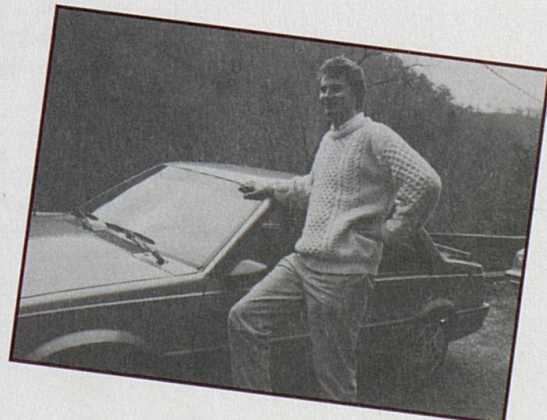
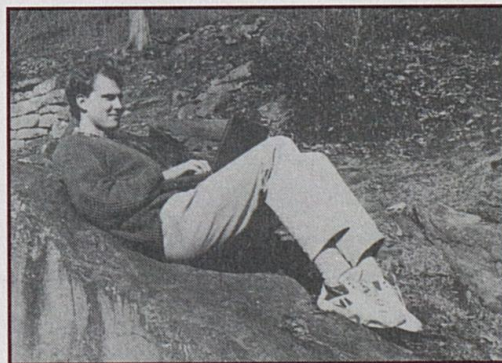
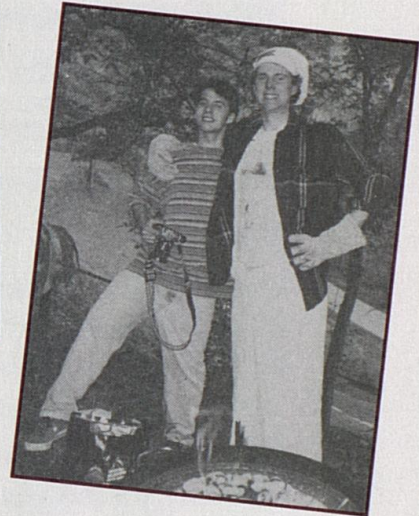
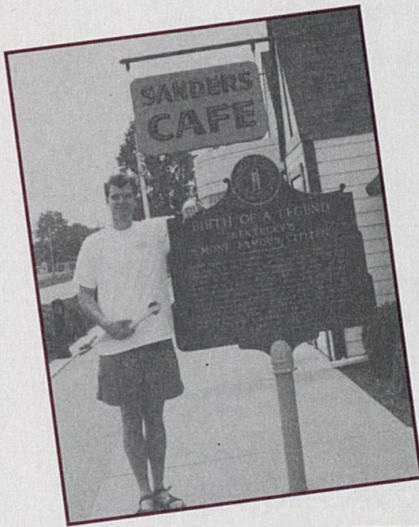


FNS

FRONTIER NURSING SERVICE

Volume 72 Number 1 Summer - September 1996

SEVENTY-FIRST ANNUAL REPORT



US ISSN 0016-2116

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Cover: Dan (Courier Coordinator) leaves the "Nest" (see page 7). *Photos by Barb Gibson.*

Correction: The last issue of the Quarterly Bulletin - Volume 73, Number 4, should have been Spring, June 1996. This is the Summer issue.

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Field Notes

Found! A limited number of copies of "Organdie and Mull" written by Mrs. Breckinridge, published in 1948. \$6.00 each. Contact Susie Hudgins.

In the last Quarterly Bulletin I reported that we expected to have the rewiring project in the Garden House finished in a couple of weeks. That turned into a pipe dream with problems arising, illnesses among the staff, and various changes needing to be made along the way. But, through all the adversities, it is completed now. Everyone is delighted not only with safe wiring but how everything looks. One wonderful outcome in dropping the ceilings in the offices is that in being insulated so well, the couriers don't hear us in the early mornings and we can barely hear them! Before, it was easy to hear a pin drop upstairs!

Soon the maintenance crew will start rebuilding the stone wall behind the Big house - a job that sorely needs doing before it falls stone by stone into the kitchen. And, of course, they have been busy trying to keep the grounds mowed, a never ending summer exercise.

Wendover is delighted to welcome Lucy Napier to our staff part-time. She will be helping Cassie keep up with our various functions as well as helping Christine with her housekeeping duties. In her first few days, Lucy has made tremendous progress organizing an overwhelming number of boxes of "Grab" (used clothing, etc.), work that Christine and I will be forever grateful for. Now, finally, we have hope of finding what we need when we need it.

Along the line we've had a busy social schedule. The first party was to say good-bye to Sister Sonia Miley, FNP at Beechfork Clinic. Sister Sonia came to FNS in the fall of 1990 and, after almost six years, decided it was time to return to Wisconsin. During her time here Sister Sonia gained the love and respect of all who knew her. She will be spoken of often and sorely missed.

Next came the FSMFN Class of 1961. What a wonderful time! Wendover thoroughly enjoyed "The Singing Class", and marveled at all their stories of being students here as well as where their paths had taken them. We invited the Level III Class for dinner and the evening turned to swapping school day stories, the past and present, each wondering how they did it (see article - page 3). We're hoping that more reunions will be held. Just give me a call and we'll make it happen.

Habitat for Humanity held an all day seminar at the Big House to swap ideas and to gain knowledge from each other. This was an incredible group of dedicated people from the Southeast region and over lunch we were all affected by their commitment and spirit. Sometimes one had to wonder how they kept going when so much seemed to be going against them but not a one was downhearted. I do believe the Habitat people are the epitome of the saying, "where there is a will, there is a way."

Kentucky Tech, from Somerset, Kentucky brought two tours in June. Then students from Morehead University spent a day with us for history and an in-depth midwifery lecture with midwife Marina Alguzary. We've had a number of students from the University of Kentucky stay at Wendover while completing the clinical portion of their courses.

The calendar is filling up fast for the next few months. Everyone is trying to fit vacation in now and get rested up for the fall.

-Susie Hudgins

Old Quarterly Bulletins available

We still have some issues of Quarterly Bulletins available as far back as the late 1920's. Contact Susie Hudgins for copies (1.00 each).

The "Singing Class" Reunion

On June 7, 1996 six of the seven in our Frontier Graduate School of Nurse Midwifery (FGSNM) class met at the Lexington airport and drove to Hyden and Wendover to celebrate our 35th class reunion. We graduated in May 1961 and over the years we kept in touch on three continents by a "Round Robin" letter which is still circulating.

We spent six wonderful and busy months at FNS from December 1960 to May 1961 studying nurse-midwifery and preparing ourselves for overseas service. Some of the class had already spent several years in missionary service in Africa. While we were studying and delivering babies, we also enjoyed mutual interests and had great times of fellowship. We loved to sing, and Martha and I took turns playing the piano for good harmonizing. We probably had five different parts from low bass to high soprano. Thus we were called the "Singing Class".

We also had nicknames. Jewell Olson was naturally called, "Gem" and she served many years in missionary service in Zaire (formerly Belgian Congo), before and after our FNS time. Mary Nell Harper worked many years in Ethiopia and "Full One" was a translation of her Ethiopian name: she had a hearty and full laugh! Jody LeVahn is still presently serving in Zaire, and she was the only one not able to be at our reunion. As we reminisced, at our reunion, the only nickname we came up with for her was just "Jody". Martha Lady was, indeed, a lady, and her name just got turned around to "Lady Martha". She served many years in Rhodesia (now Zimbabwe).

The remaining three of us had missionary service ahead of us. Betty Mantay came from Canada, and because she was the youngest, her name was "Least One". She worked in the Cameroons, in West Africa, and, presently after doing some French study in Quebec, will be returning there for yet another term of service. Helen Trachel Potter was the only one of us to be married, and also to work in the South American continent in Bolivia. We called her "Third-Stage-Trachel" because she seemed to always be late

for delivery but got there for the third stage! I (Elaine Douglas) was known as "Granny"! I was always cold and often wrapped myself up in a shawl, sat in a rocking chair in front of the fireplace (with a fire) and ate popcorn. It was my privilege to do missionary service in Eritrea, previously the northern province of Ethiopia, now the newest independent country in Africa.

Jewell and Mary Nell are now retired, living respectively in Nebraska and Washington and are active in various church and community volunteer activities. Martha is a chaplain in a retirement village in Pennsylvania. Helen and her husband, Harry, are working with a Spanish-speaking church and working in health agencies in Florida. I am also in Florida, on home staff with my mission, serving as head nurse at our mission retirement village. Jody and Betty continue their missionary work in Africa.

