHIN THE HOSPITAL'S SCOPE OF SERVICES AT NO CHARGE AS THE HOSPITAL BEGAN ACCEPTING REIMBURSEMENT IN OCTOBER 2012, IT IMPLEMENTED A NEW CHARITY CARE/FINANCIAL ASSISTANCE POLICY FINANCIALLY INDIGENT PATIENTS, OR THOSE WHOSE INCOME IS LESS THAN OR EQUAL TO 200 PERCENT OF THE FPG, RECEIVE A 100 PERCENT DISCOUNT FOR DISCOUNTED CARE, FPG AND MEDICAL EXPENSES INCURRED ARE USED TO DETERMINE ELIGIBILITY



# 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 6A	COMMUNITY BENEFIT REPORT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2018, A COMMUNITY BENEFIT REPORT WILL BE FILED WITH THE STATE OF TEXAS THE COMMUNITY BENEFIT REPORT IS AVAILABLE UPON REQUEST

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 7	COSTING METHODOLOGY LINES 7(A) AND (B) COMMUNITY BENEFIT EXPENSE IN COLUMN (C) WERE CALCULATED USING WORKSHEET 2 RATIO OF PATIENT CARE COST TO CHARGES LINES 7(E), (F), AND (H) COMMUNITY BENEFIT EXPENSE WERE CALCULATED USING A STEP-DOWN ALLOCATION METHOD

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART II, LINE 9	COMMUNITY BUILDING ACTIVITIES TSRHC ENGAGES IN COMMUNITY BUILDING ACTIVITIES SUCH AS THERAPEUTIC RECREATION OUTREACH PROGRAMS, WHICH HELP CONNECT PATIENTS TO RESOURCES IN THE COMMUNITY AND PROMOTE HEALTH FOR EXAMPLE, THE HOSPITAL PROVIDES SPORTS AND RECREATION CAMPS SUCH AS LEARN TO GOLF, A PROGRAM THAT PROVIDES THE TOOLS AND INSTRUCTION NEEDED FOR YOUNG PATIENTS TO EXPERIENCE THE REHABILITATIVE BENEFITS OF THE GAME OF GOLF, SUMMER ALL STARS, WHICH EMPHASIZES FUN, FITNESS, HEALTHY COMPETITION AND TEAM SPIRIT THROUGH INCLUSIVE SPORTS AND ACTIVITIES, SUCH AS BASKETBALL, GOLF AND TENNIS, AND CHANCE TO DANCE, A PROGRAM DESIGNED TO INTRODUCE HOSPITAL PATIENTS TO VARIOUS TYPES OF DANCE, INCLUDING MODERN, JAZZ, SALSA AND BALLET EIGHT SPECIALTY CAMPS ARE AVAILABLE FOR CHILDREN UP TO THE AGE OF 17, INCLUDING CAMPS FOR PATIENTS WITH TUBEROUS SCLEROSIS COMPLEX, UPPER LIMB DIFFERENCES, SPINA BIFIDA, JUVENILE ARTHRITIS AND HAND DIFFERENCES THESE PROGRAMS ARE DESIGNED TO EMPOWER PARTICIPANTS IN THEIR DAILY LIVES AND HAVE A POSITIVE, ENDURING EFFECT ON SELF-ESTEEM THE HOSPITAL ALSO HOSTS VARIOUS PEER AND PARENT SUPPORT GROUPS FOR THE COMMUNITY SUCH AS PALS (PROSTHETICS AND LIMB SUPPORT), ETC IN ADDITION, PAGES 148-151 REFERENCE OTHER COMMUNITY BUILDING ACTIVITIES, IN WHICH THE HOSPITAL PARTICIPATES THE HOSPITAL HOSTS VARIOUS ANNUAL EVENTS FOCUSED ON COMMUNITY DEVELOPMENT THESE INCLUDE FARM & RANCH DAY, BIKE RODEO AND CHILD SAFETY DAY, WHICH ARE HELD AT NO CHARGE TO PARTICIPANTS THESE EVENTS ARE FOCUSED ON EDUCATION AND PREVENTION TSRHC REGULARLY ENGAGES WITH THE COMMUNITY, EDUCATING YOUNG ATHLETES, PARENTS, COACHES AND SCHOOL DISTRICTS ABOUT SPORTS SAFETY, INJURY PREVENTION AND CONCUSSION MANAGEMENT AT HEALTH FAIRS AND COACHING CLINICS THE HOSPITAL CONNECTS WITH THE COMMUNITY THROUGH THEIR T BOONE PICKENS TRAINING AND CONFERENCE CENTER BY HOSTING MANY EVENTS TO EDUCATE AND INFORM COMMUNITY MEMBERS ON VARIOUS MEDICAL AND NON-MEDICAL TOPICS THROUGH THE CONFERENCE CENTER, WE HOSTED MORE THAN 2,000 MEETINGS BY EXTERNAL GROUPS IN FISCAL YEAR 2018 THIS INCLUDES MEETINGS REGARDING CHILD HEALTH CARE ORGANIZED BY THE DALLAS-FORT WORTH HOSPITAL COUNCIL, ADVANCED MEDICAL TRAINING FOR NURSES AND PHYSICIANS IN CONJUNCTION WITH UT SOUTHWESTERN MEDICAL CENTER AND GATHERINGS OF PATIENT/FAMILY SUPPORT GROUPS FOR THOSE UNDERGOING TREATMENT FOR A CONDITION TREATED AT THE HOSPITAL

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, SECTION A, LINE 2	METHODOLOGY TO DETERMINE BAD DEBT BAD DEBT EXPENSE IS COMPRISED OF ACTUAL UNCOLLECTIBLE AMOUNTS PLUS AN ALLOWANCE BASED ON HISTORICAL DATA DISCOUNTS ARE NOT INCLUDED IN BAD DEBT

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, SECTION A, LINE 3	BAD DEBT EXCLUSION OF FINANCIAL ASSISTANCE BAD DEBT EXPENSE DOES NOT INCLUDE ANY COSTS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER FINANCIAL ASSISTANCE POLICY

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART III, SECTION A, LINE 4	THE HOSPITAL MAINTAINS ALLOWANCES FOR UNCOLLECTIBLE ACCOUNTS FOR ESTIMATED LOSSES RESULTING FROM A PAYOR'S INABILITY TO MAKE PAYMENTS ON ACCOUNTS THE HOSPITAL ASSESSES THE REASONABLENESS OF THE ALLOWANCE ACCOUNT BASED ON HISTORICAL WRITE-OFFS, CASH COLLECTIONS, THE AGING OF THE ACCOUNTS AND OTHER ECONOMIC FACTORS ACCOUNTS ARE WRITTEN OFF WHEN COLLECTION EFFORTS ARE UNSUCCESSFUL MANAGEMENT CONTINUALLY MONITORS AND ADJUSTS ITS ALLOWANCES ASSOCIATED WITH ITS RECEIVABLES THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017, WAS APPROXIMATELY \$720,922 AND \$4,810,281 RESPECTIVELY

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, SECTION B, LINE 8	MEDICARE ALLOWABLE COSTS THE ESTIMATED COSTS OF PROVIDING CHARITY CARE SERVICES TO MEDICARE PATIENTS ARE BASED ON A CALCULATION WHICH APPLIES A RATIO OF COSTS TO CHARGES AS DETERMINED ON PART I, WORKSHEET 2 THE RATIO OF COSTS TO CHARGES IS CALCULATED BASED ON TOTAL EXPENSES DIVIDED BY GROSS PATIENT SERVICES REVENUE

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART III, SECTION C, LINE 9B	COLLECTION PRACTICES A PATIENT'S ACCOUNT WILL BE REVIEWED FOR FINANCIAL ASSISTANCE ELIGIBILITY AND THE APPROPRIATE APPLICATION OF ANY APPLICABLE THIRD-PARTY PAYMENT, AND/OR DISCOUNTS BEFORE INITIATING A STATEMENT TO THE PATIENT ONCE A PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, THE PATIENT SHALL BE NOTIFIED OF THE AMOUNT QUALIFYING UNDER THE POLICY, AND NO FURTHER BILLING ACTIONS SHALL BE TAKEN FOR AMOUNTS QUALIFYING UNDER THE POLICY AFTER A PATIENT'S ACCOUNT BALANCE IS REDUCED BY ANY DISCOUNTS AVAILABLE UNDER THIS POLICY, THE PATIENT WILL BE RESPONSIBLE FOR THE REMAINDER OF HIS OR HER OUTSTANDING ACCOUNT BALANCE THE HOSPITAL WILL SEND THREE POST DISCHARGE BILLING STATEMENTS OVER A 120-DAY PERIOD



**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART VI, LINE 2	NEEDS ASSESSMENT THE HOSPITAL IS PART OF REGIONAL HEALTHCARE PARTNERSHIP 9 (RHP) THESE EFFORTS WERE CONSISTENT WITH THE CENTERS FOR MEDICARE AND MEDICAID SERVICES TRIPLE AIM TO IMPROVE THE EXPERIENCE OF CARE, IMPROVE THE HEALTH OF POPULATIONS IN OUR RHP, AND TO REDUCE THE COST OF HEALTH CARE WITHOUT COMPROMISING QUALITY TSRHC EMPLOYS TWO FULL-TIME AND ONE PART-TIME PHYSICIAN RELATIONS STAFF MEMBERS WITHIN OUR PATIENT ACCESS TEAM THE PRIMARY GOAL OF THE PHYSICIAN RELATIONS DEPARTMENT IS TO BETTER COMMUNICATE AND INTERACT WITH THE PRIMARY CARE PHYSICIANS IN OUR AREA

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART VI, LINE 3	PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE FAMILIES ARE CONTACTED BY FAMILY SERVICES COUNSELORS PRIOR TO EACH PATIENT'S SCHEDULED SURGICAL PROCEDURES, INPATIENT VISITS, MRI, CT AND ORTHOTICS AND PROSTHETICS TO INFORM THEM ABOUT THE FINANCIAL ASSISTANCE PROGRAM AND TO ASSESS THEIR POTENTIAL QUALIFICATION FOR FEDERAL, STATE OR LOCAL GOVERNMENT PROGRAMS FAMILIES ARE NOTIFIED UPON CHECK-IN FOR OUTPATIENT APPOINTMENTS THAT FAMILY SERVICES COUNSELORS ARE AVAILABLE TO OFFER THE SAME APPLICATION THE FACILITY HAS ALSO POSTED SPECIFICS ABOUT AVAILABLE FINANCIAL ASSISTANCE AT REGISTRATION, IN MAJOR WAITING AREAS, PUBLICATION IN THE HOSPITAL MAGAZINE, HOSPITAL WEBSITE AND CARDS PROVIDED TO FAMILIES UPON CHECK-IN THAT IS AVAILABLE IN ENGLISH AND SPANISH IN ADDITION, EACH POST-DISCHARGE BILLING STATEMENT WILL NOTIFY THE PATIENT THAT FINANCIAL ASSISTANCE IS AVAILABLE FOR ELIGIBLE INDIVIDUALS, INCLUDING A PHONE NUMBER FOR INQUIRIES ABOUT FINANCIAL ASSISTANCE AND A WEBSITE WHERE ADDITIONAL INFORMATION CAN BE OBTAINED INFORMATION REGARDING THIS POLICY AND HOW TO APPLY FOR FINANCIAL ASSISTANCE WILL ALSO BE PROVIDED DURING PHONE CONVERSATIONS WITH PATIENTS REGARDING FINANCIAL CHARGES AND/OR ACCOUNT BALANCES

