

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2007, or tax year beginning 07/01, 2007, and ending 06/30, 2008
For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

2007

Department of the Treasury Internal Revenue Service

See instructions on back.

Name of exempt organization

Employer identification number

KAPIOLANI MEDICAL CENTER FOR WOMEN & CHI

99-0177350

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

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

1a Form 990 check here [X] b Total revenue, if any (Form 990, line 12) 1b 229634971.
2a Form 990-EZ check here [ ] b Total revenue, if any (Form 990-EZ, line 9) 2b
3a Form 1120-POL check here [ ] b Total tax (Form 1120-POL, line 22) 3b
4a Form 990-PF check here [ ] b Tax based on investment income (Form 990-PF, Part VI, line 5) 4b
5a Form 8868 check here [ ] b Balance due (Form 8868, line 3c) 5b

Part II Declaration of Officer

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

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2007 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here

Signature of officer

Date

5/11/09 VICE PRESIDENT & SYSTEM Title

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

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized e-file Providers. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only: ERO's signature, Date 5/14/09, Check if also paid preparer [X], Check if self-employed [ ], ERO's SSN or PTIN, Firm's name (or yours if self-employed), address, and ZIP code: ERNST & YOUNG U.S. LLP, 55 MERCHANT ST., SUITE 1900, C-120, HONOLULU HI 96813, EIN 34-6565596, Phone no. 808-531-2037

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

Paid Preparer's Use Only: Preparer's signature, Date, Check if self-employed [ ], Preparer's SSN or PTIN, Firm's name (or yours if self-employed), address, and ZIP code, EIN, Phone no.

Return of Organization Exempt From Income Tax

OMB No. 1545-0047
2007
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning 07/01, 2007, and ending 06/30/2008

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C Name of organization: KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN. D Employer identification number: 99-0177350. E Telephone number: (808) 535-7355. F Accounting method: Cash, Accrual (checked).

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

G Website: WWW.KAPIOLANI.ORG. J Organization type: 501(c)(3). K Check here: if the organization is not a 509(a)(3) supporting organization... L Gross receipts: 255,049,232.

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues; 4 Interest on savings; 5 Dividends; 6a-6c Rental income; 7 Other investment income; 8a-8d Sales of assets; 9 Special events; 10a-10c Sales of inventory; 11 Other revenue; 12 Total revenue; 13-17 Expenses; 18-21 Net Assets.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

**Part II Statement of Functional Expenses**

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ <u>16,600.</u> noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	16,600.	16,600.	STMT 12	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A	NONE			
25b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	NONE			
25c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26	Salaries and wages of employees not included on lines 25a, b, and c	75,666,449.	64,885,442.	10,781,007.	
27	Pension plan contributions not included on lines 25a, b, and c	1,927,498.		1,927,498.	
28	Employee benefits not included on lines 25a - 27	10,454,263.	9,265,966.	1,188,297.	
29	Payroll taxes	5,612,993.	4,815,561.	797,432.	
30	Professional fundraising fees				
31	Accounting fees	186,536.		186,536.	
32	Legal fees				
33	Supplies	18,934,072.	18,480,810.	453,262.	
34	Telephone	253,478.	52,838.	200,640.	
35	Postage and shipping	165,396.	34,378.	131,018.	
36	Occupancy	5,316,482.	1,758,363.	3,558,119.	
37	Equipment rental and maintenance	365,847.	365,847.		
38	Printing and publications				
39	Travel	115,199.	92,670.	22,529.	
40	Conferences, conventions, and meetings				
41	Interest	3,986,071.	27,348.	3,958,723.	
42	Depreciation, depletion, etc. (attach schedule)	11,829,560.	11,509,549.	320,011.	
43	Other expenses not covered above (itemize):				
a	STMT 14	63,465,915.	33,433,490.	30,032,425.	
b					
c					
d					
e					
f					
g					
44	<b>Total functional expenses.</b> Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	198,296,359.	144,738,862.	53,557,497.	

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

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



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

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

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing . . . . .	-2,163,277.	45 -3,262,625.
	46 Savings and temporary cash investments . . . . .	4,185,587.	46 5,941,224.
	47a Accounts receivable . . . . .	47a 67,415,555.	
	b Less: allowance for doubtful accounts . . . . .	47b 40,273,132.	47c 27,142,423.
	48a Pledges receivable . . . . .	48a	48c
	b Less: allowance for doubtful accounts . . . . .	48b	
	49 Grants receivable . . . . .		49
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule) . . . . .		50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule) . . . . .		50b
	51a Other notes and loans receivable (attach schedule) . . . . .	STMT 19 51a NONE	
	b Less: allowance for doubtful accounts . . . . .	51b	51c NONE
	52 Inventories for sale or use . . . . .		52 2,450,158.
	53 Prepaid expenses and deferred charges . . . . .		53 1,282,827.
	54a Investments - publicly-traded securities . . . . .	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a
	b Investments - other securities (attach schedule) . . . . .	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	54b 63,306,531.
	55a Investments - land, buildings, and equipment: basis . . . . .	55a	STMT 20
	b Less: accumulated depreciation (attach schedule) . . . . .	55b	55c
	56 Investments - other (attach schedule) . . . . .		56
	57a Land, buildings, and equipment: basis . . . . .	57a 213,621,876.	
b Less: accumulated depreciation (attach schedule) . . . . .	57b 146,676,534.	57c 66,945,342.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> STMT 21) . . . . .		58 7,885,348.	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58 . . . . .		59 171,691,228.	
Liabilities	60 Accounts payable and accrued expenses . . . . .	23,952,166.	60 21,828,565.
	61 Grants payable . . . . .		61
	62 Deferred revenue . . . . .		62
	63 Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		63
	64a Tax-exempt bond liabilities (attach schedule) . . . . .	5,813,294.	64a 5,821,339.
	b Mortgages and other notes payable (attach schedule) . . . . .		64b
	65 Other liabilities (describe <input type="checkbox"/> STMT 22) . . . . .	1,871,640.	65 760,742.
66 <b>Total liabilities.</b> Add lines 60 through 65 . . . . .	31,637,100.	66 28,410,646.	
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.</b>		
	67 Unrestricted . . . . .	149,570,704.	67 135,163,203.
	68 Temporarily restricted . . . . .	3,847,466.	68 4,410,371.
	69 Permanently restricted . . . . .	4,813,936.	69 3,707,008.
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.</b>		
	70 Capital stock, trust principal, or current funds . . . . .		70
	71 Paid-in or capital surplus, or land, building, and equipment fund . . . . .		71
	72 Retained earnings, endowment, accumulated income, or other funds . . . . .		72
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) . . . . .	158,232,106.	73 143,280,582.
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73 . . . . .	189,869,206.	74 171,691,228.





Part VI Other information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	N/A	
85b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
85c	c Dues, assessments, and similar amounts from members	N/A	
85d	d Section 162(e) lobbying and political expenditures	N/A	
85e	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85f	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85g	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85h	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86a	86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	N/A	
86b	b Gross receipts, included on line 12, for public use of club facilities	N/A	
87a	87 501(c)(12) orgs. Enter: a Gross income from members or shareholders	N/A	
87b	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	N/A	
88a	88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88b	b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	X	
89a	89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>NONE</u> ; section 4912 <u>NONE</u> ; section 4955 <u>NONE</u>		
89b	b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89c	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	NONE	
89d	d Enter: Amount of tax on line 89c, above, reimbursed by the organization	NONE	
89e	e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	N/A	
90a	90a List the states with which a copy of this return is filed	N/A	
90b	b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	1224	
91a	91a The books are in care of <u>DONNA MASUDA-KAM</u> Telephone no. <u>808-535-7355</u> Located at <u>55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI</u> ZIP +4 <u>96813</u>		
91b	b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

**Part VI Other Information (continued)**

Yes No

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

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

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here . . . . .  and enter the amount of tax-exempt interest received or accrued during the tax year . . . . ▶ 92 | N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a <u>STMT 39</u>					140,328,421.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments . . . . .					75,031,944.
g Fees and contracts from government agencies . . . . .					
94 Membership dues and assessments . . . . .					
95 Interest on savings and temporary cash investments . . . . .			14	30,665.	
96 Dividends and interest from securities . . . . .			14	2,364,409.	
97 Net rental income or (loss) from real estate:					
a debt-financed property . . . . .					
b not debt-financed property . . . . .					
98 Net rental income or (loss) from personal property . . . . .					
99 Other investment income . . . . .			14	144,700.	
100 Gain or (loss) from sales of assets other than inventory . . . . .			18	8,228,228.	
101 Net income or (loss) from special events . . . . .					
102 Gross profit or (loss) from sales of inventory . . . . .			03	190,030.	
103 Other revenue: a _____					
b <u>PARKING</u>					889,180.
c <u>CAFETERIA</u>					20,617.
d <u>REIMBURSEMENTS</u>					51,144.
e <u>OTHER SERVICES</u>	812900	4,104.	03	141,573.	
104 Subtotal (add columns (B), (D), and (E)) . . . . .		4,104.		11,099,605.	216,321,306.
105 Total (add line 104, columns (B), (D), and (E)) . . . . . ▶					227,425,015.