Our reunion in Wendover and Hyden was a wonderful time of renewal, a time of singing, and praying together. It was just great to see the old places, even though much changed in operation, yet still greatly serving the people of Kentucky and training nurse-midwives. The program has changed tremendously since we were there, but we were happy to be there at the "right time" to meet a dozen of the current students, who had come for a two week period of study. We especially appreciated the help and friendliness of Susie Hudgins who helped with the arrangements for our reunion through phone calls and correspondence. It was a blessing to look again at the portrait of Mrs. Mary Breckinridge, whom we had known, and to remember the great good she did in her life for the people of Leslie County, and around the world.

All of us benefited so much from our training at FNS and we were so thankful many times on the mission field for what we had learned. We were able to share many of those amazing incidents with one another at our reunion. Even though we were in Hyden six short months, they had a great impact on our lives, not only in our midwifery work, but also in the friendship which has endured these many years. Our shared love of the Lord, for missions, for music, and for people in Kentucky and overseas has drawn and kept us together. And it all started at FNS! Thanks!

-Elaine Douglas

Courier News

The summer months in Leslie County are truly a wonderful time. With the warm weather and longer days comes a never ending flow of "extracurricular" activities that seems to keep us busy around the clock. Baseball games, Blue Grass festivals, cookouts and the opening of the pool all are tempting distractions from the regular day. Even so, Couriers have somehow managed to squeeze all of these things (and more) into their already busy Courier routine. Couriers have seen a number of births, observed hours of operations and destapled a never ending flow of accounting papers. This summer group has truly made the most of their time in Hyden, as I am sure past Couriers can relate to.

Past Couriers

Emily Davis ('92) Coordinator '95, recently returned to New York after spending a year with us here at Wendover. Reports are that she has not suffered too badly from urban re-entry shock, but that she does miss Wendover. Wendover also misses her.

Rosie Perea ('94) called up a while ago from Colorado where she is spending her Junior year. She is planning on running around the mountains and enjoying the scenery while studying geology and geography.

Krista Nickerson ('95) sent us a colorful card to tell us that she has been accepted into the Peace Corps. She has been assigned as a Community Health Extension agent for the Ministry of Health of Chad in Central Africa for the next two years. She is hoping to work with a whole cross section of health care professionals and possibly lay midwives.

Catie Fisher ('95) sent us a note to bring us up to date on the events of her life. She has decided not to go into medicine and instead she is likely going to major in photography with a minor in environmental science.

Mitch McClure ('95) checked in with us and brought us up to date on his life. He has graduated from Harvard and is now

exploring the possibilities of medical research positions in Connecticut.

Jen Galvin ('95) dropped us a note to say that she has safely returned from working in Florida at a marine institute. She is still debating whether or not to apply to medical school and she might have to go "find herself" on the West coast.

Bhavin Mehta ('95 & '96) phoned up a while ago and told us that he had been accepted to the New York School of Podiatry Medicine. Bhavin seems to be looking forward to the next few years in New York where he is planning to meet Elle McPhearson.

Tarah Sommers ('96) contacted us just before her departure for Turkey and Turkmanistan. She sounded a little apprehensive about the whole trip but we are sure that she will do very well. We wish her a wonderful trip and a safe return.

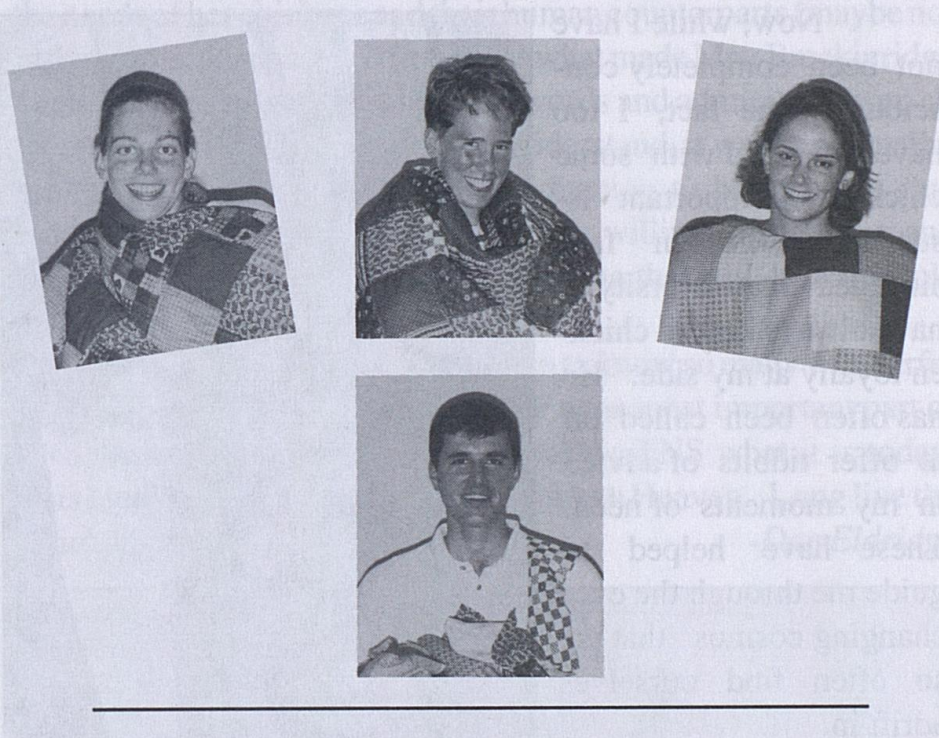
The Summer Brood

Liz Tartell, 21, arrived at Wendover from Bayside, New York, earlier this summer. Since then, she has quickly befriended many in and around FNS. Liz spent a great deal of time with Thumper who has been in and out of the hospital for months now. While at FNS Liz was able to observe two births and was able to gain a better understanding about many of the issues concerning rural medicine.

Barrett Giffel, 22, came to us from East Stroudsburg, Pennsylvania and has quickly enmeshed himself in the community. Barrett is a frequent fan of the softball games in Hyden. He has spent time all over FNS with particular interest in Wooton Clinic and the operating room. Barrett graduated from Penn State and is planning to enter medical school next year after furthering his experience in the health care field.

Leslie Bardo, 19, arrived at Wendover in her "Lobster Pod" from Wilton, Maine and soon felt at home in the county that bears her name. Leslie has had a long interest in medicine and she has been busy in all the various facets of FNS. She has spent a great deal of time with Betsy MacMillan, CNM and wandered around the countryside with the home health nurses. In her spare time Leslie has been training for a marathon and quilting. She will be returning to St. Olaf's College in the fall.

Heather Wadell, 22, came to Wendover from Grand Rapids, Michigan after graduating from Harvard this spring. She plans to study public health at the University of Michigan and decided to spend the summer as a Courier in order to get a jump start on her formal studies. Heather has spent a lot of time around FNS with people like Jana Cuddy, PA, in the Hyden Clinic, and running around in her little white car. In her spare time Heather has been hard at work on her quilt which is sure to keep her warm through those cold Michigan winters.



Dan leaves the "Nest"

Over the course of my time here at Wendover I have discovered that I share a cosmic link with Mrs. Breckinridge. Now some may take offense to this notion, and still others may grow green with envy as they wend their way through the world of midwifery, but I have taken this bond as a sign of comfort and security while calling Wendover my home. I am not talking here of links relating to children, or one that would drive me to become a midhusband, but rather my link is of a personal nature that delves deep into the realm of poultry.

It is common knowledge that Mrs. Breckinridge had a particular fondness for our friendly handicapped birds. Thumper and Alabam have often told the stories of Mrs. Breckinridge gathering up the scraps from the dinner table and going out to commune with her flock. There have also been the various escapades, such as Operation Cluck Cluck, that are waiting in the wings for Thumper's sequel to *Where else but here?*. But the constant theme here is Mrs. Breckinridge's love for the lowly chicken.

Now, while I have not been completely conscious of the fact, I too have consulted with some chickens on important issues in my life. In fact, since leaving university I have always kept a chicken loyally at my side. He has often been called on to offer tidbits of advice in my moments of need. These have helped to guide me through the ever changing cosmos that we so often find ourselves adrift in.



Mrs. Breckinridge

There is, however, a subtle difference in our mutual love for chickens. While Mrs. Breckinridge preferred the real McCoy I have chosen the imminently more practical petrochemical by-product. Yes, Rubber Chickens are somewhat less graceful, but few can contest the fact that they are infinitely more practical when negotiating customs in a foreign country.

As I now leave Wendover for a second time with my rubber chicken, I also take with me a long list of experiences. The Couriers and the staff of Wendover have been a constant source of

introspection and challenge. These experiences have set many benchmarks to judge the world by. The friends I have made here have shown me that Kentucky is full of intrigue and wonder, as well as love and kindness. I will reflect on all of these in a time of need. We are not only a product, but also our experiences in life. My time at Wendover has certainly made me a better person.