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
PART VI, LINE 4	COMMUNITY INFORMATION THE COMMUNITY SERVED BY TSRHC CAN BEST BE DEFINED BY UNDERSTANDING ITS PATIENT POPULATION AND CLINICAL FOCUS THE HOSPITAL IS A 501(C)(3) PEDIATRIC ORTHOPEDIC HOSPITAL IN DALLAS, TEXAS, AND AN OUTPATIENT DEPARTMENT OF THE HOSPITAL INCLUDING AN AMBULATORY SURGERY CENTER IN FRISCO, TEXAS, WHICH TREATS PEDIATRIC ORTHOPEDIC CONDITIONS, SPORTS INJURIES, FRACTURES, AS WELL AS CERTAIN RELATED ARTHRITIC AND NEUROLOGICAL DISORDERS AND DYSLEXIA/LEARNING DISORDERS TSRHC PROVIDES PREMIER PEDIATRIC ORTHOPEDIC AND DYSLEXIA SERVICES TO PEDIATRIC PATIENTS FOR WHOM THE SERVICES PROVIDED BY THE HOSPITAL OFFER HOPE OF IMPROVEMENT THOUGH THE HOSPITAL IS DEDICATED TO PROVIDING CARE TO CHILDREN FROM AROUND THE STATE OF TEXAS AND THROUGHOUT THE U S , A VAST MAJORITY OF ITS PATIENTS LIVE IN A 10-COUNTY GEOGRAPHIC AREA LOCATED IN NORTH TEXAS, WHICH ACCOUNTS FOR MORE THAN 80 PERCENT OF THE HOSPITAL'S PATIENTS DEFINING ITS PRIMARY COMMUNITY WILL ALLOW THE HOSPITAL TO MORE EFFECTIVELY FOCUS ITS RESOURCES TO ADDRESS IDENTIFIED SIGNIFICANT HEALTH NEEDS TARGETING AREAS OF GREATEST NEED AND HEALTH DISPARITIES ACCORDING TO THE CENSUS BUREAU, THE 2017 ESTIMATED POPULATION FOR THE PRIMARY SERVICE AREA WAS 7,353,961 PEOPLE BASED ON 2016 CENSUS BUREAU DATA, THE MEDIAN HOUSEHOLD INCOME FOR THE PRIMARY SERVICE AREA WAS \$59,039 IN 2016, APPROXIMATELY 29 PERCENT OF THE PRIMARY SERVICE AREA POPULATION WAS 19 YEARS OR YOUNGER

Form and Line Reference	Explanation
PART VI, LINE 5	<p>PROMOTION OF COMMUNITY HEALTH MEDICAL CARE IS PROVIDED TO CHILDREN WITH ORTHOPEDIC AND RELATED CONDITIONS NOT TREATED AT OTHER MEDICAL FACILITIES. MANY PROVIDERS AT TSRHC RECEIVE REFERRALS FROM PHYSICIANS AND CHILDREN'S HOSPITALS IN THE PRIMARY SERVICE AREA BECAUSE THE PATIENT'S CONDITION IS EITHER TOO ACUTE OR IN SOME CASES, SO RARE, THE REFERRING FACILITY DOES NOT HAVE ADEQUATELY TRAINED OR EXPERIENCED STAFF TO PROVIDE THE NECESSARY CARE. THE HOSPITAL HAS A PROCESS TO DETERMINE IF IT IS THE APPROPRIATE FACILITY TO MEET A CHILD'S CLINICAL NEEDS. THE HOSPITAL NOW OFFERS A REFERRAL-FREE PROCESS BUT IN MANY CASES, THE PROCESS BEGINS WITH A REFERRAL OR AN APPLICATION FOR SERVICES, WHICH IS UTILIZED TO DETERMINE IF THE HOSPITAL CAN APPROPRIATELY MEET THE NEEDS OF THE PATIENT THROUGH ONE OF ITS SERVICE LINES. THIS IS PARTICULARLY ESSENTIAL WHEN THE CHILD'S DIAGNOSIS IS NOT A CLEAR ORTHOPEDIC CONDITION. WHEN THE HOSPITAL IS UNABLE TO PROVIDE SERVICES, AS PART OF ITS CARE COORDINATION SERVICES, IT IDENTIFIES REFERRAL RESOURCES AND PROVIDES THEM TO THE FAMILY. IN ADDITION TO GENERAL PEDIATRIC ORTHOPEDIC SERVICES, THE PEDIATRIC ORTHOPEDIC SERVICES FOR WHICH PATIENTS ARE PRIMARILY REFERRED TO THE HOSPITAL INCLUDE SCOLIOSIS AND SPINE DISORDERS, CLUBFOOT AND OTHER FOOT DISORDERS, REDUCTION DEFICITS (LIMB LENGTHENING), HAND AND UPPER LIMB DISORDERS, HIP DISORDERS, SPORTS MEDICINE, FRACTURES AND NEUROLOGIC, RHEUMATOLOGIC AND OTHER PEDIATRIC DEVELOPMENTAL DISABILITIES TREATED IN ADDITION OR RELATED TO OTHER ORTHOPEDIC CONDITIONS. RESEARCH SINCE OPENING ITS DOORS IN 1921, TSRHC HAS STRIVED TO DISCOVER NEW AND BETTER WAYS TO CARE FOR CHILDREN AFFECTED BY PEDIATRIC ORTHOPEDIC CONDITIONS AND CERTAIN RELATED NEUROLOGICAL DISORDERS. THE HOSPITAL'S DEDICATED RESEARCH CENTER, THE SARAH M. AND CHARLES E. SEAY CENTER FOR MUSCULOSKELETAL RESEARCH, IS MADE UP OF SIX CENTERS FOR EXCELLENCE SUPPORTED BY RESEARCH DIVISIONS AND CORE FACILITIES: SCOLIOSIS AND SPINE, CLUBFOOT AND FOOT DISORDERS, HIP DISORDERS, LIMB LENGTH DISCREPANCIES, HAND DISORDERS, AND SPORTS MEDICINE. THROUGH THE YEARS, TSRHC RESEARCHERS AND PHYSICIANS HAVE GENERATED MORE THAN 30 PATENTS AND MADE IMPORTANT DISCOVERIES THAT HAVE HELPED CHILDREN WORLDWIDE. THESE FINDINGS AND INNOVATIONS ALLOW THE MEDICAL COMMUNITY TO FORM NEW HYPOTHESES TO EXPLAIN WHAT CAUSES CERTAIN CONDITIONS WHILE PROVIDING TOOLS FOR FUTURE RESEARCH. THE MAJOR DISCOVERIES AND RESEARCH APPLICATIONS AT TSRHC INCLUDE THE FIRST GENE ASSOCIATED WITH IDIOPATHIC SCOLIOSIS, TWO MORE GENETIC MARKERS OF THE CONDITION, THE TSRH SILO 5 5 SPINAL SYSTEM, THE TRUE/LOK EXTERNAL FIXATION SYSTEM, AND THE TRUE/LOK HEXAPOD SYSTEM. THE HOSPITAL IS COMMITTED TO TRANSFORMING ITS SCIENTIFIC DISCOVERIES INTO IMPROVED CARE AND TREATMENT OUTCOMES FOR CHILDREN WITH MUSCULOSKELETAL CONDITIONS. TO THAT END, THE HOSPITAL HAS LAUNCHED A MULTIDISCIPLINARY CENTER FOR PEDIATRIC BONE BIOLOGY AND TRANSLATIONAL RESEARCH. THE CENTER INCLUDES 3,200 SQUARE FEET OF LABORATORIES AND OFFICES DEDICATED TO BONE-RELATED RESEARCH. IN COLLABORATION WITH UT SOUTHWESTERN MEDICAL CENTER, RESEARCHERS WILL EXPLORE THE ROOT CAUSES OF BONE DISORDERS WITH A "BENCH TO BEDSIDE" TRANSLATIONAL RESEARCH AND TREATMENT APPROACH. IN ADDITION, IT WILL FURTHER EXPAND THE FACILITY'S ROLE AS A TRAINING SITE FOR FELLOWS, VISITING SCIENTISTS AND STUDENTS AND WILL ALSO HOST INTERNATIONAL GATHERINGS DEDICATED TO COLLABORATIVE RESEARCH THAT WILL BENEFIT CHILDREN THROUGHOUT THE COMMUNITY AND AROUND THE WORLD. MEDICAL EDUCATION: FOR 37 YEARS, IN ASSOCIATION WITH THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER, TSRHC HAS PROVIDED AN EXTRAORDINARY EDUCATIONAL EXPERIENCE IN THE FIELD OF PEDIATRIC ORTHOPEDICS TO PROMISING ORTHOPEDIC SURGEONS. NEARLY 200 PHYSICIANS HAVE BENEFITED FROM THE FELLOWSHIP IN PEDIATRIC ORTHOPEDICS AND SCOLIOSIS, GOING ON TO HOLD PRESTIGIOUS MEDICAL POSITIONS ACROSS THE COUNTRY AND AROUND THE WORLD. IN ADDITION TO THE FELLOWSHIP PROGRAM, THE HOSPITAL PARTICIPATES IN RESIDENCY TRAINING PROGRAMS IN NEUROLOGY, RHEUMATOLOGY, ORTHOPEDICS, PSYCHOLOGY, RADIOLOGY AND PEDIATRIC DEVELOPMENTAL DISABILITIES. THE HOSPITAL ALSO HAS VARIOUS AFFILIATION PROGRAMS FOR EDUCATION IN PHYSICAL THERAPY, OCCUPATIONAL THERAPY, PROSTHETICS AND VARIOUS OTHER DISCIPLINES. FAMILY RESOURCE CENTER: THE CHRISTI CARTE RUSCHEL FAMILY RESOURCE CENTER, FOUNDED IN 1988, PROVIDES HEALTH INFORMATION AND SUPPORT RESOURCES TO PATIENTS AND FAMILIES IN ORDER TO HELP THEM MAKE INFORMED HEALTH CARE DECISIONS AND IMPROVE THEIR QUALITY OF LIFE. THE CENTER'S STAFF ALSO PROVIDES REFERRALS TO MEDICAL PROVIDERS FOR CONDITIONS NOT TREATED AT THE HOSPITAL. THE CENTER SERVES AN AVERAGE OF 2,000 FAMILIES ANNUALLY. FAMILY ROOM AND CHAPEL: THE FAMILY ROOM IS PRIMARILY UTILIZED BY PATIENT FAMILIES AS A COMFORTABLE SURGERY WAITING AREA, WHILE THE CHAPEL LOCATED NEXT DOOR PROVIDES A PLACE OF WORSHIP WITH NONDENOMINATIONAL SERVICES EACH SUNDAY. CHILD LIFE SERVICES: CHILD LIFE SPECIALISTS FOCUS ON EACH PATIENT.</p>