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

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

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

▼	SEE STATEMENT 7

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

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

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

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

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

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

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

**106** Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
X	

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	SEE STATEMENT 40			
b				
c				
<b>Totals</b>				<b>9,299,705.</b>

**107** Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
X	

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	SEE STATEMENT 41			
b				
c				
<b>Totals</b>				<b>38,726,356.</b>

**108** Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

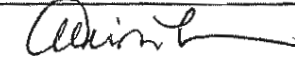
Yes	No
	X

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.

**Please Sign Here**

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_  
 Type or print name and title \_\_\_\_\_

**Paid Preparer's Use Only**

Preparer's signature		Date	5/15/09	Check if self-employed	<input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4	ERNST & YOUNG U.S. LLP 55 MERCHANT ST., SUITE 1900, C-120 HONOLULU, HI 96813			EIN	34-6565596	
				Phone no.	808-531-2037	

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

Department of the Treasury  
Internal Revenue Service

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

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

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

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

OMB No. 1545-0047

**2007**

Name of the organization

**KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN**

Employer identification number

**99-0177350**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 43				

Total number of other employees paid over \$50,000 . . . ▶ **659**

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 44		

Total number of others receiving over \$50,000 for professional services . . . ▶ **4**

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 45		

Total number of other contractors receiving over \$50,000 for other services . . . ▶ **42**

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

Schedule A (Form 990 or 990-EZ) 2007

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

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ 37,024. (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A, Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities? . . . . . STMT. 46

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . . FORM 990, PART V, . . .

2d X

e Transfer of any part of its income or assets?

2e X

3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a X

b Did the organization have a section 403(b) annuity plan for its employees?

3b X

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c X

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d X

4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a X

b Did the organization make any taxable distributions under section 4966?

4b X

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c X

d Enter the total number of donor advised funds owned at the end of the tax year ▶ NONE

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ NONE

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the rights to provide advice on the distribution or investment of amounts in such funds or accounts ▶ NONE

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ NONE

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions.)

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

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives: (1) **more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) **no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:  
 Type I       Type II       Type III - Functionally Integrated       Type III - Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

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

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

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

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting. NOT APPLICABLE

Table with 5 columns: (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, amounts received from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 NOT APPLICABLE; b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts; c Total support for section 509(a)(1) test: Enter line 24, column (e); d Add: Amounts from column (e) for lines: 18, 19, 22, 26b; e Public support (line 26c minus line 26d total); f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

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

NOT APPLICABLE
(2006) (2005) (2004) (2003)

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

(2006) (2005) (2004) (2003)

c Add: Amounts from column (e) for lines: 15, 16, 17, 20, 21

d Add: Line 27a total and line 27b total

e Public support (line 27c total minus line 27d total)

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)

g Public support percentage (line 27e (numerator) divided by line 27f (denominator))

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.) NOT APPLICABLE
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?
32 Does the organization maintain the following:
a Records indicating the racial composition of the student body, faculty, and administrative staff?
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
d Copies of all material used by the organization or on its behalf to solicit contributions?
33 Does the organization discriminate by race in any way with respect to:
a Students' rights or privileges?
b Admissions policies?
c Employment of faculty or administrative staff?
d Scholarships or other financial assistance?
e Educational policies?
f Use of facilities?
g Athletic programs?
h Other extracurricular activities?
34 a Does the organization receive any financial aid or assistance from a governmental agency?
b Has the organization's right to such aid ever been revoked or suspended?
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

**Limits on Lobbying Expenditures**

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

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

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

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

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount . . . . .					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) . . . . .					
<b>47</b> Total lobbying expenditures					
Grassroots nontaxable					
<b>48</b> amount . . . . .					
Grassroots ceiling amount					
<b>49</b> (150% of line 48(e)) . . . . .					
Grassroots lobbying					
<b>50</b> expenditures . . . . .					

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

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

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
<b>a</b> Volunteers . . . . .		X	
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .		X	
<b>c</b> Media advertisements . . . . .		X	
<b>d</b> Mailings to members, legislators, or the public . . . . .		X	
<b>e</b> Publications, or published or broadcast statements . . . . .		X	
<b>f</b> Grants to other organizations for lobbying purposes . . . . .		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .		X	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .	X		37,024.
<b>i</b> Total lobbying expenditures (Add lines c through h.) . . . . .			37,024.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities. **STMT 47**

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Table with 3 columns: Question, Yes, No. Rows include: (i) Cash, (ii) Other assets, b Other transactions: (i) Sales or exchanges of assets, (ii) Purchases of assets, (iii) Rental of facilities, (iv) Reimbursement arrangements, (v) Loans or loan guarantees, (vi) Performance of services, c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [ ] Yes [X] No

b If "Yes," complete the following schedule:

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

## FORM 990 - GENERAL EXPLANATION ATTACHMENT

SALE OF SECURITIES  
FORM 990, PART I, LINE 8A

	TOTAL PROCEEDS	TOTAL BASIS	TOTAL GAIN/ (LOSS)
FNMA PL # 638158	15	15	0
SEAGATE TECHNOLOGY ESCROW	3	0	3
AMERICAN FDS EUROPACIFIC	429,670	0	429,670
VANGUARD INSTITUTIONAL INDEX	5,290,944	5,290,944	0
GMO FOREIGN FUND III	2,947,117	1,259,394	1,687,723
GMO US CORE FUND III	5,691,190	5,362,108	329,083
KALMAR GROWTH W/VALUE	123,828	0	123,828
LONGLEAF PARTNERS	133,441	0	133,441
LONGLEAF PARTNERS SMALL CAP	56,661	0	56,661
BARLOW PARTNERS OFFSHORE	3,688,911	2,363,927	1,324,984
EMERGING (FREE) MKTS COUNTRY	1,832,859	1,076,951	755,908
PRIVATE ADVISORS	2,909,000	2,314,746	594,254
WELLINGTON TRUST CO SELECT	698,778	352,907	345,870
WELLINGTON TRUST CO US	6,626,587	4,895,521	1,731,066
COLCHESTER GLOBAL BOND FUND	29,062	25,844	3,218
GMO BENCHMARK	2,829,694	2,176,543	653,151
GMO MULTI-STRATEGY FUND	144,294	56,076	88,218
TOTAL GAIN/ (LOSS) ON BOARD DESIGNATED INVESTMENTS	33,432,054	25,174,976	8,257,078

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====GAIN/LOSS ON SALE OF EQUIPMENT  
FORM 990, PART I, LINE 8B

DESCRIPTION	COST	ACC DEP	NET	TRADE -IN	(GAIN) /LOSS
VARIOUS EQUIPMENTS	16,230	16,230	0	0	0
VARIOUS EQUIPMENTS	765,084	765,084	0	0	0
KAHUKU HOSPITAL	0	0	0	(1,150)	(1,150)
UNI-MED IMAGING ENVISION	0	0	0	(2,500)	(2,500)
SALE OF SPECTRALINK	0	0	0	(1,500)	(1,500)
ROD HUDDLESTON SALE OF MICROSCOPE	0	0	0	(5,000)	(5,000)
MOB-PARKING SURVEYING	0	0	0	0	39,000
TOTAL	781,314	781,314	0	0	28,850

## FORM 990 - GENERAL EXPLANATION ATTACHMENT

## FIXED ASSETS AND DEPRECIATION

FORM 990, DEPRECIATION, PART II, LINE 42 &amp; FIXED ASSETS, PART IV, LINE 57

ASSET	BASIS	A/D	DEP	NET
LAND	289,265	0	0	289,265
LAND IMPROVEMENTS	371,888	299,242	19,025	53,621
BUILDINGS	105,585,701	60,336,714	5,048,080	40,200,907
FIXED EQUIPMENT	10,272,844	9,516,801	119,618	636,425
MAJOR MOVEABLE EQUIPMENT	88,758,471	60,138,808	5,968,854	22,650,809
CONSTRUCTION IN PROGRESS	2,190,348	0	0	2,190,348
MINOR EQUIPMENT	2,180,455	1,893,176	123,665	163,614
CAPITALIZED LEASED	3,970,904	2,661,853	550,698	758,353
ADJUSTTING ITEMS	2,000	0	(380)	2,380
TOTAL 66,945,342	213,621,876	134,846,594	11,829,560	
TOTAL DEPRECIATION EXPENSE			11,829,560	

FORM 990 - GENERAL EXPLANATION ATTACHMENT

FORMER OFFICERS, DIRECTORS AND TRUSTEES  
FORM 990, PART V-B: FORMER OFFICER, DIRECTORS, AND TRUSTEES

THE INDIVIDUALS LISTED BELOW AND DETAILED IN PART V-B ARE FORMER OFFICERS WHO WERE PAID THE FOLLOWING COMPENSATION AMOUNTS FROM HAWAII PACIFIC HEALTH, AN AFFILIATED EXEMPT ENTITY. HAWAII PACIFIC HEALTH'S FEDERAL IDENTIFICATION NUMBER IS 99-0246363.