While it is fun to theorize about what Mrs. Breckinridge would be doing right now if she were still with us, there are a few things that she would surely be doing. She would be attending to the needs of her chickens and their human counterparts (maybe not in that particular order). To me this is what made Mrs. Breckinridge great, and can still evoke such fond words and admiration from all those who knew her. From what I understand, it was her empathy for the individual, integrity and dedication to her mission that elevated her above the flock. It was her willingness to listen and her ability to give that created a following that still draws people to witness her achievements.

While with FNS I have grown to know so many wonderful people. I have realized that they all are the most important part of FNS with their dreams and ideas making FNS what it is today. This I will take with me to Rubber Chicken Heaven. Long live the Chickens!!!

-Dan Eldridge



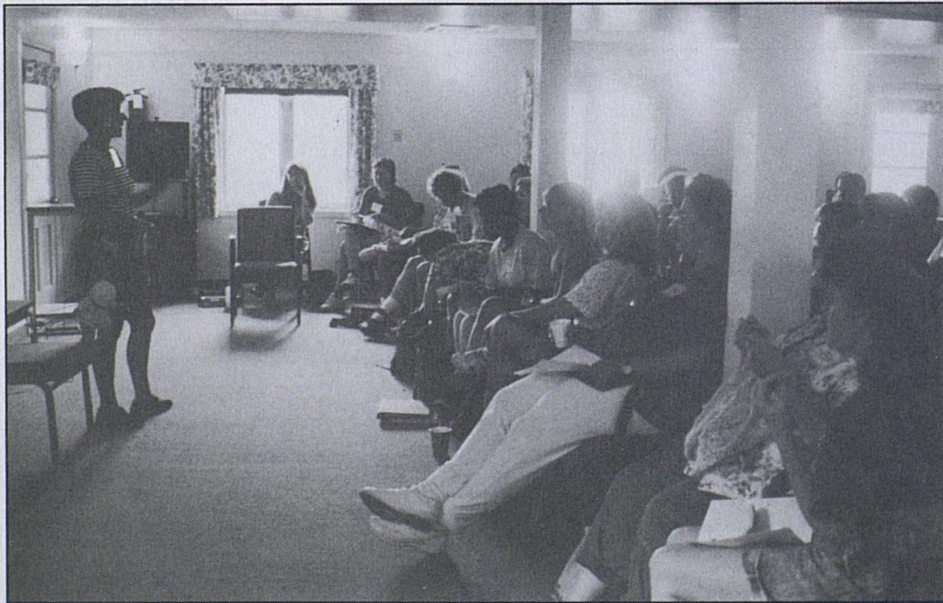
FSMFN/CNEP News

End of summer means "back to school" everywhere. So, at CNEP we are gathered in Hyden for another Midwifery Bound session to welcome Class 17. From all over the country, new students arrive at the Hyden campus in time for supper on Wednesday. Most begin this trip by air, coming into Bluegrass Field in Lexington to find Debbie Cornett at the welcome center. The yellow school bus leaves Lexington loaded with students, accompanied by Kitty Ernst who makes sure they all know the CNEP song by the time they reach Hyden.



Phyllis Long

On arrival the students receive a CNEP book bag loaded with the Level I modules and materials. Thus begins an evening of getting to know classmates and looking over the preview to their journey to midwifery. Small groups, based on geographic locations, allow students to meet those who may live near enough for easy get-togethers or seeing one another at future case days.



Midwifery Bound students

The next three days go by in a whirl of activity. Students meet the staff of the Hyden Office and our Financial Aid Officer. They have photos made, learn their way around the School, and have a chance to shop for local crafts. The Level I faculty present an overview of each course and provide an opportunity to get started on a learning activity. Students are interviewed by a Student Advisor and start working on their individual planning for success in the Program. An important part of the Midwifery Bound experience is the chance to develop skills and confidence in using the Banyan Tree, our electronic bulletin board.

Class 17 includes students from all over the United States, including Hawaii and one person from Canada. It takes at least a day to get to Hyden from most locations. Is Midwifery Bound worth the time and expense? I believe the few days in Hyden provide our students with a sense of the Frontier School of Midwifery and Family Nursing's contribution to the history of nurse-midwifery education in the United States. There is value in developing an identity with all the CNM's who have gone from Hyden to the wide neighborhoods of the world. The bonding with fellow students and faculty means the beginning of a network of strength and support for the intense journey ahead. Distance learning depends on this network of support and communication.

So, in another four weeks, we'll be back to welcome Class 18 as CNEP continues to work toward the goal of 10,000 nurse-midwives by 2001.

-Phyllis Long, Interim Program Director

Phyllis Long

SEVENTY-FIRST ANNUAL REPORT
of the
FRONTIER NURSING SERVICE, INC.
for the Fiscal Year
May 1, 1995 to April 30, 1996

PREFACE

As has been our custom since we were one year old, we present our annual report of the fiscal affairs and of the field operations of the Frontier Nursing Service, Incorporated.

We have, as in previous years, divided our report into two sections. One section is about money, and one is about work.

FISCAL REPORT

The figures that follow are taken from the Balance Sheet, the Exhibits and Schedules of the Audit for the fiscal year which ended April 30, 1996.

FNS, Inc.
Combined Balance Sheets

1996 1995

Report of Independent Auditors

Board of Governors
FNS, Inc.

We have audited the accompanying combined balance sheets of FNS, Inc. and affiliates (as listed in Note 1) as of April 30, 1996 and 1995, and the related combined statements of revenue and expenses, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of FNS, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of FNS, Inc. and affiliates at April 30, 1996 and 1995, and the combined results of their operations, changes in their net assets and their cash flows for the years then ended in conformity with generally accepted accounting principles.

Ernst & Young LLP

June 20, 1996

FNS, Inc.

Combined Balance Sheets

	April 30	
	1996	1995
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,646,526	\$ 1,712,676
Accounts receivable—patients—less allowances for uncollectible accounts of \$817,000 in 1996 and \$613,000 in 1995	2,652,472	1,758,499
Accounts receivable—students tuition	1,513,588	1,001,154
Inventories	356,746	203,840
Prepaid expenses and other current assets	342,805	907,390
Total current assets	<u>6,512,137</u>	<u>5,583,559</u>
Student loan receivables	48,376	59,875
Long-term portion of accounts receivable-students tuition	442,119	443,551
Property and equipment:		
Land	177,062	141,137
Buildings	3,708,368	3,642,474
Equipment	5,159,994	4,798,801
Construction in progress	544,260	29,895
	<u>9,589,684</u>	<u>8,612,307</u>
Less accumulated depreciation	6,622,678	6,272,805
	<u>2,967,006</u>	<u>2,339,502</u>
Assets whose use is limited	14,021,141	12,416,605
Present value of beneficial interest in outside trusts	489,000	-
Total assets	<u>\$ 24,479,779</u>	<u>\$ 20,843,092</u>

	April 30	
	1996	1995
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 1,487,301	\$ 1,216,497
Accrued salaries and withholdings	298,744	219,089
Accrued vacation expense	384,761	335,489
Deferred tuition—students	2,254,588	1,563,615
Unexpended special purpose funds	225,369	162,956
Payable to third-party programs	243,170	200,624
Other current liabilities	1,082,870	1,005,157
Total current liabilities	<u>5,976,803</u>	<u>4,703,427</u>
Gift annuity reserve	39,481	-
Long-term portion of deferred tuition-students	442,119	443,551
Contingencies		
Net assets:		
Unrestricted	14,508,224	13,021,722
Temporarily restricted	1,028,361	-
Permanently restricted	2,484,791	2,674,392
Total net assets	<u>18,021,376</u>	<u>15,696,114</u>
Total liabilities and net assets	<u><u>\$ 24,479,779</u></u>	<u><u>\$ 20,843,092</u></u>

See accompanying notes.

FNS, Inc.

Combined Statements of Revenue and Expenses

	Year ended April 30	
	1996	1995
Unrestricted net patient service revenue	\$ 14,933,197	\$ 13,188,576
Education revenues:		
Tuition and educational fees	2,447,938	2,323,677
Federal grants	282,751	297,386
	<u>2,730,689</u>	<u>2,621,063</u>
Other revenue	306,352	267,571
Unrestricted donations	782,889	804,979
Total revenue	<u>18,753,127</u>	<u>16,882,189</u>
Expenses:		
Salaries and wages	8,690,360	7,821,024
Fringe benefits	1,547,162	1,394,010
Medical services, supplies and other expenses	5,525,288	4,747,794
Facility costs	1,285,412	1,373,880
Provider taxes	265,676	273,647
Provision for bad debts	1,067,819	754,731
Total expenses	<u>18,381,717</u>	<u>16,365,086</u>
Income from operations	371,410	517,103
Nonoperating gains:		
Investment income	604,839	413,746
Gain on sale of investments	243,708	248,033
	<u>848,547</u>	<u>661,779</u>
Excess of unrestricted revenue and gains over expenses	<u>\$ 1,219,957</u>	<u>\$ 1,178,882</u>

See accompanying notes.