Form and Line Reference	Explanation
PART VI, LINE 5	<p>ND THEIR FAMILY'S SPECIFIC NEEDS BY PROMOTING OPTIMAL PSYCHOSOCIAL DEVELOPMENT AND EDUCATIONAL NEEDS OF CHILDREN AND TEENAGERS TO HELP REDUCE FEAR AND PROMOTE COPING DURING THEIR VISIT THEY PROVIDE SERVICES SUCH AS PREPARATION AND SUPPORT FOR MEDICAL PROCEDURES, EDUCATION ABOUT DIAGNOSIS, COPING TECHNIQUES TO USE DURING MEDICAL EXPERIENCES, ENGAGEMENT IN MEDICAL PLAY, OUTLETS FOR SELF-EXPRESSION AND SUPPORT FOR BROTHERS AND SISTERS FAMILY SERVICES DEPARTMENT FAMILY SERVICES SERVES AS A SUPPORT CENTER FOR PATIENTS AND FAMILIES IN FOUR PRIMARY AREAS MEDICAL SOCIAL WORK FOR RESOURCES AND REFERRALS, COORDINATION OF OFF-SITE MEDICAL SERVICES, FINANCIAL ASSISTANCE PROGRAMS AND FAMILY SERVICES COUNSELING, AND LANGUAGE INTERPRETATION AND TRANSLATION SERVICES RESOURCES TO ADDRESS CHILD HEALTH STATUS SOCIAL WORKERS AND MEDICAL CONSULT COORDINATORS HELP FAMILIES ARRANGE TO RECEIVE FOLLOW-UP CARE FOR THE SERVICES ORDERED BY THE MEDICAL STAFF PATIENT FAMILIES CHOOSE THEIR VENDORS FROM A LIST OF VENDORS PROVIDED BY SOCIAL WORKERS BASED ON LOCATION AND THE PATIENT'S FUNDING SOURCE THESE SERVICES INCLUDE WEIGHT MANAGEMENT, OUTPATIENT PHYSICAL REHAB, HOME HEALTH SERVICES, DURABLE MEDICAL EQUIPMENT, MEDICAL SUPPLIES, TESTING AND SPECIALISTS AND MENTAL HEALTH TSRHC'S PATIENT EDUCATION IS CREATED AND MAINTAINED BY AN INTERDISCIPLINARY TEAM OF PHYSICIANS, NURSES AND ANCILLARY SERVICES THROUGHOUT THE ORGANIZATION THESE MATERIALS ARE AVAILABLE TO PATIENTS AND FAMILIES ON SPECIFIC SURGERIES, CONDITIONS AND MEDICAL PROCESSES, ALONG WITH MORE GENERAL AND BASIC HEALTH EDUCATION REFERRAL TO OTHER PROVIDERS WHEN TSRHC IS UNABLE TO PROVIDE SERVICES, IT IDENTIFIES APPROPRIATE REFERRAL RESOURCES AND PROVIDES THEM TO THE FAMILY IN NEED EXAMPLES OF EXISTING HEALTH CARE PROGRAMS WITHIN THE COMMUNITY AVAILABLE TO ADDRESS THE IDENTIFIED NEEDS INCLUDE BUT ARE NOT LIMITED TO CHILDREN'S MEDICAL CENTER, UT SOUTHWESTERN MEDICAL CENTER, COOK CHILDREN'S MEDICAL CENTER, MEDICAL CITY CHILDREN'S HOSPITAL, BAYLOR INSTITUTE FOR IMMUNOLOGY RESEARCH, AS WELL AS OTHER PEDIATRIC SPECIALTIES RESOURCES TO ADDRESS COORDINATION OF CARE A GROUP OF HOSPITAL SOCIAL WORKERS, NURSES, ADMINISTRATORS AND MEDICAL STAFF WORK TO TRANSITION TSRHC PATIENTS TO ADULT CARE AS THEY APPROACH THE AGE OF 18 THIS ENSURES THAT ALL PATIENTS REQUIRING ADDITIONAL COORDINATION AS THEY AGE OUT OF HOSPITAL SERVICES RECEIVE THE NECESSARY ASSISTANCE CATEGORIES OF CARE WITH WHICH STAFF HELP TRANSITION PATIENTS TO ADULT CARE INCLUDE LEGAL AND GUARDIANSHIP, PRIMARY AND SPECIALTY CARE, FUNDING, EDUCATION AND/OR VOCATIONAL PROGRAMS MEDICAID TRANSPORTATION SOCIAL WORKERS IN FAMILY SERVICES ARE AVAILABLE TO HELP FAMILIES UNDERSTAND AND NAVIGATE THE PROCESSES FOR MEDICAID TRANSPORTATION ASSISTANCE, LODGING AND MEALS, WHEN ELIGIBLE FOR THESE SERVICES SOUTHWEST AIRLINES TICKET VOUCHERS TSRHC SOCIAL WORKERS ARE ABLE TO FACILITATE AIRLINE TICKETS FROM SOUTHWEST AIRLINES FOR FAMILIES LIVING OUTSIDE THE DALLAS/FORT WORTH METROPLEX THAT DO NOT HAVE OTHER RESOURCES TO HELP WITH TRAVEL TO THE HOSPITAL FOR APPOINTMENTS SOUTHWEST AIRLINES DONATES TICKET VOUCHERS TO BE USED BY FAMILIES WITH NO OTHER MEANS OF TRANSPORTATION IF SUCH FAMILIES CAN GET TO A SOUTHWEST AIRLINES HUB, SOCIAL WORKERS WILL COORDINATE THE TRIP WITH THE FAMILY USING THE VOUCHERS</p>

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 6	AFFILIATED HEALTHCARE SYSTEM NOT APPLICABLE

## 990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 7	STATE FILINGS OF COMMUNITY BENEFIT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2018, A COMMUNITY BENEFIT REPORT WAS FILED WITH THE STATE OF TEXAS

**Schedule H (Form 990) 2017**



**Additional Data****Software ID:****Software Version:****EIN:** 75-0818178**Name:** Texas Scottish Rite Hospital for Crippled Children**Form 990 Schedule H, Part V Section A. Hospital Facilities**

<b>Section A. Hospital Facilities</b>		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
(list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? <u>1</u>											
Name, address, primary website address, and state license number											
1	TEXAS SCOTTISH RITE HOSPITAL 2222 WELBORN ST DALLAS, TX 75219 www.scottishritehospital.org 000054	X	X	X	X		X			ORTHOPEDIC, neurodevelopment & musculoskeletal	

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 5	<p>TSRHC AND BKD CONSULTING COLLABORATED TOGETHER TO CONDUCT AND ASSESS THE NEEDS OF THE COMMUNITY IN PRODUCING THE HOSPITAL'S COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) REPORT. BKD CONSULTING, LLP IS ONE OF THE LARGEST CPA AND ADVISORY FIRMS IN THE UNITED STATES, WITH APPROXIMATELY 2,000 PARTNERS AND EMPLOYEES IN 34 OFFICES. BKD SERVES MORE THAN 900 HOSPITALS AND HEALTH CARE SYSTEMS ACROSS THE COUNTRY. PRIMARY DATA WAS OBTAINED FROM PATIENT FAMILIES, PATIENT FOCUS GROUPS AND KEY STAKEHOLDERS. BKD CONDUCTED A HEALTH SURVEY THAT WAS SENT IN ELECTRONIC FORMAT, TO MORE THAN 800 CURRENT TSRHC PATIENTS. THE SURVEY WAS MAILED, IN PAPER FORMAT, TO MORE THAN 2,000 CURRENT AND FORMER TSRHC PATIENT FAMILIES. TWO HUNDRED TWENTY PATIENT FAMILIES PROVIDED INPUT THROUGH THE HEALTH SURVEY, WHICH WAS AVAILABLE IN BOTH ENGLISH AND SPANISH. EIGHTY-FIVE PERCENT OF THE SURVEY RESPONDENTS INDICATED THEY LIVED IN THE CHNA COMMUNITY. IN ADDITION, TSRHC CONDUCTED TWO PATIENT FOCUS GROUPS TO SOLICIT INPUT FROM PATIENTS' FAMILIES REGARDING THE HEALTH NEEDS OF THEIR CHILDREN. THE PATIENT FOCUS GROUPS WERE CONDUCTED ON JUNE 13, 2016 AND JUNE 14, 2016 AT TSRHC'S MAIN CAMPUS AND NORTH CAMPUS. FOUR QUESTIONS WERE ASKED AND DISCUSSED, THEN UTILIZED TO HELP GATHER DATA FROM THE PARTICIPANTS. INPUT WAS COLLECTED FROM 21 KEY STAKEHOLDERS THROUGH IN-PERSON INTERVIEWS IN JUNE 2016. THESE KEY STAKEHOLDERS WERE DETERMINED BASED ON THEIR SPECIALIZED KNOWLEDGE OR EXPERTISE IN PUBLIC HEALTH, THEIR INVOLVEMENT WITH UNDERSERVED AND MINORITY POPULATIONS OR THEIR AFFILIATION WITH LOCAL GOVERNMENT, SCHOOLS AND INDUSTRY. THESE INTERVIEWS ARE INTENDED TO ASCERTAIN OPINIONS AMONG INDIVIDUALS WHO ARE LIKELY TO BE KNOWLEDGEABLE ABOUT THE COMMUNITY AND INFLUENTIAL OVER THE OPINIONS OF OTHERS ABOUT HEALTH CONCERNS IN THE COMMUNITY. SECONDARY DATA ASSESSED FACTORS SUCH AS DEMOGRAPHICS, SOCIOECONOMIC INDICATORS (HOUSEHOLD INCOME AND POVERTY, INSURANCE COVERAGE AND CHILDREN LIVING IN SINGLE-PARENT HOUSEHOLDS) AND COMMUNITY HEALTH STATUS INDICATORS RELEVANT TO THE SERVICES PROVIDED BY TSRHC (RATES FOR CONDITIONS TREATED BY TSRHC, NUMBER OF CHILDREN IN TEXAS WITH DISABILITIES AND RATE FOR HEALTH ISSUES IDENTIFIED BY STAKEHOLDERS AND PATIENTS SUCH AS ASTHMA, OBESITY AND PHYSICAL INACTIVITY). SOME OF THE SECONDARY DATA SOURCES, INCLUDED BUT NOT LIMITED TO TEXAS STATE DATA CENTER AND THE OFFICE OF THE STATE DEMOGRAPHER, ANNIE CASEY FOUNDATION, TEXAS KIDS COUNT DATA, AND TEXAS DEPARTMENT OF STATE HEALTH SERVICES. USING FINDINGS OBTAINED THROUGH THE COLLECTION OF PRIMARY AND SECONDARY DATA, TSRHC COMPLETED A KEY FINDINGS OVERVIEW FOR EACH IDENTIFIED HEALTH NEED TO FACILITATE PRIORITIZATION OF IDENTIFIED HEALTH NEEDS. A MODIFIED HANLON METHOD WAS USED BY MEMBERS OF TSRHC'S MANAGEMENT TO RANK THE NEEDS. THE FOLLOWING FACTORS WERE USED TO PRIORITIZE THE IDENTIFIED HEALTH NEEDS: SIZE OF THE PROBLEM, SERIOUSNESS OF THE PROBLEM, IMPACT OF THE ISSUES ON VULNERABLE POPULATIONS, HOW IMPORTANT THE ISSUE IS TO THE COMMUNITY.</p>