NAME	COMPENSATION	CONTR TO EMP BENEFIT PLAN	EXPENSE ACCOUNT
ROGER DRUE	14,079	NONE	NONE
DEW-ANNE LANGAON	199,964	1,410	NONE
RICHARD ROBEL	86,988	NONE	NONE
JANA HALL	8,404	NONE	NONE
MICHELLE KAKAZU	10,969	NONE	NONE

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

TAX-EXEMPT BOND LIABILITIES

FORM 990, PART IV, LINE 64A - TAX EXEMPT BOND LIABILITIES

DESCRIPTION: SPECIAL PURPOSE REVENUE BONDS, SERIES 1993  
ISSUE DATE: FEBRUARY 1993  
MATURITY: JULY 1, 2008  
PURPOSE: REFUNDING OF SERIES 1988 BONDS  
ISSUE AMT: \$14,525,000  
FORM 8038: FORM 8038 FILED MARCH 19, 1993  
REPAYMENT TERMS: VARYING PRINCIPAL AND INTEREST  
INTEREST RATE: 6.00%-6.40%  
SECURITY PROVIDED: NONE  
UNEXPENDED PROCEEDS: NONE  
PORTION OF FACILITY  
FINANCED BY ISSUE  
USED BY THIRD PARTY: NONE

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS  
FORM 990, PART VI, LINE 80B

NAMES OF RELATED ORGANIZATIONS	EIN	EXEMPT	NON-EXEMPT
HAWAII PACIFIC HEALTH	99-0246363	X	
KAPIOLANI HEALTH FOUNDATION	99-0246364	X	
KAPIOLANI MEDICAL SPECIALISTS	99-0322406	X	
KAPIOLANI MEDICAL CENTER AT PALI MOMI	99-0274038	X	
HAWAII PACIFIC HEALTH PARTNERS, INC. & SUBSIDIARIES*	99-0318588		X
*HICORD, INC.	99-0251496		X
PROVIDERS INSURANCE CORPORATION	71-0893000	X	
WILCOX MEMORIAL HOSPITAL	99-0074365	X	
WILCOX HOSPITAL FOUNDATION	99-0204242	X	
KAUAI MEDICAL CLINIC	99-0326099	X	
STRAUB CLINIC & HOSPITAL	91-2151670	X	
STRAUB FOUNDATION	99-0109350	X	
STRAUB PHARMACY, INC.	99-0145107		X
STRAUB PROFESSIONAL SERVICES, INC.	99-0265504		X

FORM 990 - GENERAL EXPLANATION ATTACHMENT

RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES  
FORM 990, PART VIII

KAPI`OLANI MEDICAL CENTER FOR WOMEN & CHILDREN IS HAWAII'S LEADER IN PROTECTING AND IMPROVING THE HEALTH AND WELL-BEING OF WOMEN, CHILDREN AND ADOLESCENTS. THE HOSPITAL CARES FOR PATIENTS ON BOTH AN INPATIENT AND OUTPATIENT BASIS, AND PROVIDES CHARITY CARE, HEALTH EDUCATION AND PREVENTATIVE PROGRAMS FOR THE COMMUNITY. THE HOSPITAL'S REVENUE FROM PATIENT SERVICES (LINE NOS. 93A, 93B, 93C, 93D) REFLECTS THESE COMMITMENTS AND INCLUDES PAYMENTS FROM THE STATE OF HAWAII FOR SERVICES RENDERED TO MEDICAID, QUEST AND OTHER LOW-INCOME PATIENTS, AS WELL AS PAYMENTS FROM THE FEDERAL GOVERNMENT, PRIVATE INSURERS AND PRIVATE INDIVIDUALS.

AS A MAJOR PEDIATRIC AND OB/GYN TRAINING FACILITY FOR THE UNIVERSITY OF HAWAII JOHN A. BURNS SCHOOL OF MEDICINE, KAPI`OLANI MEDICAL CENTER FOR WOMEN & CHILDREN CONTINUED ITS MEDICAL RESIDENCY PROGRAM IN FISCAL YEAR 2008. REVENUE PAID BY A FEDERALLY SPONSORED PROGRAM (LINE NO. 93C) HELPED TO SUPPORT THE COST OF TRAINING FOR TOMORROW'S HEALTHCARE LEADERS.

FURTHERMORE, IN FISCAL 2008, KAPI`OLANI MEDICAL CENTER FOR WOMEN & CHILDREN DEMONSTRATED ITS COMMITMENT TO ITS COMMUNITY MISSION BY EXTENDING CARE BEYOND ITS WALLS THROUGH VARIOUS HEALTH EDUCATION CLASSES AND PREVENTION PROGRAMS. REIMBURSEMENT REVENUES ASSOCIATED WITH THE DEVELOPMENT AND EXECUTION OF THESE PROGRAMS IS REFLECTED (LINE NO. 93C).

LASTLY, MISCELLANEOUS REIMBURSEMENTS (LINE NO. 103) COVERED THE COST OF SHARED ADMINISTRATIVE SERVICES RENDERED TO KAPI`OLANI MEDICAL SPECIALISTS.

AS AN AFFILIATE OF HAWAII PACIFIC HEALTH, THE STATE'S LARGEST HEALTHCARE PROVIDER, KAPI`OLANI MEDICAL CENTER FOR WOMEN & CHILDREN HAS CREATED A CENTER OF EXCELLENCE FOR ACCESSIBLE, TOP-QUALITY CARE FOR THE WOMEN AND CHILDREN OF THE PACIFIC REGION.

FORM 990 - GENERAL EXPLANATION ATTACHMENT

---

FORM 990, PART IV - BEGINNING BALANCE SHEET

---

SOME OF THE BEGINNING BALANCE SHEET LINE ITEMS WERE MOVED TO DIFFERENT LINES ON THE BALANCE SHEET TO BE CONSISTENT WITH CURRENT YEAR REPORTING.

FORM 990, PART I - OTHER INVESTMENT INCOME  
=====

DESCRIPTION  
-----

AMOUNT  
-----

MAJORIE BOOTH-DONOR RESTRICTED ENDOWMENT FUND

144,700.

TOTAL

-----  
144,700.  
=====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES

=====

DESCRIPTION -----	AMOUNT -----
TRANSFER FROM KAPIOLANI HEALTH FDTN	140,433.
OTHER CHANGES IN TR NET ASSETS	2,317.
CHANGE IN INTEREST IN KAPIOLANI HEALTH FOUNDATION AND WILCOX HEALTH FOUNDATION, EXEMPT AFFILIATES	856,303.
	-----
TOTAL	999,053.
	=====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

=====

DESCRIPTION	AMOUNT
-----	-----
NET UNREALIZED LOSS ON INVESTMENTS	5,797,703.
EQUITY TRANSFERS TO AFFILIATES	39,138,586.
UNREALIZED LOSS- ALTERNATIVE INVESTMENTS	2,352,900.
	-----
TOTAL	47,289,189.
	=====

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THIS YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
<b>GRANTS PAID</b>			
HEALTHY MOTHERS HEALTHY BABIES COALITION OF HAWAII 1500 S BERETANIA ST., STE 308 HONOLULU, HI 96826	NONE EXEMPT	CONFERENCE FOR CLINICAL AND COMMUNITY PROVIDERS WHO PROVIDE HEALTH & HUMAN SERVICES TO HI'S TEENS.	1,000.
RONALD McDONALD HOUSE CHARITIES OF HAWAII P.O. BOX 6177 HONOLULU, HI 96839	NONE EXEMPT	ANNUAL GALA DINNER-TABLE SPONSORSHIP	3,000.
HI CHAPTER OF THE AMERICAN ACADEMY OF PEDIATRICS 1319 PUNAHOU ST., 7TH FLR HONOLULU, HI 96826	NONE EXEMPT	CME MEETING-TIMELY TOPICS IN PEDIATRICS, 2008	2,500.
KARDIAC KIDS 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE EXEMPT	KARDIAC KIDS 2008 VALENTINES EVENT	2,000.
HAWAII CHILDREN'S CANCER FOUNDATION 1814 LILIIHA STREET HONOLULU, HI 96817	NONE	HCCF BENEFIT-TABLE SPONSORSHIP	2,000.
RELAY FOR LIFE 2370 NUUANU AVENUE HONOLULU, HI 96817	NONE EXEMPT	INCREASE AWARENESS TO PEDIATRIC ONCOLOGY	1,500.