FNS, Inc.

Combined Statements of Changes in Net Assets

	Unrestricted Net Asset	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total
Balances at April 30, 1994	\$ 11,702,799	\$ -	\$ 2,542,152	\$ 14,244,951
Excess of unrestricted revenue and gains over expenses	1,178,882	-	-	1,178,882
Restricted contributions used for purchase of property and equipment	140,041	-	-	140,041
Contributions restricted for specific purpose	-	-	33,807	33,807
Gain on sale of endowment fund investments	-	-	98,433	98,433
Balances at April 30, 1995	13,021,722	-	2,674,392	15,696,114
Cumulative effect of adoption of FAS No. 116 and 117:				
Reclassification to temporarily restricted Present value of beneficial interest in outside trusts	-	686,781	(686,781)	-
Excess of unrestricted revenue and gains over expenses	1,219,957	-	-	1,219,957
Change in value of beneficial interests in outside trusts	-	-	39,000	39,000
Restricted contributions used for purchase of property and equipment	266,545	-	-	266,545
Contributions restricted for specific purpose	-	76,344	8,180	84,524
Gain on sale of endowment fund investments	-	265,236	-	265,236
Balances at April 30, 1996	\$ 14,508,224	\$ 1,028,361	\$ 2,484,791	\$ 18,021,376

See accompanying notes.

FNS, Inc.

Combined Statements of Cash Flows

	Year ended April 30	
	1996	1995
Cash flow from operating activities and gains		
Excess of unrestricted revenue and gains over expenses	\$ 1,219,957	\$ 1,178,882
Other changes in net assets	1,105,305	272,281
Increase in net assets	2,325,262	1,451,163
Adjustments to reconcile increases in net assets to net cash provided by operating activities and gains:		
Cumulative effect of adoption of FAS No. 116 and 117	(450,000)	-
Increase in net present value of beneficial trusts	(39,000)	-
Provision for bad debts	1,067,819	754,731
Depreciation	370,082	405,987
Gains on sale of equipment	(2,418)	(17,683)
Accounts receivable-patients	(1,961,792)	(759,304)
Accounts receivable-students tuition	(511,002)	527,872
Other assets	423,178	(232,296)
Accounts payable	270,804	72,467
Payable to third party programs	42,546	233,624
Deferred tuition-students	689,541	(138,508)
Other	308,533	153,378
Net cash provided by operating activities and gains	2,533,553	2,451,431
Cash flows from investing activities		
Purchases of property and equipment	(1,006,033)	(498,034)
Proceeds from sale of equipment	10,866	32,973
Cash invested in assets whose use is limited	(1,604,536)	(981,197)
Net cash used in investing activities	(2,599,703)	(1,446,258)
Net (decrease) increase in cash and cash equivalents	(66,150)	1,005,173
Cash and cash equivalents at beginning of year	1,712,676	707,503
Cash and cash equivalents at end of year	\$ 1,646,526	\$ 1,712,676

See accompanying notes.

FNS, Inc.

Notes to Combined Financial Statements

April 30, 1996

1. Organization and Summary of Accounting Policies

Organization

FNS, Inc. (the Service) was organized in 1925 as a nonprofit charitable organization. The Service's original purpose was to provide needed health services in the Appalachian area. During its early years, the Service was the only provider of health services in the area and it remains the largest provider of health services in Leslie County and the portion of surrounding counties comprising its service area. In 1939, the Service established a midwifery school. The Service currently operates an accredited midwifery and family nursing school, a home health agency, a hospital, and provides primary care services through the Hyden Clinic, the Kate Ireland Women's Health Care Center, and District Nursing Clinics. The Service has historically been dependent on charitable contributions to fund a significant portion of the costs of services and programs.

Principles of Combination

The Service consists of the following nonprofit entities:

FNS, Inc.-Parent holding company of the Service.

Mary Breckinridge Healthcare, Inc.-Entity responsible for operating the hospital, home health agency and clinics.

Frontier School of Midwifery and Family Nursing, Inc.-Entity responsible for operating the midwifery and family nursing school.

Frontier Nursing Service Foundation, Inc.-Entity responsible for maintaining the investment portfolio of the Service.

FNS Real Estate, Inc.-Entity responsible for holding and managing the real estate and fixed assets owned by the Service.

The combined financial statements include the accounts and transactions of the above entities. Significant intercompany transactions and accounts have been eliminated in combination.

FNS, Inc.

Notes to Combined Financial Statements (continued)

1. Organization and Summary of Accounting Policies (continued)

Basis of Presentation

During 1996, FNS adopted Financial Accounting Standard (FAS) No. 116, *Accounting for Contributions Received and Contributions Made* and FAS No. 117, *Financial Statements of Not-for-Profit Organizations*. FAS No. 116 establishes standards of financial accounting and reporting for contributions by requiring that contributions be recorded at fair value in the period received or pledged. Donor-restricted contributions are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the combined statement of revenues and expenses along with unrestricted contributions as donations and bequests. Donor-restricted contributions whose restrictions are met within the same year as received are accounted for as unrestricted contributions. FNS elected to adopt FAS No. 116 through a cumulative effect adjustment which is reflected in the Statement of Changes in Net Assets.

FAS No. 117 establishes standards for general-purpose external financial statements of not-for-profit organizations, specifies what statements are to be included, and provides guidance on the classification of an organization's net assets and its revenues, expenses, gains and losses.

Use of Estimates.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and gains and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash and highly liquid investments having a maturity at the date of acquisition of 90 days or less, excluding amounts whose use is limited by board designation.

FNS, Inc.

Notes to Combined Financial Statements (continued)

1. Organization and Summary of Accounting Policies (continued)

Inventories

Inventories, principally medical supplies, are stated at cost (first-in, first-out method) which is not in excess of market.

Property and Equipment

Property and equipment is stated at cost, or fair market value at date of donation for items donated to the Service. Depreciation has been computed on the straight-line method over the estimated useful lives of the respective assets.

Investments

Investments in marketable equity securities are stated in the financial statements at the lower of their aggregate cost or market value. Investments, other than equity securities, are stated in the financial statements at cost, or if donated, at fair market value at the date of donation. Gain or loss from sale of investments is the difference between proceeds received and the carrying value of the investment sold.

FNS will adopt the provision of FAS No. 124, "*Accounting for Certain Investments Held by Not-for-Profit Organizations*" in the year ending April 30, 1997. Under the provisions of the new standard, investments will be reported in the balance sheet at their fair value and changes in fair value will be reflected in the combined statement of changes in net assets.

Assets Whose Use is Limited

Assets whose use is limited is comprised of investments which are unrestricted, temporarily restricted and permanently restricted.

FNS, Inc.

Notes to Combined Financial Statements (continued)

1. Organization and Summary of Accounting Policies (continued)

Assets Whose Use is Limited

Unrestricted assets are designated by the Board of Governors for special uses. The Board of Governors has designated the following funds to accumulate monies for the indicated purposes.

The Consolidated Fund accumulates funds for such operating and general purposes as the Board may determine.

The Education Fund includes all donations specified by the donor for this fund and unrestricted legacies and bequests received from May 1981 through April 1985. It accumulates funds until such time as they are needed for programs or activities that benefit nursing education.

The Kate Ireland Women's Health Care Center Fund accumulates funds for such operating and general purposes as the board may determine to honor Ms. Ireland.

The David D. Knox Fund accumulates funds for such uses as the Board may determine.

The Mary Breckinridge Chair Fund provides income to fund the salary of a faculty member of the midwifery and family nursing school.

Income from the Education, Kate Ireland Women's Health Care Center, Mary Breckinridge Chair and David D. Knox Funds is retained with the funds until expended for the designated purposes.

Permanently restricted assets represent several endowments received from donors, the principal of which cannot be expended. Income from such endowments is available for operating purposes and is reported as revenue when earned in accordance with the donor's instructions.

FNS, Inc.

Notes to Combined Financial Statements (continued)

1. Organization and Summary of Accounting Policies (continued)

Temporarily restricted assets represent donations restricted by donors for additions to property or specific operating purposes which have not been expended.

Accounts Receivable—Students and Deferred Tuition—Students

The Service provides a midwifery training program to eligible students. The program generally takes 24 months to complete. The tuition for the midwifery program is due ratably every six months. The Service's policy is to recognize tuition revenue ratably over 24 months.