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 5	NITY, AND THE PREVALENCE OF COMMON THEMES

**Form 990 Part V Section C Supplemental Information for Part V, Section B.**

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 6B	TSRHC ENGAGED THE SERVICES OF BKD CONSULTING TO ASSESS THE NEEDS OF THE COMMUNITY AND COLLABORATED WITH BKD IN PRODUCING THE HOSPITAL'S CHNA REPORT

**Form 990 Part V Section C Supplemental Information for Part V, Section B.**

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 7A	SCOTTISHRITEHOSPITAL ORG/GETATTACHMENT/COLLAPSIBLE-CONTENT-MODULES/ABOUT-OUR-FUTURE/2016-COMMUNITY-HEALTH-NEEDS-ASSESSMENT PDF?LANG=EN-US

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 11	<p>NEEDS IDENTIFIED IN RECENTLY CONDUCTED CHNA AS PART OF THE CHNA, TSRHC AND BKD CONSULTING CONDUCTED THE ASSESSMENT FROM MAY 2016 TO SEPTEMBER 2016. THE PRIMARY AND SECONDARY DATA GATHERED WAS THEN ANALYZED TO IDENTIFY SIGNIFICANT HEALTH NEEDS FOR THE COMMUNITY SERVED BY TSRHC. AS A RESULT OF THE ANALYSIS, NINE HEALTH NEEDS WERE IDENTIFIED AS BEING SIGNIFICANT TO THE COMMUNITY. THE IDENTIFIED HEALTH NEEDS WERE SUBSEQUENTLY GROUPED AND PRIORITIZED BY HOSPITAL MANAGEMENT INTO THREE PRIORITY AREAS BASED ON THEIR OVERALL ASSESSMENT OF THE QUALITATIVE AND QUANTITATIVE DATA. TSRHC WILL FOCUS ON THE IDENTIFIED AREAS WHERE THE HOSPITAL CAN MOST EFFECTIVELY USE ITS EXPERTISE AND RESOURCES TO HAVE SIGNIFICANT IMPACT. THESE THREE AREAS ARE: 1. IMPROVE ACCESS TO HEALTH CARE SERVICES, 2. IMPROVE CHILD HEALTH STATUS, 3. IMPROVE COORDINATION OF CARE. TSRHC STRATEGY FOR IMPROVING ACCESS TO HEALTH CARE SERVICES MORE THAN 200,000 CHILDREN DO NOT HAVE INSURANCE IN THE CHNA. COMMUNITY AFFORDABILITY OF SERVICES AND FINANCIAL STRESS ON THE FAMILY WERE IDENTIFIED AS THE TWO BIGGEST CHALLENGES FOR PATIENT FAMILIES. ANOTHER CHALLENGE IDENTIFIED BY PATIENT FAMILIES WAS THE LACK OF AVAILABILITY OF SERVICES CLOSE TO HOME. KEY STAKEHOLDERS ALSO IDENTIFIED THE NEED TO EXPAND TSRHC'S GEOGRAPHIC FOOTPRINT TO MAKE SERVICES MORE ACCESSIBLE. IN ADDITION, THEY NOTED THAT MANY PERSONS IN THE CHNA COMMUNITY ARE UNAWARE OF THE SCOPE OF SERVICES PROVIDED BY TSRHC. OUR OBJECTIVE IS TO INCREASE COMMUNITY AND PUBLIC AWARENESS OF THE AVAILABILITY AND TYPES OF HEALTH CARE SERVICES PROVIDED BY TSRHC. THE ANTICIPATED IMPACT IS TO INCREASE THE NUMBER OF CHILDREN TREATED, ESPECIALLY THOSE IN THE UNDERSERVED COMMUNITY WITHIN OUR SCOPE OF SERVICES, INCLUDING THOSE WITH SPECIAL HEALTH NEEDS. A. INCREASE THE AWARENESS OF OUR FINANCIAL ASSISTANCE PROGRAM. IN AN EFFORT TO ENSURE THAT FAMILIES WHO MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE ARE AWARE OF AND FAMILIAR WITH THE HOSPITAL'S FINANCIAL ASSISTANCE/ CHARITY CARE PROGRAM, CRAYON CARE, TSRHC WILL WIDELY PUBLICIZE INFORMATION REGARDING THE PROGRAM BY HAVING INFORMATION POSTED THROUGHOUT THE BUILDING, ON THE WEBSITE AND THROUGH COMMUNITY AGENCIES THAT MAY ENCOUNTER INDIVIDUALS WITH FINANCIAL NEEDS. FAMILY SERVICES COUNSELORS ARE AVAILABLE TO COMMUNICATE WITH AND ASSIST PATIENTS REGARDING THE PROGRAM. ADDITIONAL COMMUNICATION VEHICLES WILL ALSO BE EXPLORED TO BETTER INFORM PATIENT FAMILIES AND TO REACH OUT TO OTHERS INCLUDING HEALTH CARE PROVIDERS ABOUT TSRHC'S FINANCIAL ASSISTANCE PROGRAM, TO ENSURE THAT THE LACK OF FINANCIAL RESOURCES IS NOT AN IMPEDIMENT TO RECEIVING CARE AT TSRHC. B. EXPAND SERVICES THROUGHOUT NORTH TEXAS AND THE SURROUNDING REGION. IN OCTOBER OF 2018, TSRHC OPENED A NEW POINT OF ACCESS IN FRISCO, TEXAS. THIS NEW FRISCO CAMPUS WAS CREATED TO RESPOND TO THE INCREASED DEMAND FOR HEALTH CARE SERVICES IN THIS RAPIDLY GROWING AREA AND TO SERVE THE HOSPITAL'S CURRENT PATIENT POPULATION LOCATED IN THE NORTHERN REGION OF THE DALLAS-FORT WORTH.</p>

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 11	<p>METROPLEX THE NEW FACILITY IS AN OUTPATIENT DEPARTMENT OF THE HOSPITAL THAT INCLUDES AN AMBULATORY SURGICAL CENTER AND OUTPATIENT CLINICS SUCH AS SPORTS MEDICINE, GENERAL ORTHOPEDICS, RHEUMATOLOGY, ORTHOTICS AND PROSTHETICS, AND A FRACTURE CLINIC WITH WALK-IN HOURS. IT ALSO OFFERS SPORTS, OCCUPATIONAL AND PHYSICAL THERAPY. IN ADDITION, SUPPORT SERVICES ARE AVAILABLE, SUCH AS RADIOLOGY AND A PHLEBOTOMY LAB. IN ADDITION, THE SPORTS MEDICINE STAFF, WHICH IS BASED OUT OF THIS FACILITY, SUPPORTS THE LOCAL COMMUNITY BY HOSTING TRAINING AND EDUCATION SESSIONS WITH AREA SCHOOLS, SPORTS TEAMS, COACHES AND PARENTS ON TOPICS INCLUDING INJURY PREVENTION, CONCUSSION MANAGEMENT, NUTRITION AND HYDRATION. TO INCREASE EASE OF ACCESS TO ADDRESS THE GROWING DEMAND FOR SERVICES, THERE HAVE BEEN CONTINUOUS EFFORTS TO INCREASE ACCESS AND THROUGHPUT IN THE AMBULATORY CARE CLINICS INCLUDING GENERAL ORTHOPEDICS, DYSLEXIA, CEREBRAL PALSY AND RHEUMATOLOGY. THIS WILL BE AN ONGOING COMMITMENT TO FURTHER REDUCE THE TIME BETWEEN PATIENT APPLICATION ACCEPTANCE AND THE FIRST APPOINTMENT. THE ADDITION OF CLINICS AND CLINIC APPOINTMENTS WILL BE POSSIBLE THROUGH CLINIC RENOVATIONS LEADING TO INCREASED SPACE AND WILL RESULT IN IMPROVED ACCESS. THE EXPANSION TO FRISCO, IN OCTOBER OF 2018, PROVIDES PATIENTS INCREASED ACCESS TO MEDICAL SERVICES. THE HOSPITAL HAS INTRODUCED A DIRECT APPOINTMENT PROCESS, WHICH ALLOWS PATIENT FAMILIES DIRECT ACCESS TO SCHEDULE AN APPOINTMENT AT THE HOSPITAL WITHOUT A REFERRAL FROM A HEALTH CARE PROFESSIONAL, SUCH AS A PHYSICIAN OR SCHOOL NURSE. TO INCREASE PATIENT ACCESS TO INFORMATION, PATIENT FAMILIES CAN NOW ACCESS PORTIONS OF THEIR CHILD'S MEDICAL RECORDS, SCHEDULE APPOINTMENTS AND RECEIVE REFERRALS THROUGH AN ONLINE PORTAL CALLED MYSRH. TO INCREASE AWARENESS OF TSRHC THROUGH COMMUNICATION AND OUTREACH EVENTS/PROGRAMS TO EDUCATE THE COMMUNITY ABOUT ITS SERVICES, TSRHC IS WORKING TO DRIVE BROAD SCALE AWARENESS WITHIN THE COMMUNITY, THE GENERAL PUBLIC AND THE UNDERSERVED. TSRHC CONTINUES TO FOCUS EFFORTS ON EDUCATING THE GENERAL PUBLIC ABOUT THE HOSPITAL'S PRIMARY ORTHOPEDIC SERVICES. THE HOSPITAL WILL CONNECT WITH THE UNDERSERVED IN THE COMMUNITY THROUGH THE USE OF TRADITIONAL, BROAD-REACHING VEHICLES INCLUDING TELEVISION, RADIO, BILLBOARDS AND PRINT. OTHER WAYS THE HOSPITAL REACHES A LARGE EXTERNAL AUDIENCE INCLUDE UTILIZING DIGITAL AND SOCIAL MEDIA CHANNELS THROUGH THOSE VEHICLES, THE HOSPITAL HAS A YOUTUBE CHANNEL THAT FEATURES A WIDE ARRAY OF VIDEOS, FROM PATIENT STORIES TO RESEARCH-THEMED SEGMENTS, WHICH INCREASE AWARENESS OF THE HOSPITAL'S SERVICES AND THE CONDITIONS WE TREAT. THE HOSPITAL HAS ALSO LAUNCHED A FACEBOOK LIVE SERIES TITLED, 'SRH ACCESS,' WHICH FEATURES INTERVIEWS WITH HOSPITAL STAFF AND BEHIND-THE-SCENES TOURS THAT HIGHLIGHT THE ROLES OF DEPARTMENTS THROUGHOUT THE HOSPITAL. FURTHER, THE HOSPITAL WILL CONNECT WITH THESE AUDIENCES THROUGH A WIDE RANGE OF COMMUNITY EVENTS, PHYSICIAN RELATIONS PROGRAMS AND PARTNERSHIP PROGRAMS. WI</p>