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
JUVENILE DIABETES RESEARCH FOUNDATION 1019 WAIMANU ST., STE 214 HONOLULU, HI 96814	NONE EXEMPT	FUND-A-CURE SPONSORSHIP	1,500.
CAMP TAYLOR 5200 PIRRONE RE., STE B SALIDA, CA 95368	NONE EXEMPT	FAMILY CAMP PROGRAM FOR CHILDREN WITH CONGENITAL HEART DISEASE	1,000.
MYANMAR ASSO OF HAWAII 720 NORTH KING ST HONOLULU, HI 96817	NONE EXEMPT	BURMA CYCLONE RELIEF FUNDRAISER	1,500.
HAWAII MOTHERS' MILK, INC 1319 PUNHOU ST. BINGHAM BLDG 1ST FLOOR HONOLULU, HI 96826	NONE EXEMPT	LUNCHEON FUNDRAISER	600.
TOTAL CONTRIBUTIONS PAID			16,600.

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
PHYSICIAN SERVICES	13,042,807.	11,275,011.	1,767,796.
INVESTMENT AND BANK FEES	350,173.		350,173.
INSURANCE	4,131,477.		4,131,477.
REGISTRY & TEMP SERVICES	1,922,061.	1,922,061.	
OUTSIDE MEDICAL SERVICES	258,769.	258,769.	
LABORATORY SERVICES	4,806,344.	4,806,344.	
LAUNDRY SERVICES	987,714.	985,500.	2,214.
MEDICAL RESIDENCY PROGRAM	3,503,612.	3,503,612.	
REPAIRS & MAINTENANCE	3,894,242.	2,063,878.	1,830,364.
OTHER PURCHASED SERVICES	2,506,301.	964,777.	1,541,524.
BAD DEBTS	6,690,975.	6,690,975.	
CORP ALLOC/ISP	19,843,831.	393,096.	19,450,735.
FOOD	455,495.	133,211.	322,284.
DUES	244,966.	19,130.	225,836.
TAXES & LICENSES	112,014.	20,055.	91,959.
MISCELLANEOUS	392,711.	74,648.	318,063.
PROGRAM SERVICES EXPENDITURES	322,423.	322,423.	
TOTALS	63,465,915.	33,433,490.	30,032,425.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE  
=====

PROVIDE HOSPITAL AND HEALTHCARE SERVICES.

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS  
=====PROGRAM SERVICE ACCOMPLISHMENT A  
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FOUNDED AS A MATERNITY HOME BY QUEEN KAPI'OLANI IN 1890, KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN IS HAWAII'S LEADER IN PROTECTING AND IMPROVING THE HEALTH AND WELL-BEING OF WOMEN, CHILDREN AND ADOLESCENTS. THE QUEEN'S MOTTO, "KULIA I KA NU'U" OR "STRIVE FOR THE HIGHEST," REMAINS TODAY AS THE HOSPITAL'S GUIDING PRINCIPLE IN ITS DAY-TO-DAY DELIVERY OF CARE. AS PART OF HAWAII PACIFIC HEALTH, THE STATE'S LARGEST HEALTHCARE PROVIDER, KAPI'OLANI HAS CREATED A CENTER OF EXCELLENCE FOR ACCESSIBLE, TOP-QUALITY CARE FOR THE WOMEN AND CHILDREN OF THE PACIFIC REGION.

IN FISCAL 2008, KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN ADMITTED 18,336 PATIENTS FOR A TOTAL OF 65,938 PATIENT DAYS. EMERGENCY ROOM VISITS INCREASED TO 30,301. THIS AMOUNT INCLUDES URGENT CARE VISITS. INPATIENT SURGERY CASES TOTALED 1,899, WHILE THERE WERE 6,284 OUTPATIENT SURGERIES. DURING 2008, MORE THAN 6,400 NEWBORNS WERE DELIVERED AT KAPI'OLANI. MORE THAN 34 PERCENT OF HAWAII'S EXPECTANT MOTHERS DELIVERED THEIR BABIES AT THE FACILITY IN THE PAST YEAR.

KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN TREATS ALL WOMEN AND CHILDREN, REGARDLESS OF THE FAMILY'S ABILITY TO PAY, THUS SERVING AS THE COMMUNITY'S SAFETY NET PROVIDER OF HEALTHCARE. AN ESTABLISHED CHARITY CARE POLICY SETS GUIDELINES IN WHICH PATIENTS QUALIFY FOR FREE CARE. IN FISCAL 2008, THE HOSPITAL PROVIDED MORE THAN \$2.6 MILLION WORTH OF CARE TO PATIENTS WHO WERE UNINSURED OR UNABLE TO PAY FOR THEIR CARE.

## CHILDREN'S SERVICES

AS THE PACIFIC BASIN'S ONLY CHILDREN'S HOSPITAL, KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN PLAYS A CRITICAL ROLE IN ENSURING THE HEALTH OF THE REGION'S CHILDREN. THE HOSPITAL PROVIDES THE STATE'S ONLY 24-HOUR PEDIATRIC EMERGENCY ROOM AND PEDIATRIC INTENSIVE CARE UNIT, 110 DEDICATED PEDIATRIC BEDS AND A COMPREHENSIVE ARRAY OF PEDIATRIC SUBSPECIALTIES. THE MEDICAL CENTER ALSO EMPLOYS THE ONLY NEONATAL AND PEDIATRIC-TRAINED TRANSPORT TEAM IN THE STATE. FOR THE YOUNGEST CHILDREN, KAPI'OLANI MEDICAL CENTER FOR WOMEN AND CHILDREN IS HOME TO THE LARGEST NEONATAL SPECIAL CARE UNIT IN THE STATE, PROVIDING

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS  
=====

INTENSIVE CARE FOR PREMATURE AND SICK BABIES WHO WOULDN'T SURVIVE WITHOUT THIS LEVEL OF SUPPORT. NEONATOLOGISTS SPECIALIZING IN NEWBORN CARE ARE AVAILABLE ON-SITE 24 HOURS A DAY BECAUSE IT'S CRITICAL TO PROVIDE NEWBORNS WITH IMMEDIATE CARE IF NEEDED. THE STATE HAS DESIGNATED KAPI'OLANI AS THE REGIONAL PERINATAL CENTER.

KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN COMBINES A RANGE OF PEDIATRIC SUB-SPECIALISTS, STATE-OF-THE-ART EQUIPMENT AND UNMATCHED EXPERIENCE TO TREAT MEDICALLY FRAGILE CHILDREN OF ALL AGES AND SIZES. THE MEDICAL CENTER OFFERS FIRST-RATE LEVEL 3 TERTIARY NEWBORN CARE, PEDIATRIC REHABILITATION SERVICES AND OTHER SUBSPECIALTY PEDIATRIC SERVICES.

IN ADDITION, KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN ALSO HAS 26 LABOR AND DELIVERY ROOMS, 3 DESIGNATED OR'S FOR C-SECTIONS, 24-HOUR IN-HOUSE OBSTETRICAL ANESTHESIA SERVICES, ANTEPARTUM CARE, HIGH-RISK OBSTETRICAL SERVICES, AND A FETAL DIAGNOSTIC CENTER.

## WOMEN'S SPECIALTY CARE

KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN IS HOME TO THE STATE'S FIRST WOMEN'S CENTER PROVIDING AN ARRAY OF SCREENING AND THERAPY SERVICES, INCLUDING THE STATE'S FIRST COMPREHENSIVE BREAST CENTER AND WOMEN'S CANCER CENTER. THE BREAST CENTER OFFERS THE LATEST SCREENING, DIAGNOSTIC AND THERAPY TREATMENT, AND IS ACCREDITED BY THE AMERICAN COLLEGE OF RADIOLOGY AS A BREAST IMAGING CENTER OF EXCELLENCE. THE WOMEN'S CANCER CENTER IS DEDICATED TO THE PREVENTION AND TREATMENT OF GYNECOLOGICAL CANCERS.

KAPI'OLANI FEATURES 18 SPECIALTY AREAS IN SUBSPECIALTY PEDIATRICS AND 111 SUBSPECIALTY PEDIATRIC PHYSICIANS. TO CARRY OUT ITS PATIENT CARE MISSION, IT EMPLOYS NEARLY 1065 FULL-TIME STAFF AND HAS 603 PHYSICIANS ON ITS MEDICAL STAFF TO SUPPORT 197 ACUTE CARE BEDS, AND AN ADDITIONAL 90 BASSINETTES.

KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN PROVIDES LEADERSHIP IN COMMUNITY HEALTHCARE EDUCATION AND ADVOCACY. THE HOSPITAL STRIVES TO HAVE A POSITIVE INFLUENCE ON THE DEVELOPMENT OF PUBLIC POLICY FOR THE BENEFIT OF THE WOMEN AND CHILDREN OF HAWAII. IN THE COMMUNITY, KAPI'OLANI MEDICAL CENTER FOR WOMEN & CHILDREN ACTIVELY SUPPORTS THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, MARCH OF DIMES AND

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS  
=====

HAWAII CHILDREN'S CANCER FOUNDATION. IN THE PAST YEAR, KMCWC HELD ITS ANNUAL KAPI'OLANI CHILDREN'S MIRACLE NETWORK APPEAL, WHICH SUPPORTED THE COST OF PEDIATRIC HEALTHCARE, MEDICAL EQUIPMENT, NEIGHBOR ISLAND TRAVEL, RESEARCH AND PUBLIC AWARENESS ACTIVITIES. ADDITIONALLY, MORE THAN 400 VOLUNTEERS FROM THE COMMUNITY DONATE THEIR TIME TO THE MEDICAL CENTER EVERY YEAR.

KMCWC ALSO HOSTS TWO PROGRAMS THAT HIGHLIGHT ITS COMMITMENT TO PROTECTING WOMEN AND CHILDREN: THE SEX ABUSE TREATMENT CENTER ENABLES THE STATE'S FORENSIC TEAMS TO INVESTIGATE AND PROSECUTE SEX OFFENSES AND RUNS PROGRAMS TO REDUCE SEXUAL VIOLENCE, AND THE KAPI'OLANI CHILD PROTECTION/CARE PROGRAM PROVIDES UNPARALLELED EXPERTISE IN RECOGNIZING AND TREATING CHILD ABUSE AND NEGLECT.

KAPI'OLANI SERVES AS THE PEDIATRIC AND OBSTETRIC TEACHING HOSPITAL FOR THE UNIVERSITY OF HAWAII JOHN A. BURNS SCHOOL OF MEDICINE, TRAINING THE STATE'S NEXT GENERATION OF PEDIATRICIANS AND OBSTETRICIANS. THE RESIDENCY PROGRAMS HAVE LAUNCHED THE CAREERS OF HUNDREDS OF PHYSICIANS WHO WILL LEAD THE COMMUNITY IN CARING AND ADVOCATING FOR THE WOMEN AND CHILDREN OF HAWAII AND THE PACIFIC BASIN. AS A MAJOR PEDIATRIC AND OB/GYN TRAINING FACILITY FOR THE UNIVERSITY OF HAWAII JOHN A. BURNS SCHOOL OF MEDICINE, THE INSTITUTION INVESTS MORE THAN \$13 MILLION EACH YEAR INTO TEACHING AND RESEARCH.

FORM 990, PART IV - OTHER NOTES AND LOANS RECEIVABLE

Borrower:		NOTES RECEIVABLE FROM HPH	
BEGINNING BALANCE DUE	.....		19,397,584.
ENDING BALANCE DUE	.....		NONE
			-----
TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE			19,397,584.
			=====
TOTAL ENDING OTHER NOTES AND LOANS RECEIVABLES			NONE
			=====

FORM 990, PART IV - INVESTMENTS - OTHER SECURITIES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	COST OR FMV
LIMITED PARTNERSHIP	34,920,586.	41,145,695.	FMV
MUTUAL FUNDS	17,060,211.	18,730,100.	FMV
MARJORIE BOOTH STEPHENS INVESTMENT	2,969,019.	2,632,916.	FMV
FUNDS HELD BY TRUSTEE	195,130.	197,820.	FMV
WEINBERG TRUST - COD	600,000.	600,000.	FMV
TOTALS	55,744,946.	63,306,531.	

FORM 990, PART IV - OTHER ASSETS

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
BENEFICIAL INTERESTS IN NET ASSETS OF FOUNDATION	3,850,889.	4,707,192.
OTHER RECEIVABLES	4,894,745.	1,424,992.
ARTWORK	166,117.	166,117.
DUE FROM HAWAII PACIFIC HEALTH AN EXEMPT AFFILIATE	833,348.	NONE
DUE FROM KAPIOLANI HEALTH FOUNDATION, AN EXEMPT AFFILIATE	389,019.	468,438.
DUE FROM STRAUB FOUNDATION, AN EXEMPT AFFILIATE	965.	1,394.
DUE FROM KAUAI MEDICAL CLINIC, AN EXEMPT AFFILIATE	28,738.	95,817.
DUE FROM PROVIDERS INSURANCE CORPORATION, AN EXEMPT AFFILIATE	NONE	259,199.
DUE FROM GOVT AGENCIES	NONE	762,199.
TOTALS	----- 10,163,821. =====	----- 7,885,348. =====

FORM 990, PART IV - OTHER LIABILITIES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
AGENCY FUNDS HELD FOR OTHERS	246,820.	NONE
CAPITALIZED LEASE OBLIGATIONS	34,914.	17,728.
LT LIAB-POST RETIRE HLTH BEN	96,908.	3,570.
PURCHASE LOAN AGREEMENT - HPH	430,569.	342,437.
DUE TO KAPIOLANI MEDICAL SPECIALISTS, AN EXEMPT AFFILIATE	184,053.	396,847.
DUE FROM WILCOX FOUNDATION, AN EXEMPT AFFILIATE	326.	160.
DUE TO PROVIDERS INSURANCE CORPORATION, AN EXEMPT AFFILIATE	878,050.	NONE
TOTALS	<u>1,871,640.</u>	<u>760,742.</u>

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN  
=====

DESCRIPTION -----	AMOUNT -----
RECLASS COST OF INVENTORY SOLD	210,435.
NET ASSETS RELEASED FROM RESTRICTION	322,423.
RECLASS LOSS ON DISPOSAL OF PROPERTY AND EQUIPMENT	28,850.
	-----
TOTAL	561,708.
	=====

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

=====

DESCRIPTION	AMOUNT
-----	-----
ENDOWMENT FUND GAIN RECOGNIZED IN RESTRICTED FUND	144,700.
	-----
TOTAL	144,700.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN  
=====

DESCRIPTION -----	AMOUNT -----
RECLASS COST OF INVENTORY SOLD	210,435.
LOSS ON DISPOSALS OF PROPERTY AND EQUIPMENT	28,850.
	-----
TOTAL	239,285.
	=====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
KEITH MATSUMOTO MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	CHAIRMAN 1.00	NONE	NONE	NONE
STEVEN AI 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
BENTON CHUN MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
DOUGLAS KWOCK MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
JENNIFER SABAS 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
NONIE TOLEDO 55 MERCHANT STREET, 24TH FLOOR	DIRECTOR 1.00	NONE	NONE	NONE

\*RECEIVED A STIPEND OF \$5,400 FOR MEDICAL SERVICES PROVIDED AND NOT FOR THEIR DUTIES AS A DIRECTOR ON THE BOARD.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
HONOLULU, HI 96813				
SHELLEY WILSON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
PETER MCNALLY MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
*RECEIVED A STIPEND OF \$5,400 FOR MEDICAL SERVICES PROVIDED AND NOT FOR THEIR DUTIES AS A DIRECTOR ON THE BOARD.				
CHRIS ELDRIDGE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
CHARLES A STED 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	PRESIDENT 2.00	NONE	NONE	NONE
CHARLES R CHING ESQ 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	SVP/GENERAL COUNSEL/SECRETARY 4.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
RAYMOND P VARA JR 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EVP & CEO OPERATIONS 9.00	NONE	NONE	NONE
DAVID OKABE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EVP, CFO & TREASURER 4.00	NONE	NONE	NONE
GAIL LERCH 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EXEC. VICE PRESIDENT 5.00	NONE	NONE	NONE
ARTHUR GLADSTONE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	COO STRAUB & VP HPH 1.00	NONE	NONE	NONE
MARTHA SMITH 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT & COO 55.00	NONE	NONE	NONE
STEVEN ROBERTSON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	SR VICE PRESIDENT & CIO 12.00	NONE	NONE	NONE
WARREN CHAIKO	VICE PRESIDENT 9.00	NONE	NONE	NONE

KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VP SYSTEM CONTROLLER & CRO 5.00	NONE	NONE	NONE
EARL INOUE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 1.00	NONE	NONE	NONE
TERRY LONG 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 45.00	NONE	NONE	NONE
WILLOW MORTON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 10.00	NONE	NONE	NONE
SUSAN MASUMOTO-NONAKA 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EXEC. VICE PRESIDENT 1.00	NONE	NONE	NONE
VIRGINIA PRESSLER FISHER MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 10.00	NONE	NONE	NONE
HILTON RAETHEL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813				

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
PRUDENCE KUSANO 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	COMPLIANCE OFFICER 1.00	NONE	NONE	NONE
PAULA DIAS 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 40.00	NONE	NONE	NONE
BETTY KANESHIRO 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	ASSISTANT CORPORATE SECRETARY 1.00	NONE	NONE	NONE
MELINDA ASHTON MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	MEDICAL DIRECTOR 1.00	NONE	NONE	NONE
DAVID FOX 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	PRIVACY & INFORMATION SECURITY 1.00	NONE	NONE	NONE
JESSICA BRUGGEMANN 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	ASSISTANT CORPORATE SECRETARY 1.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
RODNEY BOYCHUK MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
GRAND TOTALS				
		NONE	NONE	NONE

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CHARLES A STED HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	1,148,152.	176,157.	14,961.
CHARLES R CHING ESQ HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	350,046.	74,363.	NONE
RAYMOND P VARA JR HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	731,873.	138,856.	9,989.
DAVID OKABE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	524,890.	83,702.	10,863.
GAIL LERCH HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	480,408.	96,223.	7,800.

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ARTHUR GLADSTONE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	316,737.	63,126.	NONE
MARTHA SMITH HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	369,727.	94,193.	NONE
STEVEN ROBERTSON HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	315,414.	85,173.	NONE
WARREN CHAIKO HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	226,611.	61,068.	4,800.
EARL INOUYE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	212,425.	71,418.	NONE

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
TERRY LONG HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	188,207.	70,447.	NONE
WILLOW MORTON HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	169,460.	70,690.	NONE
SUSAN MASUMOTO-NONAKA HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	192,620.	65,588.	NONE
VIRGINIA PRESSLER FISHER MD HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	369,069.	80,169.	2,834.
HILTON RAETHEL HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	197,299.	53,717.	1,323.

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
PRUDENCE KUSANO HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	129,533.	33,693.	NONE
PAULA DIAS HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	210,560.	50,338.	NONE
BETTY KANESHIRO HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	71,553.	28,199.	NONE
MELINDA ASHTON MD HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	218,724.	34,595.	NONE
DAVID FOX HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	92,405.	25,710.	NONE

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JESSICA BRUGGEMANN HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	75,032.	8,453.	NONE
RODNEY BOYCHUK MD HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	268,892.	52,809.	NONE
<b>GRAND TOTALS</b>		<b>6,859,637.</b>	<b>1,518,687.</b>	<b>52,570.</b>

FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	LOANS AND ADVANCES	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
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ROGER DRUE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 5, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

JANA HALL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 5, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

DEW-ANNE LANGCAON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 5, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

RICHARD ROBEL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS

LOANS AND ADVANCES COMPENSATION

EXPENSE ACCT AND OTHER ALLOWANCES

NAME AND ADDRESS

SEE STATEMENT 5, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

MICHELLE KAKAZU  
55 MERCHANT STREET, 24TH FLOOR  
HONOLULU, HI 96813

NONE

NONE

NONE

NONE

SEE STATEMENT 5, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

GRAND TOTALS

NONE

NONE

NONE

NONE

FORM 990, PART VII - PROGRAM SERVICE REVENUE

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
NET PATIENT SERVICES					133,590,425.
PREMIUM REVENUE					65,501.
OTHER PROGRAM SERVICE REVENUE					4,023,178.
RENTAL INCOME RELATED TO PROGRAM SERVICES					2,649,317.
TOTALS					140,328,421.

FORM 990, PART XI - TRANSFERS TO CONTROLLED ENTITIES STATEMENT

=====  
 CONTROLLED ENTITY'S NAME: KAPIOLANI MEDICAL SPECIALISTS  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0322406  
 TRANSFER AMOUNT: 4,725,636.  
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: PROVIDERS INSURANCE CORPORATION  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 71-0893000  
 TRANSFER AMOUNT: 3,952,662.  
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:  
 PROFESSIONAL LIABILITY PREMIUM (UNDISCOUNTED)

CONTROLLED ENTITY'S NAME: HPH RESEARCH INSTITUTE  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0246363  
 TRANSFER AMOUNT: 405,544.  
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: PROVIDERS INSURANCE CORP  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 71-0893000  
 TRANSFER AMOUNT: 215,863.  
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT  
=====

CONTROLLED ENTITY'S NAME: KAPIOLANI HEALTH FOUNDATION  
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
CITY, STATE & ZIP: HONOLULU, HI 96813  
EIN: 99-0246364  
TRANSFER AMOUNT: 60,223.  
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: KAPIOLANI MEDICAL CENTER AT PALI MOMI  
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
CITY, STATE & ZIP: HONOLULU, HI 96813  
EIN: 99-0274038  
TRANSFER AMOUNT: 2,187,774.  
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: KAUAI MEDICAL CLINIC  
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
CITY, STATE & ZIP: HONOLULU, HI 96813  
EIN: 99-0326099  
TRANSFER AMOUNT: 175,413.  
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: STRAUB CLINIC AND HOSPITAL  
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
CITY, STATE & ZIP: HONOLULU, HI 96813  
EIN: 91-2151670  
TRANSFER AMOUNT: 710,733.  
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: WILCOX MEMORIAL HOSPITAL  
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR  
CITY, STATE & ZIP: HONOLULU, HI 96813  
EIN: 99-0074365  
TRANSFER AMOUNT: 361,526.  
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
INTERNAL SUPPORT SERVICES PROVIDED

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT (CON  
=====

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0246363  
 TRANSFER AMOUNT: 15,113,445.  
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0246363  
 TRANSFER AMOUNT: 19,397,584.  
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
 CAPITAL CONTRIBUTIONS-FORGIVENESS OF NOTES PAYABLE

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0246363  
 TRANSFER AMOUNT: 719,063.  
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
 CAPITAL CONTRIBUTIONS

CONTROLLED ENTITY'S NAME: STRAUB FOUNDATION  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0109350  
 TRANSFER AMOUNT: 429.  
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: WILCOX HEALTH FOUNDATION  
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT ST., 24TH FLOOR  
 CITY, STATE & ZIP: HONOLULU, HI 96813  
 EIN: 99-0243664  
 TRANSFER AMOUNT: 166.  
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:  
 INTERNAL SUPPORT SERVICES PROVIDED

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
LAURA B BONILLA 1319 PUNAHOU STREET HONOLULU, HI 96826	EXEC DIR PED. SVCS 40.00	159,422.	37,006.	NONE
LILIA DIMAYACYAC LAUREANO 1319 PUNAHOU STREET HONOLULU, HI 96826	DIR CLINICAL SVC 40.00	156,108.	7,336.	NONE
RICHARD T NOVAK 1319 PUNAHOU STREET HONOLULU, HI 96826	DIR CLINICAL SVC 40.00	148,730.	25,980.	NONE
MAVIS H NIKAIDO 1319 PUNAHOU STREET HONOLULU, HI 96826	ASSOC DIR - NURSING 40.00	148,655.	30,220.	NONE
MILDRED M NAMOCA BROWN 1319 PUNAHOU STREET HONOLULU, HI 96826	RN - CHARGE 40.00	138,972.	34,313.	NONE
TOTAL COMPENSATION		751,887.	134,855.	NONE

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.  
=====

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
UNIVERSITY CLINICAL EDUC AND RESEARCH 677 ALA MOANA BLVD, STE 1025 HONOLULU, HI 96813	PHYSICIAN SERVICES	4,148,236.
EMERGENCY PHYSICIANS MEDICAL GROUP 4535 DRESSLER NW CANTON, OH 44718	PHYSICIAN SERVICES	1,393,597.
HAWAII ANESTHESIA GROUP INC 1575 S BERETANIA ST STE 201-202 HONOLULU, HI 96826	PHYSICIAN SERVICES	950,009.
CPR INC 3000 S. JAMAICA CT #140 AURORA, CO 80014	REGISTRY	938,099.
CHILDREN'S ANESTHESIA 673 PUUIKENA DR HONOLULU, HI 96821	PHYSICIAN SERVICES	601,193.
TOTAL COMPENSATION		----- 8,031,134. =====

SCH. A, PART II-B COMPENSATION OF THE 5 HIGHEST PAID FOR OTHER SERV.  
=====

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
SODEXHO INC 1319 PUNAHOU ST HONOLULU, HI 96826	DIET & ENVIRO SRVCS	715,838.
CLINICAL LABORATORIES OF HAWAII P.O. BOX 1300 HONOLULU, HI 96807	MEDICAL SERVICES	4,439,957.
HAWAII RESIDENCY PROGRAMS INC 1356 LUSITANA ST, 6TH FLOOR HONOLULU, HI 96813	MEDICAL SERVICES	3,040,081.
UNITED LAUNDRY 2291 ALAHAO PLACE HONOLULU, HI 96819	LAUNDRY SERVICES	980,070.
HAWAII PACIFIC X RAY CORP 3375 KOAPAKA ST D140 HONOLULU, HI 96819	IMAGING EQUIPMENT	857,591.
	TOTAL COMPENSATION	<u>10,033,537.</u>

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

=====

BOARD MEMBERS WHO ARE ALSO DOCTORS RECEIVED STIPENDS AS MEDICAL DIRECTORS FOR THE VARIOUS HOSPITALS. SEE OFFICER'S LIST FOR AMOUNT PART V-A.