Charity Care

The Service provides care to patients who meet certain criteria under its charity care policy, without charge or at amounts less than its established rates. Because the Service does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Charges foregone based on established rates for charity care, determined at or near the time of service rendered by the Service were approximately \$905,000 and \$897,000 in 1996 and 1995, respectively. The Service recorded \$597,000 and \$733,000 of revenue in 1996 and 1995, respectively, from the Commonwealth of Kentucky for reimbursement of certain services provided to indigent patients. This amount is included in patient revenue. See Note 2 for further discussion of the program.

Net Patient Service Revenue

Net patient service revenue is reported at the established net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

FNS, Inc.

Notes to Combined Financial Statements (continued)

1. Organization and Summary of Accounting Policies (continued)

Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Net patient service rendered consists of the following for the year ended April 30:

	<u>1996</u>	<u>1995</u>
Gross patient service revenue	\$ 22,009,572	\$ 18,502,992
Less charity and contractual adjustments	7,076,375	5,314,416
Net patient service revenue	<u>\$ 14,933,197</u>	<u>\$ 13,188,576</u>

Unrestricted Donations and Grants

Donations and grants which are not restricted by donors are reported as operating revenue. Bequests under wills are recorded when received by the Service.

Statement of Operations

For purposes of presentation, transactions deemed by management to be ongoing, major or central to the provision of health and education services are reported as revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains. FNS incurred operating expenses of \$18,381,717 during 1996 of which \$1,003,000 was general and administrative costs.

Beneficial Interest in Outside Trusts

FNS is an income beneficiary of certain trusts held by others. In accordance with FAS No. 116, FNS has recorded as an asset the net present value of the income to be received from the outside trusts. Income received from such funds, which is included in unrestricted donations, approximated \$56,000 in 1996 and 34,000 in 1995.

Tax Status

The Service has received a determination from the Internal Revenue Service (IRS) that each of the nonprofit entities qualifies as tax-exempt under applicable Internal Revenue Code (IRC) sections.

FNS, Inc.

Notes to Combined Financial Statements (continued)

2. Medicare and Medicaid Programs

The Service participates in the Medicare and Medicaid Programs. During 1996 approximately 32% and 33% respectively, of the Service's net patient service revenue were derived from services to patients covered by these Programs. Comparable percentages for 1995 were 33% and 27%, respectively.

Medicare

Medicare payments for inpatient services are made based upon the patient's diagnosis (DRG), irrespective of cost. The diagnosis upon which payment is based is subject to review by Program representatives. The Program reimburses the Hospital for certain outpatient services including rural health clinics and home health agency services based upon cost. Such reimbursable costs are determined from annual cost reports filed with the Program, which are subject to audit by the Program.

Medicaid

The Medicaid Program reimburses the Hospital on a prospectively determined rate per patient day for inpatient services and on the basis of cost for certain outpatient services including rural health clinics and home health agency services .

The Commonwealth of Kentucky has developed a program which began July 1, 1993 to provide funds for indigent care provided by Kentucky Hospitals through a provider tax. Under the provider tax program, Kentucky hospitals are taxed at rates ranging from 2.0% to 2.5% of net collections from patient services and are eligible for reimbursement for certain services provided to indigent patients. The 1996 statement of revenues and expenses includes revenue of \$597,426 and expenses of \$265,676 related to this program. Comparable amounts were \$733,630 and \$273,647 in 1995.

FNS, Inc.

Notes to Combined Financial Statements (continued)

3. Investments

The carrying value and approximate market value of investments at April 30, 1996 and 1995 are summarized as follows:

	1996		1995	
	Carrying Value	Market	Carrying Value	Market
Unrestricted assets:				
Consolidated Fund:				
Cash and cash equivalents	\$ 1,077,292	\$ 1,077,292	\$ 608,280	\$ 608,280
U.S. Government obligations	1,219,745	1,236,071	1,044,121	1,041,017
Certificates of deposit	-	-	743,945	743,945
Corporate bonds	731,788	717,057	302,250	288,733
Common stocks	2,273,680	3,068,374	1,930,978	2,187,376
Common trust fund equities	177,684	179,617	21,755	24,612
Due from Restricted Funds	67,438	67,438	3,057	3,057
	<u>5,547,627</u>	<u>6,345,849</u>	<u>4,654,386</u>	<u>4,897,020</u>
Education Fund:				
Cash and cash equivalents	354,642	354,642	431,016	431,016
Corporate bonds	404,662	411,279	301,197	309,296
U.S. Government obligations	502,870	522,344	502,667	515,751
Common trust funds bonds	600,704	611,571	597,004	608,900
Common trust fund equities	100,000	120,740	50,000	53,375
Common stocks	1,668,105	2,153,256	1,562,836	1,726,006
	<u>3,630,983</u>	<u>4,173,832</u>	<u>3,444,720</u>	<u>3,644,344</u>

FNS, Inc.

Notes to Combined Financial Statements (continued)

3. Investments (continued)

	1996		1995	
	Carrying Value	Market	Carrying Value	Market
Kate Ireland Women's Health Care Center Fund:				
Cash and cash equivalents	\$ 66,767	\$ 66,767	\$ 147,769	\$ 147,769
Corporate bonds	50,673	51,664	50,673	51,484
Common trust fund bonds	164,422	167,365	158,634	161,929
Common stock	239,263	299,525	129,639	139,556
Common trust fund equities	28,674	30,960	24,982	24,982
	<u>549,799</u>	<u>616,281</u>	<u>511,697</u>	<u>525,720</u>
David D. Knox Fund:				
Cash and cash equivalents	43,269	43,269	28,527	28,527
Common stock	530,328	711,264	491,943	592,678
Common trust fund equities	50,000	63,217	50,000	53,375
	<u>623,597</u>	<u>817,750</u>	<u>570,470</u>	<u>674,580</u>
Mary Breckinridge Chair Fund:				
Cash and cash equivalents	14,303	14,303	99,861	99,861
Corporate bonds	50,673	51,664	50,673	51,484
U. S. Government obligations	50,047	52,250	50,047	51,672
Common trust funds bonds	184,469	187,055	158,381	161,635
Common stock	289,092	339,076	162,143	164,250
Common trust fund equities	65,292	76,082	99,710	109,626
	<u>653,876</u>	<u>720,430</u>	<u>620,815</u>	<u>638,528</u>
Total unrestricted assets	<u>\$ 11,005,882</u>	<u>\$ 12,674,142</u>	<u>\$ 9,802,088</u>	<u>\$ 10,380,192</u>

FNS, Inc.

Notes to Combined Financial Statements (continued)

3. Investments (continued)

	1995		1994	
	Carrying Value	Market	Carrying Value	Market
Restricted and Temporarily Restricted Assets:				
Cash and cash equivalents	\$ 321,463	\$ 321,463	\$ 239,976	\$ 239,976
U.S. Government obligations	251,239	261,891	380,430	389,503
Income bond investment fund				
Class B	628,982	629,603	-	-
Common trust funds bonds	-	-	549,280	574,352
Common stocks	1,136,208	1,375,785	567,133	620,538
Common trust fund equities	744,805	851,887	880,755	978,387
	<u>3,082,697</u>	<u>3,440,624</u>	<u>2,617,574</u>	<u>2,802,756</u>
Due to assets whose use is limited-				
General Funds	(67,438)	(67,438)	(3,057)	(3,057)
Total restricted and temporarily restricted assets	<u>\$ 3,015,259</u>	<u>\$ 3,373,191</u>	<u>\$ 2,614,517</u>	<u>\$ 2,799,699</u>
Total investments:				
Unrestricted assets	\$ 11,005,882	\$ 12,674,142	\$ 9,802,088	\$ 10,380,192
Restricted and temporarily restricted assets	3,015,259	3,373,191	2,614,517	2,799,699
Total assets whose use in limited	<u>\$ 14,021,141</u>	<u>\$ 16,047,333</u>	<u>\$ 12,416,605</u>	<u>\$ 13,179,891</u>

The market value of investments is based on quoted market values.

4. Retirement Plans

The Frontier Nursing Service, Inc. Capital Accumulation Plan (Plan), a non-contributory defined contribution retirement plan, covers substantially all Service employees. Employer contributions are determined by the Board of Governors annually and are allocated among Plan participants on the basis of eligible employees' salaries. The Service recorded expense of \$92,000 and \$172,000 related to the retirement plan for the years ended April 30, 1996 and 1995, respectively.

FNS, Inc.

Notes to Combined Financial Statements (continued)

5. Contingencies

The Service insures for professional and general liability losses through claims-made policies, and records reserves for deductibles for potential claims, based on their best estimates. In the opinion of management, such insurance and estimated reserves for deductibles are adequate to cover significant losses, if any. Should the claims-made policies not be renewed or replaced with equivalent insurance, claims based upon occurrences during their terms but reported subsequently will be uninsured. The Service intends to continue carrying such insurance.