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 11	<p>TH OTHER COMMUNITY ORGANIZATIONS ALSO INTERESTED IN HEALTH CARE AND WELLNESS OF THE COMMUNITY SUCH AS AGAPE CLINIC, LOS BARRIOS UNIDOS, METROCREST COMMUNITY CLINIC, CATHOLIC CHARITIES, JEWISH FAMILY SERVICES OF GREATER DALLAS, SPINA BIFIDA ASSOCIATION, MASONIC HOME AND SCHOOL OF TEXAS, ORTHOKIDS ORG/POSNA, TEXAS 211 (TEXAS HEALTH AND HUMAN SERVICES WEBSITE AND TOLL-FREE NUMBER TO FIND HEALTH PROVIDERS IN SPECIFIC REGIONS), AND ECI/PPCD/HEAD START PROGRAMS (DALLAS AND FORT WORTH) G CONTINUE TO MAINTAIN A CULTURALLY APPROPRIATE ENVIRONMENT TSRHC IS CONTINUOUSLY EVOLVING WITH THE GROWTH OF OUR DIVERSE PATIENT POPULATION TO MEET THOSE NEEDS, THE HOSPITAL PROVIDES ACCESS TO INTERPRETERS FOR PATIENTS AND PATIENT FAMILIES THROUGH IN-PERSON INTERACTION, VIDEO REMOTE AND TELEPHONE INTERPRETING, OR AN OUTSIDE AGENCY COVERING A BROAD RANGE OF LANGUAGES H INCREASE WAY-FINDING SIGNAGE AND INFORMATION BROCHURES IN OTHER PATIENT LANGUAGES ENHANCEMENTS ARE BEING MADE TO MORE EASILY ACCESS AREAS AND DEPARTMENTS WITHIN THE HOSPITAL, UTILIZING HABLAMOS JUNTOS AND UNIVERSAL HEALTH CARE SYMBOLS FOR WAY-FINDING TSRHC STRATEGY FOR IMPROVING CHILD HEALTH STATUS KEY STAKEHOLDERS NOTED THAT THERE IS A SHORTAGE OF HEALTH NUTRITION IN IMPOVERISHED AREAS OF THE COMMUNITY PATIENT FAMILIES AND KEY STAKEHOLDERS IDENTIFIED OBESITY AS THE BIGGEST HEALTH ISSUE IMPACTING CHILDREN'S HEALTH UNHEALTHY EATING AND LACK OF PHYSICAL ACTIVITY WERE ALSO IDENTIFIED AS HEALTH ISSUES FOR CHILDREN IN THE COMMUNITY STAKEHOLDERS STRESSED THE IMPORTANCE OF EDUCATION FOR FAMILIES, NOTING MANY FAMILIES ARE UNAWARE OF STATE AND LOCAL PROGRAMS FOR WHICH THEY MAY BE ELIGIBLE THEY ALSO REPORTED THAT MANY PARENTS IN THE COMMUNITY HAVE A LIMITED UNDERSTANDING OF HEALTHY LIVING AS WELL AS LIMITED KNOWLEDGE REGARDING NAVIGATING TODAY'S HEALTH SYSTEM OUR OBJECTIVE IS TO PROVIDE EDUCATION OPPORTUNITIES FOR FAMILIES AND CHILDREN TO MAKE HEALTHIER CHOICES THE ANTICIPATED IMPACT IS TO CREATE AN OVERALL HEALTHIER PEDIATRIC COMMUNITY AND DECREASE THE NUMBER OF CHILDREN CATEGORIZED AS "AT RISK E.G., OVERWEIGHT, OBESE, PRE-DIABETIC, ETC A INCREASE ACCESS TO SUPPORT GROUPS AND INFORMATION ON WELLNESS/HEALTH EDUCATION TSRHC DIETICIANS ARE CURRENTLY ACTIVE IN THE DALLAS AREA COALITION FOR THE PREVENTION OF CHILDHOOD OBESITY AND THE MAYOR'S YOUTH FITNESS INITIATIVE NUTRITION EDUCATION PROGRAM STAFF ATTEND MONTHLY MEETINGS AND ORGANIZE PARTICIPATION IN THE ANNUAL GET KIDZ FIT FESTIVAL, IN ADDITION TO OTHER PROGRAMS SUCH AS MYFIT IN THIS PROGRAM, THE DIETICIANS RECRUIT AND ORGANIZE NUTRITION STUDENTS AND DIETETIC INTERNS TO PROVIDE AFTER SCHOOL NUTRITION EDUCATION AT LOCAL PARKS AND RECREATION CENTERS TSRHC WILL CONTINUE TO INCREASE EFFORTS TO CONNECT PATIENT FAMILIES TO WEIGHT MANAGEMENT AND NUTRITIONAL EDUCATION PROGRAMS OFFERED WITHIN THE COMMUNITY B INCREASE AND EXPAND ACCESS TO HEALTH EDUCATION THROUGH EXISTING COMMUNITY PARTNERSHIPS THROUGH A NUMBER OF NEW PARTNERSHIPS WITH GROUPS SUCH AS D</p>



**Form 990 Part V Section C Supplemental Information for Part V, Section B.**

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 20E	NEITHER THE HOSPITAL NOR ANY AUTHORIZED THIRD PARTY PERFORMED ANY OF THE ACTIONS SET FORTH IN LINE 19 (A-E)

**Schedule I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States**

OMB No 1545-0047

**2017**

**Open to Public  
Inspection**

Department of the  
Treasury  
Internal Revenue Service

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

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization  
Texas Scottish Rite Hospital for Crippled  
Children

**Employer identification number**  
75-0818178

**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 Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(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 noncash assistance	(h) Purpose of grant or assistance
(1) See Additional Data							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ \_\_\_\_\_ 4

**3** Enter total number of other organizations listed in the line 1 table ▶ \_\_\_\_\_

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

**Part IV Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
USE OF GRANT FUNDS	SCHEDULE I, PART I, LINE 2 THE GRANT TO PEDI-ORTHO HEALTH CORPORATION, A RELATED MEDICAL ENTITY, IS TO SUPPORT THE SERVICES PROVIDED BY THE CORPORATION THE HOSPITAL, AS A SOLE MEMBER, MONITORS THE ACTIVITIES OF THE ENTITY WHICH PROVIDES PEDIATRIC ORTHOPEDIC PHYSICIAN SERVICES TO LOCAL MEDICAL FACILITIES THAT PROVIDE EMERGENCY CARE FOR CHILDREN THE ENTITY IS INDEPENDENTLY AUDITED ANNUALLY AND THE HOSPITAL RECEIVES A COPY OF THE AUDITED FINANCIAL STATEMENTS THE HOSPITAL PARTICIPATED WITH THE SERVICE ORGANIZATION OF WEST TEXAS AND THE SERVICE ORGANIZATION OF THE BIG COUNTRY (501(C)3 ORGANIZATIONS) BY PROVIDING FUNDING FOR CLINICAL SERVICES AS DETERMINED BY THESE SERVICE ORGANIZATIONS THESE SERVICE ORGANIZATIONS ARE MONITORED BY REVIEW OF ANNUAL IRS FORM 990 THE HOSPITAL PROVIDES FUNDING OF DALLAS SAFETY NET SUPPORT CORPORATION TO SUPPORT LOCAL HOSPITALS IN THE DALLAS COMMUNITY THE CORPORATION IS MONITORED BY REVIEW OF THE IRS ANNUAL IRS FORM 990

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 75-0818178  
**Name:** Texas Scottish Rite Hospital for Crippled  
Children

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
PEDI-ORTHO HEALTH CORPORATION 2222 WELBORN ST DALLAS, TX 75219	75-2665759	501(c)(3)	109,878	0			MEDICAL CARE AND RESEARCH RURAL TEXAS INDIGENT CARE RURAL TEXAS INDIGENT CARE DALLAS COUNTY INDIGENT CARE
SERVICE ORGANIZATION OF WEST TEXAS 2950 W 50TH LUBBOCK, TX 79413	38-3755079	501(c)(3)	620,000	0			RURAL TEXAS INDIGENT CARE

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
SERVICE ORGANIZATION OF BIG COUNTRY 2950 W 50TH LUBBOCK, TX 79413	26-0746318	501(c)(3)	290,000	0			RURAL TX INDIGENT CARE
DALLAS SAFETY NET SUPPORT CORPORATION 1441 N BECKLEY DALLAS, TX 75203	82-3131059	501(c)(3)	957,633	0			DALLAS COUNTY INDIGENT CARE

**Schedule J**  
**(Form 990)**

**Compensation Information**

OMB No 1545-0047

**For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**  
▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**  
▶ **Attach to Form 990.**  
▶ **Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**2017**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Texas Scottish Rite Hospital for Crippled Children

Employer identification number  
75-0818178

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
<input type="checkbox"/> First-class or charter travel <input checked="" type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input checked="" type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</b> If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	<b>1b</b> Yes	
<b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	<b>2</b> Yes	
<b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III		
<input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b> During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization		
<b>a</b> Receive a severance payment or change-of-control payment?	<b>4a</b>	No
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?	<b>4b</b> Yes	
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	<b>4c</b>	No
<b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>		
<b>5</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
<b>a</b> The organization?	<b>5a</b>	No
<b>b</b> Any related organization? If "Yes," on line 5a or 5b, describe in Part III	<b>5b</b>	No
<b>6</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
<b>a</b> The organization?	<b>6a</b>	No
<b>b</b> Any related organization? If "Yes," on line 6a or 6b, describe in Part III	<b>6b</b>	No
<b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III	<b>7</b>	No
<b>8</b> Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	<b>8</b>	No
<b>9</b> If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	<b>9</b>	