SCHEDULE A, PART VI-B - LOBBYING ACTIVITY EXPLANATION

=====

LOBBYING FEES RELATE TO DUES PAID TO HEALTHCARE ASSOCIATION OF HAWAII,  
NACH, & NACHRI

**A**  Check box if address changed

**B** Exempt under section  
 501(c)(3)  220(e)  
 408(e)  530(a)  
 529(a)

**C** Book value of all assets at end of year  
171,691,228.

Name of organization (  Check box if name changed and see instructions.)  
**KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN**

Number, street, and room or suite no. If a P.O. box, see page 9 of instructions.  
**55 MERCHANT STREET, 24TH FLOOR**

City or town, state, and ZIP code  
**HONOLULU, HI 96813**

**F** Group exemption number (See instructions for Block F on page 9.) ▶

**D** Employer identification number  
 (Employees' trust, see instructions for Block D on page 9.)  
**99-0177350**

**E** Unrelated business activity codes  
 (See instructions for Block E on page 9.)  
**812900**

**G** Check organization type ▶  501(c) corporation  501(c) trust  401(a) trust  Other trust

**H** Describe the organization's primary unrelated business activity. ▶ **SEE STATEMENT 1**

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . . . . .  Yes  No  
 If "Yes," enter the name and identifying number of the parent corporation. ▶ **SEE STATEMENT 2**

**J** The books are in care of ▶ **DONNA MASUDA-KAM** Telephone number ▶ **808- 535-7355**

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales <u>4,104.</u>			
b	Less returns and allowances			
	c Balance ▶	<b>1c</b>		
2	Cost of goods sold (Schedule A, line 7) . . . . .	<b>2</b>	<b>3,022.</b>	
3	Gross profit. Subtract line 2 from line 1c . . . . .	<b>3</b>	<b>1,082.</b>	<b>1,082.</b>
4 a	Capital gain net income (attach Schedule D) . . . . .	<b>4a</b>		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) . . . . .	<b>4b</b>		
c	Capital loss deduction for trusts . . . . .	<b>4c</b>		
5	Income (loss) from partnerships and S corporations (attach statement) . . . . .	<b>5</b>		
6	Rent income (Schedule C) . . . . .	<b>6</b>		
7	Unrelated debt-financed income (Schedule E) . . . . .	<b>7</b>		
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F) . . . . .	<b>8</b>		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) . . . . .	<b>9</b>		
10	Exploited exempt activity income (Schedule I) . . . . .	<b>10</b>		
11	Advertising income (Schedule J) . . . . .	<b>11</b>		
12	Other income (See page 11 of the instructions; attach schedule.) . . . . .	<b>12</b>		
13	Total. Combine lines 3 through 12 . . . . .	<b>13</b>	<b>1,082.</b>	<b>1,082.</b>

**Part II Deductions Not Taken Elsewhere** (See page 12 of the instructions for limitations on deductions.)  
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K) . . . . .	<b>14</b>		
15	Salaries and wages . . . . .	<b>15</b>		
16	Repairs and maintenance . . . . .	<b>16</b>		
17	Bad debts . . . . .	<b>17</b>		
18	Interest (attach schedule) . . . . .	<b>18</b>		
19	Taxes and licenses . . . . .	<b>19</b>		
20	Charitable contributions (See page 14 of the instructions for limitation rules.) . . . . .	<b>20</b>		
21	Depreciation (attach Form 4562) . . . . .	<b>21</b>	<b>NONE</b>	
22	Less depreciation claimed on Schedule A and elsewhere on return . . . . .	<b>22a</b>		<b>22b</b>
23	Depletion . . . . .	<b>23</b>		<b>NONE</b>
24	Contributions to deferred compensation plans . . . . .	<b>24</b>		
25	Employee benefit programs . . . . .	<b>25</b>		
26	Excess exempt expenses (Schedule I) . . . . .	<b>26</b>		
27	Excess readership costs (Schedule J) . . . . .	<b>27</b>		
28	Other deductions (attach schedule) . . . . .	<b>28</b>		
29	Total deductions. Add lines 14 through 28 . . . . .	<b>29</b>		<b>NONE</b>
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 . . . . .	<b>30</b>		<b>1,082.</b>
31	Net operating loss deduction (limited to the amount on line 30) . . . . .	<b>31</b>		<b>1,082.</b>
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 . . . . .	<b>32</b>		
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.) . . . . .	<b>33</b>		
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 . . . . .	<b>34</b>		

**Part III Tax Computation**

**35 Organizations Taxable as Corporations.** See instructions for tax computation on page 15. Controlled group members (sections 1561 and 1563) check here  See instructions and:

**a** Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):  
 (1) NONE (2) NONE (3) NONE

**b** Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) NONE  
 (2) Additional 3% tax (not more than \$100,000) NONE

**c** Income tax on the amount on line 34 STMT 3 **35c** NONE

**36 Trusts Taxable at Trust Rates.** See instructions for tax computation on page 16. Income tax on the amount on line 34 from:  Tax rate schedule or  Schedule D (Form 1041) **36**

**37 Proxy tax.** See page 16 of the instructions **37** NONE

**38 Alternative minimum tax** **38**

**39 Total.** Add lines 37 and 38 to line 35c or 36, whichever applies. **39** NONE

**Part IV Tax and Payments**

**40a** Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a**

**b** Other credits (see page 17 of the instructions) **40b**

**c** General business credit. Check here and indicate which forms are attached:  
 Form 3800  Form(s) (specify) **40c**

**d** Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**

**e** Total credits. Add lines 40a through 40d **40e**

**41** Subtract line 40e from line 39. **41** NONE

**42** Other taxes. Check if from:  Form 4255  Form 8611  Form 8697  Form 8866  Other (attach schedule). **42**

**43 Total tax.** Add lines 41 and 42 **43** NONE

**44a** Payments: A 2006 overpayment credited to 2007 **44a**

**b** 2007 estimated tax payments **44b**

**c** Tax deposited with Form 8868 **44c**

**d** Foreign organizations: Tax paid or withheld at source (see instructions) **44d**

**e** Backup withholding (see instructions) **44e**

**f** Other credits and payments:  Form 2439  Form 4136  Other **44f** Total

**45 Total payments.** Add lines 44a through 44f **45**

**46** Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached  **46**

**47 Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed **47** NONE

**48 Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** NONE

**49** Enter the amount of line 48 you want: **Credited to 2008 estimated tax**  **Refunded**  **49** NONE

**Part V Statements Regarding Certain Activities and Other Information** (see instructions on page 18)

**1** At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here **Yes** **No** X

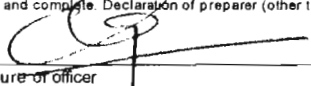
**2** During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file. **Yes** **No** X

**3** Enter the amount of tax-exempt interest received or accrued during the tax year **\$**

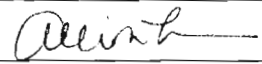
**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation

<b>1</b> Inventory at beginning of year <b>1</b> <u>NONE</u>	<b>6</b> Inventory at end of year <b>6</b> <u>NONE</u>
<b>2</b> Purchases <b>2</b> <u>3,022.</u>	<b>7</b> Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2. <b>7</b> <u>3,022.</u>
<b>3</b> Cost of labor <b>3</b>	<b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? <b>Yes</b> <b>No</b> <u>X</u>
<b>4a</b> Additional section 263A costs (attach schedule) <b>4a</b>	
<b>b</b> Other costs (attach schedule) <b>4b</b>	
<b>5</b> Total. Add lines 1 through 4b <b>5</b> <u>3,022.</u>	

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 taxpayer) is based on all information of which preparer has any knowledge.