Liabilities for incurred but not reported losses at April 30, 1996 are not determinable; however, in management's opinion such liabilities, if any, would not have a material adverse impact on the Service's financial statements. Accordingly, no provision for adverse loss contingencies has been made in the accompanying financial statements.

REPORT OF OPERATIONS

Comparative analysis of service provided on the two fiscal years 1995 and 1996.

	FY ending 1995	FY ending 1996
Percent of occupancy	40.1	35.2
Total patient days	6,473	5,797
Medical - Surgical unit	4,979	4,335
Obstetrical unit	869	822
Skilled beds	625	640
Total admissions	1,716	1,497
Medical - Surgical unit	1,282	1,063
Obstetrical unit	388	386
Skilled beds	46	48
Average daily census	16.0	14.1
Average length of stay	3.5	3.6
Newborn patient days		
Percent of occupancy	13.0	9.8
Total patient days	470	358
Total admissions	207	174
Average daily census	1.0	1.0
Average length of stay	2.0	2.1
Total deliveries	207	174
Total operations	719	742
Major	210	341
Minor	535	536
In-patient	168	186
Out-patient	551	556
C-sections	78	52
Deaths		
Institutional (over 48 hours)	14	20
Institutional (under 48 hours)	4	4
Non-institutional (out-patient/ER)	18	13
Total x-rays	11,979	12,674
In-patient	1,596	1,740
Out-patient	10,383	10,934

	1995	1996
CT scans	713	996
In-patient	187	234
Out-patient	526	762
Ultrasound	1,584	1,401
In-patient	209	252
Out-patient	1,375	1,149
Mamograms	280	330
Total lab procedures	142,148	148,241
In-patient	51,565	52,362
Out-patient	59,146	61,262
Referred in	31,437	34,617
Referred out (not in total)	7,511	8,179
District clinics (not in total)	4,386	3,792
Physical Therapy	8,952	6,800
In-patient treatments	1,773	1,902
Out-patient treatments	2,335	4,898
EKG procedures	3,884	4,356
In-patient	1,549	1,590
Out-patient	2,335	2,766
EEG procedures	67	84
Respiratory Therapy	52,548	52,785
In-patient	45,096	44,699
Out-patient	7,452	8,086
Total Home Health visits	36,060	34,038
Total clinic visits		
Hyden	18,497	22,419
Average visits per day	72.0	87.5
Days of operation	256	256
Kate Ireland Womens' Center	3,912	4,035
Average visits per day	14.0	14.7
Days of operation	273	273
Emergency Room	9,017	8,918
Average visits per day	24.0	24.4
Days of operation	365	365
Emergency Room admissions	1,111	1,004

	1995	1996
Beechfork	5,881	4,389
Average visits per day	23.0	21.9
Days of operation	246	200
Community Health Center	3,519	3,663
Average visits per day	17.0	18.1
Days of operation	201	202
Wooton	3,391	2,103
Average visits per day	18.0	11.3
Days of operation	187	185
Courier volunteer hours:	1995	1996
Number of Couriers:	21	16
Clinics	507	398
Clinic rounds	757	992
Development Office	141	140
Home Health visits	603	756
Kate Ireland Women's Center	170	494
Literacy/schools/privatetutoring	475	442
MBHC	821	569
Wendover - miscellaneous	453	380
Nursing volunteer hours	1995	1996
Number of volunteers:	23	18
MBHC	720	836
Kate Ireland's Women's Center	72	128
Home Health visits	492	628
Clinics	192	232
Other volunteer hours	1995	1996
Dr. Anne Wasson	1,318	1,128

Seventy First Year Totals - Selected Data

Because there continues to be interest in these figures, we have reconstructed the essential information necessary to cover FNS' seventy-one years of operation. These figures should not be understood as audit totals. They are reasonable close approximations as of the close of the fiscal year that ended April 30, 1996.

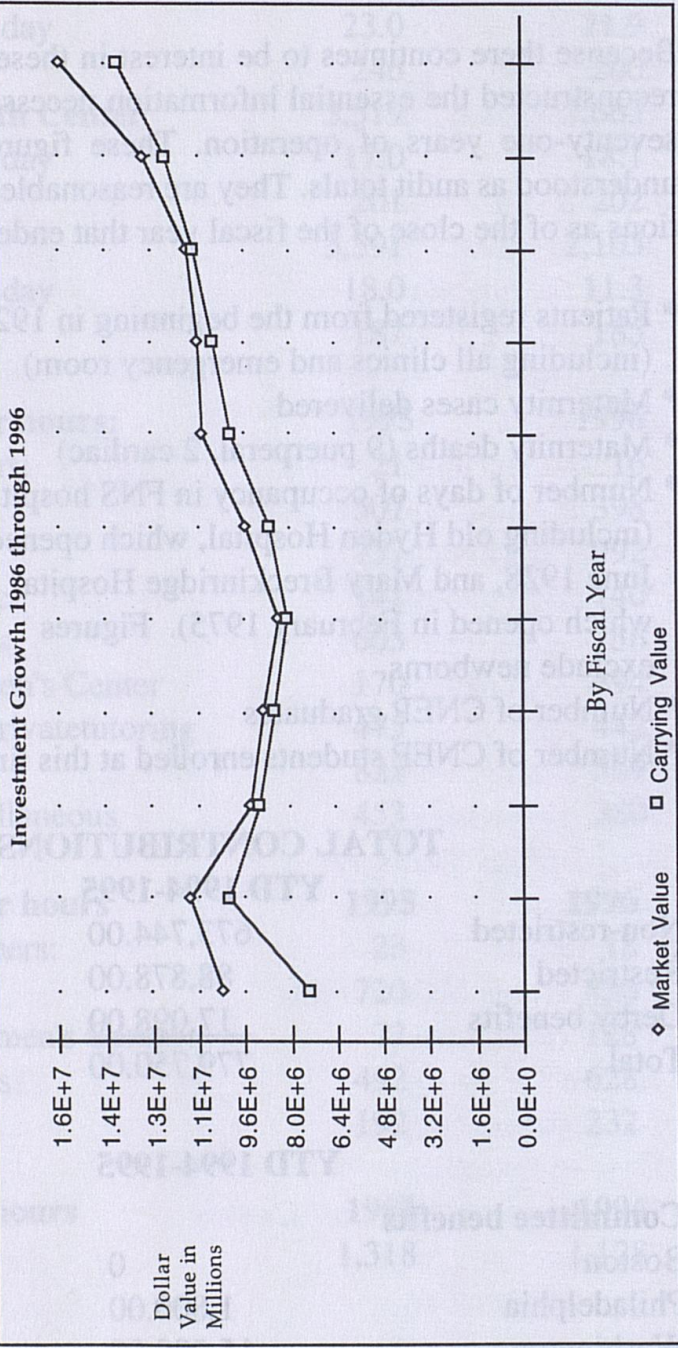
* Patients registered from the beginning in 1925 (including all clinics and emergency room)	256,620
* Maternity cases delivered	24,274
* Maternity deaths (9 puerperal, 2 cardiac)	11
* Number of days of occupancy in FNS hospitals (including old Hyden Hospital, which opened in June 1928, and Mary Breckinridge Hospital which opened in February 1975). Figures exclude newborns.	555,636
* Number of CNEP graduates	392
* Number of CNEP students enrolled at this time	333

TOTAL CONTRIBUTIONS

	YTD 1994-1995	YTD 1995-1996
Non-restricted	673,744.00	798,242.00
Restricted	88,878.00	268,972.00
Derby benefits	<u>17,098.00</u>	<u>11,500.00</u>
Total	779,750.00	1,078,714.00

	YTD 1994-1995	YTD 1995-1996
Committee benefits		
Boston	0	0
Philadelphia	1,800.00	0
Washington	15,298.00	11,500.00
Bluegrass	1,837.00	1,427.00
Daughters of Colonial Wars	9,573.67	1,490.00

	FYE 1986	FYE 1987	FYE 1988	FYE 1989	FYE 1990	FYE 1991	FYE 1992	FYE 1993	FYE 1994	FYE 1995	FYE 1996
Market Value	10,462,309	11,589,669	9,462,940	8,968,382	8,497,240	9,566,050	11,087,766	11,239,419	11,601,974	13,179,891	16,047,333
Carrying Value	7,442,627	10,169,621	9,133,565	8,581,411	8,151,726	8,735,032	10,160,011	10,747,416	11,435,408	12,416,605	14,021,141
Market Value Changes	1,127,360	-2,126,729	-494,558	-471,142	1,068,810	1,521,716	151,653	362,555	1,577,917	2,867,442	5,585,024
Carrying Value Changes	2,726,994	-1,036,056	-552,154	-429,685	583,306	1,424,979	587,405	687,992	981,197	1,604,536	6,578,514
1996 figures are not audited											



IN MEMORIAM

These friends have departed this life in recent months. We wish to express our sympathies to their families, and our gratitude for their interest in our work.