**Part III Supplemental Information**

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

Return Reference	Explanation
FORM 990, PART VII & SCHEDULE J FOOTNOTE	*PREVIOUSLY VESTED IN NON-QUALIFIED PENSION PLAN AND ACCRUED ADDITIONAL TAXABLE BENEFITS IN CALENDAR 2017 **VESTED IN NON-QUALIFIED PENSION PLAN IN CALENDAR 2017
SCHEDULE J, PART I, LINE 1A	TRAVEL FOR COMPANIONS (INCLUDED ON SCH J, PART II, COL B (III) & W-2, BOX 5) BRANDON RAMO \$800 KARL RATHJEN \$800 ANTHONY RICCIO \$800 PHILIP WILSON \$800 CHARLES JOHNSTON \$800 B STEPHENS RICHARDS \$800 LORI KAROL \$800 HENRY ELLIS \$574 AMY MCINTOSH \$800 SCHEDULE J, PART I, LINE 1A SOCIAL DUES THE ORGANIZATION PAID A PORTION OF SOCIAL CLUB DUES FOR AN EMPLOYEE THIS REIMBURSEMENT WAS INCLUDED AS TAXABLE INCOME ON SCHEDULE J, PART II, COL B (III) & W-2, BOX 5 JC MONTGOMERY, JR \$2,640
SCHEDULE J, PART I, LINE 4B	THE RESTORATION OF RETIREMENT INCOME PLAN (RRIP) IS A NON-QUALIFIED PLAN PROVIDING SUPPLEMENTAL RETIREMENT BENEFITS TO CERTAIN EMPLOYEES OF TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN (TSRHC) AND A RELATED ENTITY, WHOSE BENEFITS UNDER THE TAX-QUALIFIED RETIREMENT PLAN HAVE BEEN LIMITED BY THE MAXIMUM BENEFIT AND MAXIMUM COMPENSATION LIMITATIONS IMPOSED UNDER THE TAX-QUALIFIED RETIREMENT PLAN IN ORDER TO COMPLY WITH THE INTERNAL REVENUE CODE THE TOTAL ACCUMULATED BENEFIT THAT HAS ACCRUED FOR A PARTICIPANT UNDER THE RRIP NORMALLY BECOMES VESTED AND TAXABLE TO A PARTICIPANT WHEN HE OR SHE EITHER HAS ATTAINED AGE 55 AND COMPLETED 15 YEARS OF SERVICE OR ATTAINS AGE 65 THE BENEFIT ACCRUALS FOR A PARTICIPANT AFTER THE DATE OF INITIAL VESTING ARE TAXABLE TO THE PARTICIPANT WHEN AND AS ACCRUED RRIP BENEFITS BECOME PAYABLE AFTER TERMINATION OF EMPLOYMENT UNDER THE TERMS OF THE RRIP, THE FOLLOWING EMPLOYEES ARE NON-VESTED PARTICIPANTS WHO ARE ACCRUING AN ANNUAL BENEFIT IN 2017 (INCLUDED ON SCH J, PART II, COL C) DANIEL SUCATO \$201,026 KARL RATHJEN \$ 95,057 MOLLY DEMPSEY \$112,177 LAWSON COPLEY \$ 92,256 PHILIP WILSON \$ 62,818 GAIL HACKNEY \$105,076 UNDER THE TERMS OF THE RRIP, THE FOLLOWING EMPLOYEES VESTED IN THIS PLAN IN CALENDAR YEAR 2017 AND THEIR CUMULATIVE ACCRUED BENEFITS SINCE INCEPTION, AS REFERENCED BELOW, ARE SUBJECT TO TAXATION (INCLUDED ON SCH J, PART II, COL B (III) & W-2, BOX 5) GAIL HACKNEY \$675,295 UNDER THE TERMS OF THE RRIP, THE FOLLOWING EMPLOYEES HAVE PREVIOUSLY VESTED IN THE RRIP AND ACCRUED ADDITIONAL BENEFITS DURING 2017, WHICH ARE SUBJECT TO TAXATION, IN THE FOLLOWING AMOUNTS (INCLUDED IN SCH J, PART II, COL B (III) & W-2, BOX 5) B STEPHENS RICHARDS \$366,976 LORI KAROL \$189,324 THE MANAGEMENT BENEFIT PLAN IS A NON-QUALIFIED PLAN PROVIDING SUPPLEMENTAL RETIREMENT BENEFITS TO CERTAIN ELIBIGLE EMPLOYEES WHO BECAME PARTICIPANTS PRIOR TO 1988 MONTHLY RETIREMENT INCOME BENEFITS BECOME PAYABLE UNDER THE PLAN COMMENCING AT AGE 65 (OR EARLIER DISABILITY), AND ARE TAXABLE TO PARTICIPANT WHEN AND AS PAID UNDER THE TERM OF THE MANAGEMENT BENEFIT PLAN, THE FOLLOWING EMPLOYEES RECEIVED PAYMENTS IN 2017 (INCLUDED ON SCH J, PART II, COL B (III) AND W-2, BOX I AND 5) ROBERT WALKER \$16,716 JOHN BIRCH \$85,416 CHARLES JOHNSTON \$48,685 JC MONTGOMERY, JR \$39,702 THE FLEXIBLE BENEFITS PLAN IS A NON-QUALIFIED PLAN PROVIDING LIFE INSURANCE, DISABILITY INSURANCE, LONG-TERM CARE INSURANCE AND/OR RETIREMENT BENEFITS TO ELIGIBLE EMPLOYEES OF TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN (TSRHC) AND A RELATED ENTITY, AT THEIR ELECTION THE INSURANCE PREMIUM AND RETIREMENT ACCOUNT CONTRIBUTION AMOUNTS ALLOCATED TO A PARTICIPANT UNDER THIS PLAN FOR EACH YEAR ARE TAXABLE TO THE PARTICIPANT FOR SUCH YEAR THE EARNINGS ON RETIREMENT ACCOUNT CONTRIBUTIONS BECOME TAXABLE TO A PARTICIPANT WHEN PAID OR MADE AVAILABLE TO THE PARTICIPANT UNDER THE TERMS OF THE FLEXIBLE BENEFITS PLAN, THE FOLLOWING EMPLOYEES WERE TAXED ON THE FOLLOWING AMOUNTS FOR CALENDAR YEAR 2017 (INCLUDED IN SCH J, PART II, COL 8 (III), AND W-2, BOX 5) AMY MCINTOSH \$26,904 B STEPHENS RICHARDS \$29,700 BRANDON RAMO \$26,904 CHARLES JOHNSTON \$27,145 CONNIE WRIGHT \$11,835 DANIEL SUCATO \$34,425 DEBBIE SAYLES \$12,150 DONALD KATZ \$11,160 ELLEN HAYNES \$ 8,116 FREDERICK RICHMOND \$16,200 J ANTHONY HERRING \$23,625 JEAN ALLEN \$ 7,833 JEREMY HOWELL \$ 9,225 KARL RATHJEN, MD \$28,103 KRISTINA KEEVER-SMITH \$10,080 LAWSON COPLEY \$26,121 (EMPLOYED BY RELATED ENTITY) LESLIE CLONCH \$15,300 LORI DALTON \$17,100 LORI KAROL \$27,076 MARK BATEMAN \$16,200 MATT CHANCE \$12,825 MOLLIE DEMPSEY \$25,020 PHILIP WILSON \$27,076 ROBERT WALKER \$34,650 STEPHANIE BRIGGER \$ 8,325 WILLIAM HUSTON \$16,875 HENRY ELLIS \$26,904 ANTHONY RICCIO \$26,904 JC MONTGOMERY, JR \$18,720



**Additional Data**

**Software ID:**

**Software Version:**

**EIN:** 75-0818178

**Name:** Texas Scottish Rite Hospital for Crippled Children

**Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1JEAN ALLEN CONTROLLER	(i)	168,660	0	10,271	10,517	23,517	212,965	0
	(ii)	0	0	0	0	0	0	0
1MARK G BATEMAN SR VP, PUBLIC RELATIONS	(i)	356,698	0	33,058	21,750	30,303	441,809	0
	(ii)	0	0	0	0	0	0	0
2JOHN G BIRCH MD ORTHOPEDIC SURGEON	(i)	0	0	162,827	0	0	162,827	120,119
	(ii)	0	0	0	0	0	0	0
3STEPHANIE BRIGGER VICE PRESIDENT, DEVELOPMENT	(i)	187,709	0	17,851	67,231	18,742	291,533	0
	(ii)	0	0	0	0	0	0	0
4MATT CHANCE SR VP, OPERATIONS	(i)	288,415	0	21,372	14,680	31,328	355,795	0
	(ii)	0	0	0	0	0	0	0
5LESLIE A CLONCH VP & CHIEF INFORMATION OFFICER	(i)	344,064	0	26,496	16,200	33,033	419,793	0
	(ii)	0	0	0	0	0	0	0
6LAWSON A COPLEY MD FORMER CMIO	(i)	31,950	0	0	0	0	31,950	0
	(ii)	650,071	0	35,990	153,721	32,358	872,140	0
7LORI DALTON SR VP & GENERAL COUSEL	(i)	374,380	38,373	35,168	16,200	32,558	496,679	0
	(ii)	0	0	0	0	0	0	0
8MOLLY DEMPSEY MD CMIO	(i)	552,401	0	27,005	177,678	30,558	787,642	0
	(ii)	0	0	0	0	0	0	0
9HENRY B ELLIS MD ORTHOPEDIC SURGEON	(i)	641,501	0	54,136	16,200	38,058	749,895	0
	(ii)	45,500	0	0	0	0	45,500	0
10GAIL HACKNEY MD ANESTHESIOLOGIST( SEE SCH J**)	(i)	172,222	0	679,375	183,840	16,136	1,051,573	0
	(ii)	0	0	0	0	0	0	0
11ELLEN HAYNES VICE PRESIDENT, MAJOR GIFTS	(i)	185,278	0	16,848	11,229	10,587	223,942	0
	(ii)	0	0	0	0	0	0	0
12J ANTHONY HERRING MD ORTHOPEDIC SURGEON	(i)	520,681	0	38,907	0	21,265	580,853	0
	(ii)	0	0	0	0	0	0	0
13JEREMY L HOWELL VICE PRESIDENT, NORTH CAMPUS	(i)	206,676	0	17,543	12,764	30,006	266,989	0
	(ii)	0	0	0	0	0	0	0
14WILLAM R HUSTON SR VP & CFO	(i)	385,273	35,511	37,124	16,200	21,495	495,603	0
	(ii)	0	0	0	0	0	0	0
15 CHARLES E JOHNSTON II MD ORTHOPEDIC SURGEON	(i)	617,711	0	95,069	0	39,759	752,539	52,163
	(ii)	0	0	0	0	0	0	0
16LORI KAROL MD ASST COS (SEE SCH J*)	(i)	620,580	0	162,954	268,630	32,803	1,084,967	0
	(ii)	24,300	0	0	0	0	24,300	0
17DONALD K KATZ VP, FACILITIES	(i)	250,278	0	21,365	111,893	31,335	414,871	0
	(ii)	0	0	0	0	0	0	0
18BRANDON A RAMO MD ORTHOPEDIC SURGEON	(i)	646,751	0	54,414	16,200	33,058	750,423	0
	(ii)	54,400	0	0	0	0	54,400	0
19KARL E RATHJEN MD ASSISTANT CHIEF OF STAFF	(i)	537,875	0	38,414	157,107	10,695	744,091	0
	(ii)	30,800	0	0	0	0	30,800	0