**Sign Here**  **3/15/09** **VICE PRESIDENT**

Signature of officer Date Title

Preparer's signature  Date **3/15/09** Check if self-employed  Preparer's SSN or PTIN **P00216618**

**Paid Preparer's Use Only** Firm's name (or yours if self-employed), address, and ZIP code **ERNST & YOUNG U.S. LLP** EIN **34-6565596**  
**55 MERCHANT ST., SUITE 1900, C-120** Phone no. **808-531-2037**  
**HONOLULU, HI 96813**

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)
(see instructions on page 20)

1 Description of property

Table with 1 column: (1) Description of property, rows (1) through (4).

2 Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, 3 Deductions directly connected with the income in columns 2(a) and 2(b). Rows (1) through (4) and Total.

Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A).

Total deductions. Enter here and on page 1, Part I, line 6, column (B).

Schedule E - Unrelated Debt-Financed Income (see instructions on page 20)

Table with 5 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3 Deductions directly connected with or allocable to debt-financed property, 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions. Includes Totals row.

Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 21)

Table for Exempt Controlled Organizations with 6 columns: 1 Name of Controlled Organization, 2 Employer Identification Number, 3 Net unrelated income, 4 Total of specified payments made, 5 Part of column 4 that is included in the controlling organization's gross income, 6 Deductions directly connected with income in column 5. Rows (1) through (4).

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with 5 columns: 7 Taxable Income, 8 Net unrelated income, 9 Total of specified payments made, 10 Part of column 9 that is included in the controlling organization's gross income, 11 Deductions directly connected with income in column 10. Includes Totals row.

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization**

(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
<b>Totals</b> . . . . . ▶		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income**

(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b> . . . . . ▶		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.

**Schedule J - Advertising Income** (see instructions on page 22)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b> (carry to Part II, line (5)) . . . . . ▶						

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) <b>Totals from Part I</b>						
<b>Totals, Part II</b> (lines 1-5) . . . . . ▶	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%
<b>Total.</b> Enter here and on page 1, Part II, line 14 . . . . . ▶			

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.  
=====

TO PROVIDE GAS STERILIZATION SERVICES PERFORMED FOR INSTRUMENTS AND TRAYS USED IN PRIVATE DOCTORS OFFICES AND OTHER MEDICAL FACILITIES.

NAME AND FEIN OF PARENT CORPORATION

=====

HAWAII PACIFIC HEALTH  
99-0246363

FORM 990T - ORGANIZATIONS TAXABLE AS CORPORATIONS - TAX COMPUTATION

1	TAXABLE INCOME FROM LINE 34, PAGE 1, 990-T .....	
2	LINE 1 OR THE CORPORATION'S SHARE OF THE \$50,000 TAXABLE INCOME BRACKET, WHICHEVER IS LESS .....	
3	SUBTRACT LINE 2 FROM LINE 1 .....	
4	LINE 3 OR THE CORPORATION'S SHARE OF THE \$25,000 TAXABLE INCOME BRACKET, WHICHEVER IS LESS .....	
5	SUBTRACT LINE 4 FROM LINE 3 .....	
6	LINE 5 OR THE CORPORATION'S SHARE OF THE \$9,925,000 TAXABLE INCOME BRACKET, WHICHEVER IS LESS .....	
7	SUBTRACT LINE 6 FROM LINE 5 .....	
8	ENTER 15% OF LINE 2 .....	
9	ENTER 25% OF LINE 4 .....	
10	ENTER 34% OF LINE 6 .....	
11	ENTER 35% OF LINE 7 .....	
12	MEMBER'S SHARE OF ADDITIONAL TAX: (A) 5% OF THE EXCESS OVER \$100,000 OR (B) \$11,750 .....	NONE
13	MEMBER'S SHARE OF ADDITONAL TAX: (A) 3% OF THE EXCESS OVER \$15 MILLION OR (B) \$100,000 .....	NONE
14	TOTAL OF LINES 8 THROUGH 13. ENTER THIS AMOUNT ON LINE 35C, PAGE 2, 990-T .....	NONE

**KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN**  
**FEDERAL ID # 99-0177350**  
**JUNE 30, 2008**

Form 990-T: PART II, LINE 31 - NET OPERATING LOSS DEDUCTION

FYE 06/30/98 loss carryover	16,780
FYE 06/30/99 loss carryover	5,877
FYE 06/30/00 loss carryover	15,146
FYE 06/30/01 loss carryover	425,797
FYE 06/30/02 loss carryover	513,995
FYE 06/30/03 loss carryover	453,622
FYE 06/30/04 loss carryover	400,349
FYE 06/30/05 income carryover	(22,079)
FYE 06/30/06 loss carryover	433,120
FYE 06/30/07 loss carryover	33,846
Total Carryforward NOL	<u>2,276,453</u>
FYE 06/30/08 income	<u>(1,082)</u>
TOTAL	<u><u>2,275,371</u></u>

FORN 4626, LINE 6 - ALTERNATIVE MINIMUM TAX NET OPERATING LOSS DEDUCTION

FYE 06/30/98 loss carryover	16,780
FYE 06/30/99 loss carryover	5,877
FYE 06/30/00 loss carryover	15,146
FYE 06/30/01 loss carryover	425,797
FYE 06/30/02 loss carryover	513,995
FYE 06/30/03 loss carryover	453,622
FYE 06/30/04 loss carryover	400,349
FYE 06/30/05 income carryover	(22,079)
FYE 06/30/06 loss carryover	433,120
FYE 06/30/07 loss carryover	33,846
Total Carryforward NOL	<u>2,276,453</u>
FYE 06/30/08 income	<u>(1,082)</u>
TOTAL	<u><u>2,275,371</u></u>

CONTROLLED GROUP ELECTION STATEMENTS

ELECTION TO ALLOCATE \$125,000 BUSINESS ASSET EXPENSE

The undersigned corporation, component members of a controlled group of corporation, as defined in Internal Revenue Code §179(d)(7), hereby consent to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE \$40,000 ALTERNATIVE MINIMUM TAX EXEMPTION

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE \$150,000 ALTERNATIVE MINIMUM TAX EXEMPTION

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE TAXABLE INCOME BRACKETS

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE ACCUMULATED EARNINGS CREDIT

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.535-3 to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

Company	Employer Number	Apport. of Depr. Business Asset Expense	Apport. of \$40,000 Alt. Min Tax Exemption	Apport. of \$150,000 Alt. Min. Tax Exemption
1	99-0318588	\$125,000	\$40,000	\$150,000
2	99-0177350	None	None	None
3	99-0274038	None	None	None
4	99-0145107	None	None	None
5	99-0265504	None	None	None
6	99-0326099	None	None	None
7	91-2151670	None	None	None

**CONTROLLED GROUP ELECTION STATEMENTS**




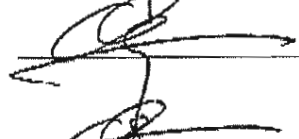
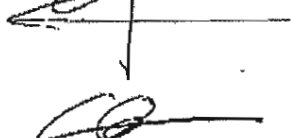
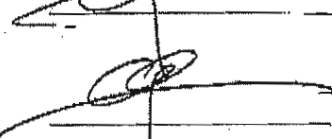
**STATEMENT OF TAX BRACKET ALLOCATION**

The amounts in each taxable income bracket in the tax table in IRC §11(b) have been allocated to the following corporations pursuant to §1.1563-3(a)

Company	Employer Number	First \$50,000 of Taxable Income	Taxable income over \$50,000 but not over \$75,000	Taxable income over \$75,000 but not over \$100,000	Taxable income over \$100,000 but not over \$335,000	Taxable income over \$335,000 but not over \$10,000,000
1	99-0318588	\$50,000	\$25,000	\$25,000	\$235,000	\$9,665,000
2	99-0177350	None	None	None	None	None
3	99-0274038	None	None	None	None	None
4	99-0145107	None	None	None	None	None
5	99-0265504	None	None	None	None	None
6	99-0326099	None	None	None	None	None
7	91-2151670	None	None	None	None	None

CONTROLLED GROUP ELECTION STATEMENTS

IDENTIFICATION AND SIGNATURES:

Company	Employer Number	Name and Address	Taxable Year End	Signature and Title of Officer
1	99-0318588	Hawaii Pacific Health Partners, Inc. & Subsidiaries 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	
2	99-0177350	Kapiolani Medical Center for Women and Children 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	
3	99-02474038	Kapiolani Medical Center at Pali Momi 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	
4	99-0145107	Straub Pharmacy, Inc. 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	
5	99-0265504	Straub Professional Services, Inc. 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	
6	99-0336099	Kauai Medical Clinic, Inc. 3-3420 Kuhio Highway, Suite B Lihue, Hawaii 96766	06/30/08	
7	91-2151670	Straub Clinic & Hospital 55 Merchant Street, 24 <sup>th</sup> Floor Honolulu, HI 96813	06/30/08	