Philip Penner Isaacs, Canada, died May 5, 1996. Mr. Isaacs was associated with the Frontier Nursing Service during the 70's overseeing the construction of the new Mary Breckinridge Health-care. He was the uncle of Trudy Morgan, former FNP at Pine Mountain Clinic.

Kenneth Sizemore, Bearbranch, Kentucky died July 22, 1996. He was the son of John H. and Jewel Sizemore. His mother Jewel retired from FNS in 1992. He was the brother of Joann Salyers and Joyce Asher, employees at the FNS Community Health Center.

Thomas Dade Lockett, Louisville, Kentucky died July 17, 1996. His wife Pani is a trustee and a member of the FNS Bluegrass/Louisville Committee.

Mary Rose Hoskins, Big Creek, Kentucky died August 19, 1996. Mary Rose had been employed by the Frontier Nursing Service since 1969. She worked in several different areas of the old and new hospitals. At the time of her death she was a billing clerk in the Home Health department. Mary Rose will be missed greatly by her fellow employees.

MEMORIAL GIFTS

We wish to express our deep appreciation to these friends who have shown their love and respect for the individuals named below by making supporting contributions in their memory to the work of the Frontier Nursing Service.

Edward Roberts

Alice Kennelly Roberts

Mrs. Redington Fiske

John C. Fiske

Major General William M.

Breckinridge

Nursing staff - Dr. John

Eilers office

Floyd Stewart

Mr. and Mrs. John E. Smith

Larry E. Cox

Mr. and Mrs. John E. Smith

Rena Niles

James B. Allen

Lucy Ellen Magee

Horace B. Magee

James B. Haggin

The Margaret V. Haggin Trust

Kenneth Sizemore

Joann Salyers

Jessie L. Schenk

Catherine M. Pence

Jessie Belle Schenk

Catherine M. Pence

Sylvia Drake

Barbara Hallock

Catherine Cirves

Margaret McCracken

Phyllis Benson

Margaret McCracken

Mary Rose Hoskins

Dr. Anne Wasson

Mr. Robert Snyder

Bettie Ann Spector

Ruth Fleetman

Ed and Allene Gallagher

Laura M. Liebenauer

Emily Liebenauer

Alberta T. Denmark

Emily Liebenauer

FNS, INC.

Director/Chief Executive Officer: Deanna Severance, BSN, MS

FNS, Inc. (the parent)

Ray Branaman, Chief Operating Officer

Accounting/Fiscal Services:
R. Clark Myers, BS, MBA

Public Relations/Assistant to CEO: Barb Gibson

Courier Program: Karen Thomisee, Coordinator

Development Office: Mae Irvin, Secretary

Human Resources: Beulah Couch, Manager

Wendover: Susie Hudgins, Manager

Frontier Nursing Service, Inc. (Foundation) Deanna Severance, BSN, MS, President

Frontier School of Midwifery and Family Nursing: Deanna Severance, BSN, MS, President/Phyllis Long, Interim CNEP Program Director

FNS Real Estate, Inc:

Deanna Severance, BSN, MS
President

Mary Breckinridge Healthcare, Inc., A. Ray Branaman, Administrator / Virginia Gross, RN, Asst. Administrator

Department Heads:

Business Office-Pam Shephard

ER Services- Linda Craft, RN

Food Service: Joyce Sizemore

Housekeeping: Deloris Wooton

Inf. Control: Mona Howard

Lab: Tammy Collett

Medical Records: Mallie Noble

OR-Gloria Rowlette, RN

Plant Operations: Scott Asher

Purchasing: Barbara Davis

Quality Improvement: Betty Couch

Radiology: Deena Huskuy

RT: Sherry Jones

Risk Management: Connie Napier

Social Services: Julia Lynn

States, Director

Nursing Staff:

Nursing: Virginia Gross, RN
 Volunteer Program: Virginia Gross, RN
 Hyden Clinic: Linda Craft, RN
 Med/Surg: Verda Callahan, RN
 Head Nurse
 OB: Sherry Sester, RN, Head Nurse

Medical Staff:

Karan Baucom, *OB/GYN*
 Varkey Chacko, *General Surgeon*
 Francisco Moya-Brewes, *General Practitioner*
 Albino Nunez, *Emergency Medicine*
 Anavatti L. Raghuvvera, *Peds*
 Rolodo Santos, *General Practitioner*
 Horrell Townsend, *OB/GYN*
 Roy Varghese, *Internal Med.*

Home Health:

Lena Bishop, RN
 Loretta Brock, RN
 Vontella Combs, RN
 Jackie Fugate, RN
 Sandra Gross, RN
 Virginia Gross, RN, Director
 Mary Hensley, RN
 Stacy Herald, RN
 Leta Holden, RN
 Carol Honeycutt, RN
 Vanessa Melton, RN
 Vicki Milam, LPN

Angela Morgan, RN
 Barbara Pratt, LPN
 Leanna Simpson, RN
 Marilyn Simpson, RN
 Lisa Terry, RN
 Michele Williams, RN
 Peggy Williams, RN

Clinics:

Kate Ireland Women's Center:
 Marina Alzugaray, MS, CNM
 Betsy Macmillan, CFNM

Beechfork Clinic:

Beverly Mays, FNP
 Martha A. Barnes, FNP

Wooton Clinic:

Heidi Froemke, FNP, CNM

Community Health Center:

Susan Ziegler, FNP

Hyden Clinic:

Jana Cuddy, PA

FNS, INC.
(the parent)
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Mrs. Laman Gray, Jr., Louisville, KY
Dr. John W. Greene, Jr., Lexington, KY

Dr. Horace F. Henriques, III, Lyme, NH
Mrs. John H. Hodge, Devon, PA
Miss Caroline F. Holdship, Sewickley, PA
Mr. Frank B. Hower, Jr., Louisville, KY
Mrs. Sarah Hughes, Hazard, KY
Mrs. Kenneth C. A. Isaacs, Walpole, MA
Mrs. A. W. Jurgeliet, Haines, Alaska
President, National Society of DCWs
Mrs. Brereton C. Jones, Midway, KY
Mrs. E. Donald Jones, Bellefontaine, OH
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Mrs. Clinton W. Kelly, III, Bethesda, MD
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FORM OF BEQUEST

For the convenience of those who wish to remember the Frontier Nursing Service in their Wills, this form of bequest is suggested:

" I hereby give, devise and bequeath the sum of . . . dollars (or property properly described) to the Frontier Nursing Service, a corporation organized under the laws of the State of Kentucky."

HOW ENDOWMENT GIFTS MAY BE MADE

The following are some of the ways of making gifts to the Endowment Funds of the Frontier Nursing Service:

1. **By Specific Gift under Your Will.** You may leave outright a sum of money, specified securities, real property, or a fraction or percentage of your estate.
2. **By Gift of Residue under Your Will.** You may leave all or a portion of your residuary estate to the Service.
3. **By Life Insurance.** You may have life insurance made payable direct to the Service.

The principal of the gifts will carry the donor's name unless other instructions are given. The income will be used for the work of the Service in the manner judged best by its Trustees.

Contributions to Frontier Nursing Service, Inc. are tax deductible under Section 501(c) (3) of the Internal Revenue Code of 1954.

Gifts of stock should be sent to:

FRONTIER NURSING SERVICE
Mr. William Hall, Treasurer
Fifth Third Bank
269 West Main Street
Lexington, Kentucky 40507

STAFF OPPORTUNITIES

Because text for the *Bulletin* must go to the printer several weeks before publication, it is not possible for any issue to contain an up-to-date list of job opportunities. Instead, we list types of positions that are most likely to be available and invite anyone qualified and interested to write for current information.

Staff Opportunities: Family Nurse Practitioners, Registered Nurses, and Physicians. For current information or to apply for a position, contact Department of Human Resources, Wendover, KY 41775 (phone 606-672-2317).

Courier Program: This program has an ongoing need for all types of people, with all types of skills. The program is not limited to those interested in a health career. It encourages applications from anyone who is willing to volunteer for a minimum of 8 weeks and would like to be exposed to the work of the Frontier Nursing Service. For current information, write or call Courier Coordinator/Courier Program, FNS, Inc., Wendover, Kentucky 41775 (phone 672-2317).