<b>Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</b>								
<b>(A) Name and Title</b>		<b>(B) Breakdown of W-2 and/or 1099-MISC compensation</b>			<b>(C) Retirement and other deferred compensation</b>	<b>(D) Nontaxable benefits</b>	<b>(E) Total of columns (B)(i)-(D)</b>	<b>(F) Compensation in column (B) reported as deferred on prior Form 990</b>
		<b>(i) Base Compensation</b>	<b>(ii) Bonus &amp; incentive compensation</b>	<b>(iii) Other reportable compensation</b>				
<b>21</b> ANTHONY RICCIO MD ORTHOPEDIC SURGEON	(i)	637,159	0	54,856	16,200	35,303	743,518	0
	(ii)	47,300	0	0	0	0	47,300	0
<b>1</b> FREDRIC RICHMOND SR VP & CHIEF INVESTMENT OFFIC	(i)	356,242	0	34,847	16,200	30,558	437,847	0
	(ii)	0	0	0	0	0	0	0
<b>2</b> DEBRA SAYLES VP AND CNO	(i)	274,093	0	27,528	0	10,940	312,561	0
	(ii)	0	0	0	0	0	0	0
<b>3</b> KRIS KEEVER-SMITH INVESTMENT OFFICER	(i)	223,075	0	11,273	36,407	3,819	274,574	0
	(ii)	0	0	0	0	0	0	0
<b>4</b> B STEPHENS RICHARDS MD CMO (SEE SCH J*)	(i)	682,560	0	211,828	443,137	22,995	1,360,520	0
	(ii)	0	0	0	0	0	0	0
<b>5</b> DANIEL J SUCATO MD CHIEF OF STAFF	(i)	832,546	0	51,801	262,716	31,058	1,178,121	0
	(ii)	51,800	0	0	0	0	51,800	0
<b>6</b> ROBERT L WALKER PRESIDENT/CEO	(i)	775,877	0	74,850	0	23,995	874,722	19,167
	(ii)	0	0	0	0	0	0	0
<b>7</b> PHILIP WILSON MD ASSISTANT CHIEF OF STAFF	(i)	660,575	0	37,112	113,047	21,495	832,229	0
	(ii)	63,300	0	0	0	0	63,300	0
<b>8</b> CONNIE WRIGHT VP, HUMAN RESOURCES	(i)	249,371	0	20,113	15,180	18,386	303,050	0
	(ii)	0	0	0	0	0	0	0
<b>9</b> AMY L MCINTOSH MD ORTHOPEDIC SURGEON	(i)	651,157	0	46,640	16,200	30,303	744,300	0
	(ii)	51,500	0	0	0	0	51,500	0
<b>10</b> JC MONTGOMERY JR FORMER OFFICER	(i)	409,637	0	65,738	0	23,386	498,761	12,705
	(ii)	0	0	0	0	0	0	0

**Schedule K (Form 990)**  
 Department of the Treasury  
 Internal Revenue Service  
 Name of the organization  
 Texas Scottish Rite Hospital for Crippled Children

**Supplemental Information on Tax-Exempt Bonds**  
 ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.  
 ▶ Attach to Form 990.  
 ▶ Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
**2017**  
**Open to Public Inspection**  
 Employer identification number  
 75-0818178

**Part I Bond Issues**

(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		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A CITY OF PARKER TX CULTURAL EDUCATION FACILITIES	27-0365113	000000000	12-30-2010	23,000,000	CONSTRUCT & EQUIP POWER PLANT		X		X		X

**Part II Proceeds**

	A	B	C	D
1 Amount of bonds retired . . . . .	0			
2 Amount of bonds legally defeased . . . . .	0			
3 Total proceeds of issue . . . . .	23,000,000			
4 Gross proceeds in reserve funds . . . . .	0			
5 Capitalized interest from proceeds . . . . .	1,845,805			
6 Proceeds in refunding escrows . . . . .	0			
7 Issuance costs from proceeds . . . . .	111,125			
8 Credit enhancement from proceeds . . . . .	-431,040			
9 Working capital expenditures from proceeds . . . . .	0			
10 Capital expenditures from proceeds . . . . .	22,735,606			
11 Other spent proceeds . . . . .	0			
12 Other unspent proceeds . . . . .	0			
13 Year of substantial completion . . . . .	2012			
	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue? . . . . .		X		
15 Were the bonds issued as part of an advance refunding issue? . . . . .		X		
16 Has the final allocation of proceeds been made? . . . . .	X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X			

**Part III Private Business Use**

	A		B		C		D	
	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? . . . . .		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property? . . . . .		X						

**Part III Private Business Use** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .		X						
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? . . . . .		X						
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government . . . . . ▶	0 %							
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government . . . . . ▶								
<b>6</b> Total of lines 4 and 5 . . . . .								
<b>7</b> Does the bond issue meet the private security or payment test? . . . . .								
<b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued? . . . . .								
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of . . . . .								
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? . . . . .								
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? . . . . .								

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . . . .		X						
<b>2</b> If "No" to line 1, did the following apply? . . . . .								
<b>a</b> Rebate not due yet? . . . . .		X						
<b>b</b> Exception to rebate? . . . . .	X							
<b>c</b> No rebate due? . . . . .		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed . . . . .								
<b>3</b> Is the bond issue a variable rate issue? . . . . .	X							
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
<b>b</b> Name of provider . . . . .	JP MORGAN CHASE							
<b>c</b> Term of hedge . . . . .	10 %							
<b>d</b> Was the hedge superintegrated? . . . . .		X						
<b>e</b> Was the hedge terminated? . . . . .		X						

**Part IV Arbitrage** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
<b>b</b> Name of provider . . . . .	0							
<b>c</b> Term of GIC . . . . .								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .								
<b>6</b> Were any gross proceeds invested beyond an available temporary period?		X						
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148? . . . . .		X						

**Part V Procedures To Undertake Corrective Action**

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

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
SCHEDULE K, PART IV, LINE 2B	Arbitrage - Exception to rebate Construction fund exempt from rebate based on two year spend down rules



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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) DODGE CARTER	GRANDSON TO TRUSTEE	74,181	EMPLOYEE/NON-OFFICER OF TSRHC		No

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
BUSINESS TRANSACTIONS	SCHEDULE L, PART IV DODGE CARTER IS THE GRANDSON OF HAROLD D CARTER, TRUSTEE

**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No 1545-0047

**2017**

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**

▶ **Attach to Form 990.**

▶ **Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Texas Scottish Rite Hospital for Crippled Children

Employer identification number  
75-0818178

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
<b>1</b> Art—Works of art . . . . .				
<b>2</b> Art—Historical treasures . . . . .				
<b>3</b> Art—Fractional interests . . . . .				
<b>4</b> Books and publications . . . . .				
<b>5</b> Clothing and household goods . . . . .				
<b>6</b> Cars and other vehicles . . . . .	X	2	1,255	MARKET VALUE
<b>7</b> Boats and planes . . . . .				
<b>8</b> Intellectual property . . . . .				
<b>9</b> Securities—Publicly traded . . . . .	X	13	814,790	MARKET VALUE
<b>10</b> Securities—Closely held stock . . . . .				
<b>11</b> Securities—Partnership, LLC, or trust interests . . . . .				
<b>12</b> Securities—Miscellaneous . . . . .				
<b>13</b> Qualified conservation contribution—Historic structures . . . . .				
<b>14</b> Qualified conservation contribution—Other . . . . .				
<b>15</b> Real estate—Residential . . . . .	X	5	868,700	MARKET VALUE
<b>16</b> Real estate—Commercial . . . . .	X	2	228,000	MARKET VALUE
<b>17</b> Real estate—Other . . . . .				
<b>18</b> Collectibles . . . . .				
<b>19</b> Food inventory . . . . .				
<b>20</b> Drugs and medical supplies . . . . .				
<b>21</b> Taxidermy . . . . .				
<b>22</b> Historical artifacts . . . . .				
<b>23</b> Scientific specimens . . . . .				
<b>24</b> Archeological artifacts . . . . .				
<b>25</b> Other ▶ ( MINERAL INTERESTS ) . . . . .	X	3	17	MARKET VALUE
<b>26</b> Other ▶ ( COINS ) . . . . .	X	1	2,035	MARKET VALUE
<b>27</b> Other ▶ ( CEMETERY SPACES ) . . . . .	X	1	1	MARKET VALUE
<b>28</b> 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 Acknowledgement **29**

	Yes	No
<b>30a</b> During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 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? . . . . .		No
<b>b</b> If "Yes," describe the arrangement in Part II		
<b>31</b> Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?		No
<b>32a</b> Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .	Yes	
<b>b</b> If "Yes," describe in Part II		
<b>33</b> If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II		



**Part II Supplemental Information.**

Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
SCHEDULE M, PART I, LINE 32A	Solicitation, processing, or sale of noncash contributions TSRHC USES THIRD PARTY BROKERS TO SELL DONATED SECURITIES AND OTHER THIRD PARTY SPECIALISTS TO SELL OTHER NON-CASH DONATIONS OF VEHICLES, REAL ESTATE AND OTHER ASSETS

**SCHEDULE O**  
(Form 990 or 990-EZ)**Supplemental Information to Form 990 or 990-EZ**

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

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2017****Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

Texas Scottish Rite Hospital for Crippled  
Children

Employer identification number

75-0818178

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
DOING BUSINESS AS	FORM 990, BOX C TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
PROGRAM SERVICES - PATIENT CARE (CONT )	FORM 990, PART III, LINE 4 THE NEUROLOGY PROGRAM PROVIDES CARE IN SPECIALIZED CLINICS FOR ORTHOPEDIC PATIENTS WHO HAVE RELATED NEUROLOGICAL DISORDERS AND NEUROMUSCULAR DISEASES SUCH AS TUBEROUS SCLEROSIS THE PEDIATRIC DEVELOPMENTAL DISABILITIES PROGRAM INCLUDES OUTPATIENT CLINIC VISITS FOR THE DIAGNOSIS AND TREATMENT OF CONDITIONS SUCH AS SPINA BIFIDA AND CEREBRAL PALSY ALL PROGRAMS, INCLUDING ORTHOPEDIC, NEUROLOGY AND LEARNING DISORDERS, TAKE AN INTERDISCIPLINARY APPROACH TO PROVIDING THE BEST POSSIBLE FAMILY-CENTERED CARE