Nursing Volunteer Program: This is a program that has been recently designed to meet the needs of nurses and nursing students who only have a short length of time in which to come to FNS and gain experience. In this program if accepted, there is no required amount of time. For current information, write or call Director of Nursing, Mary Breckinridge Healthcare, Inc., Hyden, Kentucky 41749 (phone 606-672-3162).

URGENT NEEDS

FNS has an urgent need for the items listed below and hopes that its friends will wish to contribute toward their purchase. Because of your generosity, we sometimes receive more gifts for a particular item than we need. In those instances, your gift will be applied toward another urgent need listed below. Donations should be sent to the Development Office, Frontier Nursing Service, Wendover, Kentucky 41775, where they will be gratefully received.

Beechfork Clinic:	Cost
Children's Toys	200
Emergency Room:	
Pulse Oximeter	500
IV Pump	950
FSMFN:	
Floor Tile for Haggin Kitchen	400
Hyden Clinic:	
Crash Cart for Stress Lab	350
Kate Ireland Women's Center:	
2 Dopplers	600
Family Planning Supplies	100
Fertility Planning Supplies	100
RPR Rotator	400
Medical Surgical:	
IV Pump	950
Obstetrics:	
Addressograph Machine	500
2 Blood Pressure Cuffs	300
4 Adult Stetoscopes	200
4 Newborn Stetoscopes	300
Wendover	
Renovation of courier quarters in Barn	800

Frontier Nursing Service, Wendover, Kentucky 41772, where they will be gratefully received. Donations should be sent to the Development Office, 1000 North Main Street, Wendover, Kentucky 41772. We are sure that your friends will wish to contribute toward their purpose. Because of your generosity, we sometimes receive more gifts for a particular item than we need in those instances, your gift will be applied toward another urgent need listed below. Donations should be sent to the Development Office, 1000 North Main Street, Wendover, Kentucky 41772, where they will be gratefully received.

Bechtel Clinic: 1000 North Main Street, Wendover, Kentucky 41772

Children's Hospital: 1000 North Main Street, Wendover, Kentucky 41772
 Emergency Room: 1000 North Main Street, Wendover, Kentucky 41772
 First Aid: 1000 North Main Street, Wendover, Kentucky 41772
 IV Pump: 1000 North Main Street, Wendover, Kentucky 41772

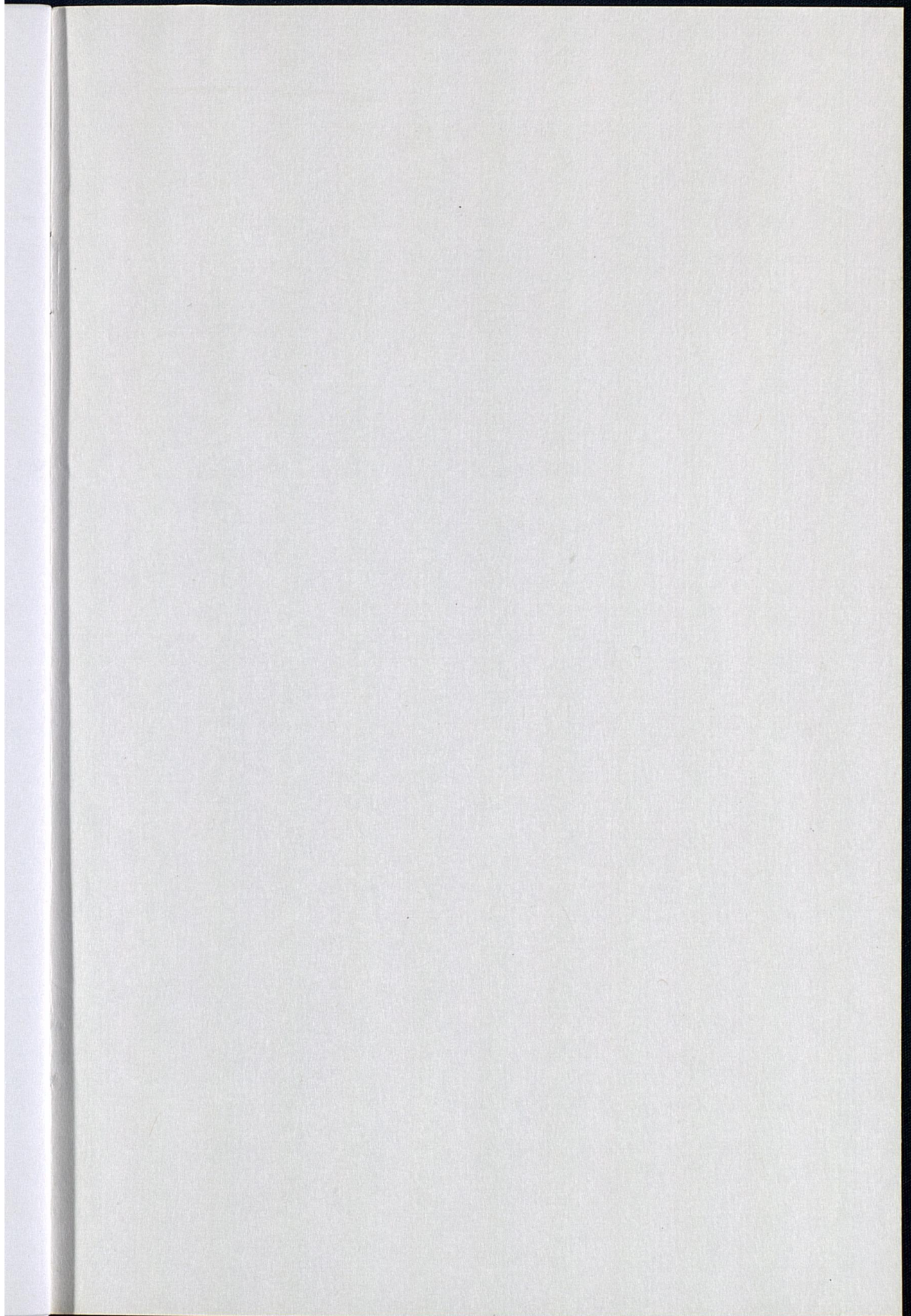
Hyden Clinic: 1000 North Main Street, Wendover, Kentucky 41772
 Floor 1st for Hagan K. Hagan: 1000 North Main Street, Wendover, Kentucky 41772
 Hyden Clinic: 1000 North Main Street, Wendover, Kentucky 41772

2 Dopplers: 1000 North Main Street, Wendover, Kentucky 41772
 Family Planning Supplies: 1000 North Main Street, Wendover, Kentucky 41772
 Family Planning Supplies: 1000 North Main Street, Wendover, Kentucky 41772
 RRK Supplies: 1000 North Main Street, Wendover, Kentucky 41772

Medical Supplies: 1000 North Main Street, Wendover, Kentucky 41772
 W. P. Hagan: 1000 North Main Street, Wendover, Kentucky 41772
 Mary Bryson: 1000 North Main Street, Wendover, Kentucky 41772

Obstetrics: 1000 North Main Street, Wendover, Kentucky 41772
 Addressograph Machine: 1000 North Main Street, Wendover, Kentucky 41772
 2 Blood Pressure Cuffs: 1000 North Main Street, Wendover, Kentucky 41772
 4 Adult Stethoscopes: 1000 North Main Street, Wendover, Kentucky 41772
 4 Newborn Stethoscopes: 1000 North Main Street, Wendover, Kentucky 41772

Wendover: 1000 North Main Street, Wendover, Kentucky 41772
 Renovation of counter quarters in Barn: 1000 North Main Street, Wendover, Kentucky 41772



FRONTIER NURSING SERVICE, INC.

Its motto:

“He shall gather the lambs with his arm
and carry them in his bosom, and shall
gently lead those that are with young.”

Isaiah 40:11

Its object:

To safeguard the lives and health of mothers and children by providing and preparing trained nurse-midwives for rural areas where there is inadequate medical service; to give skilled care to women in childbirth; to give nursing care to the sick of both sexes and all ages; to establish, own, maintain and operate hospitals, clinics, nursing centers, and midwife training schools for graduate nurses; to carry out preventive public health measures; to educate the rural population in the laws of health, and parents in baby hygiene and child care; to provide expert social service; to obtain medical, dental and surgical services for those who need them, at a price they can afford to pay; to promote the general welfare of the elderly and handicapped; to ameliorate economic conditions inimical to health and growth, and to conduct research toward that end; to do any and all other things in any way incident to, or connected with, these objects, and, in pursuit of them to cooperate with individuals and with organizations, private, state or federal; and through the fulfillment of these aims to advance the cause of health, social welfare and economic independence in rural districts with the help of their own leading citizens.

From the Articles of Incorporation of the
Frontier Nursing Service, Article III
as amended June 8, 1984