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
PROGRAM SERVICES - RESEARCH (CONT )	FORM 990, PART III, LINE 4B HOSPITAL RESEARCHERS HAVE STRIVED TO DISCOVER NEW AND BETTER WAYS TO CARE FOR CHILDREN, AND HAVE GENERATED MORE THAN 30 PATENTS THEY HAVE MADE IMPORTANT DISCOVERIES THAT HAVE HELPED CHILDREN WORLDWIDE, INCLUDING DISCOVERING THE FIRST GENE ASSOCIATED WITH IDIOPATHIC SCOLIOSIS AND TWO MORE GENETIC MARKERS OF THE CONDITION THROUGH RESEARCH, NEW DEVICES AND TREATMENT SYSTEMS HAVE BEEN CREATED, INCLUDING THE TSRH SILO 5 5 SPINAL SYSTEM, THE TRUE/LOK EXTERNAL FIXATION SYSTEM AND THE TRUE/LOK HEXAPOD SYSTEM

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
PROGRAM SERVICES - EDUCATION (CONT )	FORM 990, PART III, LINE 4C FOR 37 YEARS, IN ASSOCIATION WITH THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER, THE HOSPITAL HAS PROVIDED AN EXTRAORDINARY EDUCATIONAL EXPERIENCE IN THE FIELD OF PEDIATRIC ORTHOPEDICS TO PROMISING ORTHOPEDIC SURGEONS NEARLY 200 PHYSICIANS HAVE BENEFITED FROM THE HOSPITAL'S FELLOWSHIP IN PEDIATRIC ORTHOPEDICS AND SCOLIOSIS, WITH MANY GOING ON TO HOLD PRESTIGIOUS MEDICAL POSITIONS ACROSS THE COUNTRY AND AROUND THE WORLD IN ADDITION, PHYSICIANS FROM SOME OF THE MAJOR HAND CENTERS HAVE TRAINED AT THE HOSPITAL IN THE SUB-SPECIALTY OF PEDIATRIC HAND SURGERY THE HOSPITAL ALSO PARTICIPATES IN RESIDENCY TRAINING PROGRAMS IN NEUROLOGY, RHEUMATOLOGY, PSYCHOLOGY, RADIOLOGY AND PEDIATRIC DEVELOPMENTAL DISABILITIES AFFILIATION PROGRAMS IN NURSING, PHYSICAL THERAPY, PROSTHETICS AND OTHER DISCIPLINES ALSO EXIST

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FAMILY AND BUSINESS RELATIONSHIPS	FORM 990, PART VI, SECTION A, LINE 2 LYNDON L OLSON AND RON CARTER HAVE A BUSINESS RELATIONSHIP J ANTHONY HERRING, MD, JOHN G BIRCH, MD, CHARLES E JOHNSTON, MD, LORI KAROL, MD, B STEPHENS RICHARDS, MD, KARL E RATHJEN, MD, PHILIP L WILSON, MD, LAWSON A B COPLEY, MD, AMY MCINTOSH, MD, BRANDON RAMO, MD, CHRISTOPHEN M STUTZ, MD, ANTHONY RICCIO, MD, HENRY ELLIS, MD, AND DANIEL J SUCATO, MD, HAVE A BUSINESS RELATIONSHIP WITH ROBERT WALKER, WILLIAM HUSTON AND LORI DALTON IN THAT THE PHYSICIANS ARE DIRECTORS OF PEDI-ORTHO HEALTH CORPORATION, AN ENTITY FOR WHICH TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN IS THE SOLE MEMBER, IN WHICH THE LATTER INDIVIDUALS SERVE AS OFFICERS LORI DALTON AND KRISTINA KEEVER-SMITH HAVE A BUSINESS RELATIONSHIP IN THAT THEY ARE EMPLOYED BY TEXAS SCOTTISH HOSPITAL FOR CHILDREN AND ALSO SERVE AS OFFICERS OF LEGACY SCHOLARSHIP FUND, A RELATED ENTITY LORI DALTON, WILLIAM HUSTON AND KARL RATHJEN HAVE A BUSINESS RELATIONSHIP IN THAT THEY ARE EMPLOYED BY TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN AND ALSO SERVE AS OFFICERS OF TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN FOUNDATION AN ENTITY FOR WHICH TEXAS SCOTTISH RITE HOSPITAL FOR CHILDREN IS THE SOLE MEMBER

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
PROCESS USED TO REVIEW 990	FORM 990, PART VI, SECTION B, LINE 11B THE FORM 990 IS PREPARED INTERNALLY IN CONJUNCTION WITH OUTSIDE ACCOUNTANTS AND THEN REVIEWED BY MANAGEMENT A COPY OF THE FORM 990 IS PROVIDED TO THE AUDIT COMMITTEE FOR REVIEW AND DISCUSSION THE FORM 990 IS PROVIDED TO THE BOARD THROUGH ACCESS TO A SECURE PORTAL FOR REVIEW BEFORE IT IS FILED

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
COMPLIANCE WITH WRITTEN CONFLICT OF INTEREST POLICY	FORM 990, PART VI, SECTION B, LINE 12C THE ORGANIZATION ANNUALLY REQUIRES OFFICERS, KEY EMPLOYEES AND TRUSTEES TO COMPLETE A CONFLICTS OF INTEREST FORM DISCLOSING ACTUAL OR POTENTIAL CONFLICTS OF INTEREST IN COMPLIANCE WITH THE ORGANIZATION'S CONFLICTS OF INTEREST POLICY. ADDITIONALLY, THESE INDIVIDUALS ARE TO REPORT ANY NEW MATTERS THAT ARISE DURING THE YEAR IF THEY BECOME AWARE OF A TRANSACTION THAT IS UNDER CONSIDERATION THAT PRESENTS AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST. ANNUALLY THE GENERAL COUNSEL PREPARES AND SUBMITS A SUMMARY OF THE DISCLOSED POTENTIAL CONFLICTS TO THE AUDIT COMMITTEE OF THE BOARD OF TRUSTEES. ADDITIONALLY, AT THE TIME A KEY STAFF MEMBER IS HIRED OR PROMOTED TO A POSITION WITH ADMINISTRATIVE OR MANAGEMENT RESPONSIBILITIES, THE ORGANIZATION PROVIDES THE INDIVIDUAL WITH A COPY OF THE CONFLICTS OF INTEREST POLICY AND THE INDIVIDUAL IS REQUIRED TO COMPLETE A CONFLICTS OF INTEREST DISCLOSURE FORM. ALL MATERIAL FACTS SURROUNDING CONTRACTS, TRANSACTIONS, OR ARRANGEMENTS INVOLVING A CONFLICT OF INTEREST ARE TO BE DISCLOSED TO ENSURE THAT THE CONTRACT, TRANSACTION OR ARRANGEMENT IS FAIR TO THE HOSPITAL AT THE TIME IT IS AUTHORIZED, APPROVED OR RATIFIED.



**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
PROCESS FOR DETERMINING COMPENSATION	FORM 990, PART VI, SECTION B, LINE 15A AND 15B THE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES ANNUALLY REVIEWS AND APPROVES SALARIES AND BENEFITS FOR OFFICERS, MEMBERS OF THE MEDICAL STAFF AND KEY EMPLOYEES OF THE ORGANIZATION THE HOSPITAL REVIEWS VARIOUS EXECUTIV E/PHYSICIAN COMPENSATION SURVEYS, INCLUDING DATA FROM PEDIATRIC HOSPITALS AND PHYSICIAN PR ACTICES ON BOTH A LOCAL AND NATIONAL BASIS BI-ANNUALLY, AN INDEPENDENT CONSULTANT REVIEWS SALARIES AND BENEFITS OF OFFICERS, PHYSICIANS AND KEY EMPLOYEES THIS REVIEW WAS LAST UND ERTAKEN IN FISCAL YEAR 2018 FOR OFFICERS AND MEDICAL STAFF

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
GOVERNING DOCUMENT, CONFLICT OR INTEREST POLICY AND FINANCIAL STATEMENTS	FORM 990, PART VI, SECTION C, LINE 19 GOVERNING DOCUMENTS, CONFLICT OF INTERST POLICY AND FINANCIAL STATEMENTS ARE MAINTAINED BY THE HOSPITAL AND ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
RECONCILIATION OF NET ASSETS	FORM 990, PART XI, LINE 9 PENSION LIABILITY ADJUSTMENT \$ 7,600,666 CHANGE IN BENEFICIAL INTERESTS IN TRUSTS \$ 778,676 TOTAL \$ 8,379,342

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2017**

**Open to Public  
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**  
▶ **Attach to Form 990.**  
▶ **Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Texas Scottish Rite Hospital for Crippled  
Children

**Employer identification number**

75-0818178

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
<b>(1)</b> PEDI-ORTHO HEALTH CORPORATION 2222 WELBORN ST  DALLAS, TX 75219 75-2665759	PHYSICIANS	TX	501(c)(3)	9	TSRHC	Yes	
<b>(2)</b> TSRHC SCHOLARSHIP FD (DBA LEGACY SCHLRP) 2222 WELBORN ST  DALLAS, TX 75219 75-2106637	SCHOLARSHIPS	TX	501(c)(3)	7	NA		No
<b>(3)</b> TEXAS SCOTTISH RITE HOSPITAL TRUST C/O JPMORGAN CHASE POB 3038  MILWAUKEE, WI 53201 75-6013875	SUPPORT ORG	WI	501(c)(3)	12D, III-O	NA		No
<b>(4)</b> TSRH FOR CHILDREN FOUNDATION 2222 WELBORN ST  DALLAS, TX 75219 46-0683787	SUPPORT ORG	TX	501(c)(3)	7	TSRHC	Yes	

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

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

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

	Yes	No
<b>1</b> 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?		
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity . . . . .		No
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .	Yes	
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .		No
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .		No
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .		No
<b>f</b> Dividends from related organization(s) . . . . .		No
<b>g</b> Sale of assets to related organization(s) . . . . .		No
<b>h</b> Purchase of assets from related organization(s) . . . . .		No
<b>i</b> Exchange of assets with related organization(s) . . . . .		No
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .		No
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .		No
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	Yes	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	Yes	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	Yes	
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	Yes	
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .		No
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	Yes	
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	Yes	
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .	Yes	

**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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) PEDI-ORTHO HEALTH CORPORATION	b	109,878	MARKET
(2) PEDI-ORTHO HEALTH CORPORATION	l	891,700	MARKET
(3) PEDI-ORTHO HEALTH CORPORATION	m	63,880	MARKET
(4) PEDI-ORTHO HEALTH CORPORATION	q	1,349,717	MARKET
(5) PEDI-ORTHO HEALTH CORPORATION	s	300,000	MARKET



**Part VII** **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)