



TAX & ADVISORY  
SERVICES, LLC

910 Ridgebrook Road  
Sparks, MD 21152

May 7, 2012

Ms. Patricia Pinkerton  
Sheppard Pratt Health System, Inc.  
P.O. Box 6815  
Baltimore, MD 21285

Dear Pat:

Enclosed are the organization's 2010 Exempt Organization returns. The paper filed return(s) should be signed, dated, and mailed, as indicated.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has been prepared for electronic filing. If you wish to have it transmitted electronically to the IRS, please sign, date, and return Form 8879-EO to our office. We will then submit the electronic return to the IRS. Do not mail a paper copy of the return to the IRS. Return Form 8879-EO to us by May 15, 2012.

FORM 990-T RETURN:

No amount is due on Form 990-T.

Please sign and mail on or before May 15, 2012.

Mail to - Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0027

Maryland Form 500:

Please sign and mail on or before May 15, 2012.

Mail to - Comptroller of Maryland  
Revenue Administration Division  
Annapolis, MD 21411-0001

A copy of Form 990 is enclosed for inclusion in your Maryland filing.

Maryland requires the attachment of a board list including

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A Member of SC&H Group, LLC

Phone: (410) 403-1500 ♦ Toll Free: (800) 832-3008 ♦ Fax: (410) 403-1570 ♦ Web: [www.SCandH.com](http://www.SCandH.com)

home addresses. Please include this information with your Maryland filing.

We have prepared the returns from information you furnished us without verification. Upon examination of the returns by tax authorities, requests may be made for underlying data. We therefore recommend that you preserve all records which you may be called upon to produce in connection with such possible examinations.

We have provided you tax advice in connection with the preparation of your U.S. federal tax return and associated tax planning services we have furnished. This advice is not intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purpose.

Please review the returns for completeness and accuracy.

We sincerely appreciate the opportunity to serve you. Please contact us if you have any questions concerning the tax returns.

Very truly yours,

Lori S. Burghauser



# TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

June 30, 2011

<b>Prepared for</b>	Sheppard Pratt Health System, Inc. P.O. Box 6815 Baltimore, MD 21285
<b>Prepared by</b>	SC&H Tax & Advisory Services, LLC 910 Ridgebrook Road Sparks, MD 21152
<b>Amount due or refund</b>	Not applicable
<b>Make check payable to</b>	Not applicable
<b>Mail tax return and check (if applicable) to</b>	Not applicable
<b>Return must be mailed on or before</b>	Not applicable
<b>Special Instructions</b>	This return has been prepared for electronic filing. If you wish to have it transmitted electronically to the IRS, please sign, date, and return Form 8879-EO to our office. We will then submit the electronic return to the IRS. Do not mail a paper copy of the return to the IRS. Return Form 8879-EO to us by May 15, 2012.

**Return of Organization Exempt From Income Tax**

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

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

**A** For the 2010 calendar year, or tax year beginning **JUL 1, 2010** and ending **JUN 30, 2011**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>SHEPPARD PRATT HEALTH SYSTEM, INC.</b> Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>P.O. BOX 6815</b> City or town, state or country, and ZIP + 4 <b>BALTIMORE, MD 21285</b> <b>F</b> Name and address of principal officer: <b>PATRICIA PINKERTON</b> <b>SAME AS C ABOVE</b>	<b>D</b> Employer identification number <b>52-0591684</b> <b>E</b> Telephone number <b>410-938-3344</b> <b>G</b> Gross receipts \$ <b>191,758,035.</b> <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J</b> Website: ▶ <b>WWW.SHEPPARDPRATT.ORG</b>		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1938</b> <b>M</b> State of legal domicile: <b>MD</b>

<b>Part I Summary</b>				
	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>PROVIDE INPATIENT BEHAVIORAL HEALTH CARE. PROVIDE RELATED BEHAVIORAL, SPECIAL EDUCATION, AND</b>			
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
<b>Activities &amp; Governance</b>	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) .....	<b>3</b>	29	
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) .....	<b>4</b>	29	
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a) .....	<b>5</b>	2854	
	<b>6</b> Total number of volunteers (estimate if necessary) .....	<b>6</b>	559	
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 .....	<b>7a</b>	491,644.	
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 .....	<b>7b</b>	-271,784.	
	<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h) .....	<b>Prior Year</b>	<b>Current Year</b>
<b>9</b> Program service revenue (Part VIII, line 2g) .....		950,183.	1,716,698.	
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) .....		167,554,391.	171,625,182.	
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) .....		1,887,337.	2,054,791.	
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) .....		7,185,832.	7,247,543.	
		177,577,743.	182,644,214.	
<b>Expenses</b>		<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) .....	0.	0.
		<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) .....	0.	0.
		<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) .....	106,168,194.	110,607,149.
		<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) .....	0.	0.
		<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>645,221.</b>		
		<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) .....	66,266,910.	67,416,166.
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) .....	172,435,104.	178,023,315.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12 .....	5,142,639.	4,620,899.		
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16) .....	<b>Beginning of Current Year</b>	<b>End of Year</b>	
	<b>21</b> Total liabilities (Part X, line 26) .....	261,950,441.	274,821,990.	
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20 .....	170,392,608.	152,175,073.	
		91,557,833.	122,646,917.	

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer <b>PATRICIA PINKERTON, CFO</b> Type or print name and title	Date
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LORI S. BURGHAUSER</b>	Preparer's signature <b>LORI S. BURGHAUSER</b>
	Date <b>05/07/12</b>	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶ <b>SC&amp;H TAX &amp; ADVISORY SERVICES, LLC</b> Firm's address ▶ <b>910 RIDGEBROOK ROAD SPARKS, MD 21152</b>	Firm's EIN ▶ Phone no. <b>410-403-1500</b>

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

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>	Name of exempt organization <b>Sheppard Pratt Health System Inc.</b>	Employer identification number <b>52-0591684</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O. Box 6815</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Baltimore, MD 21285-6815</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ Donna Corbett

Telephone No. ▶ 410-938-3344 FAX No. ▶ 410-938-3340

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until February 15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year 20 \_\_\_\_ or  
 ▶  tax year beginning July 1, 20 10, and ending June 30, 20 11.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box  **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>Sheppard Pratt Health System Inc.</b>	Employer identification number (EIN) or <input checked="" type="checkbox"/> <b>52-0591684</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O.Box 6815</b>	Social security number (SSN) <input type="checkbox"/>
File by the due date for filing your return. See instructions.	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Baltimore, MD 21285-6815</b>	

Enter the Return code for the return that this application is for (file a separate application for each return)  0  1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- The books are in the care of **Donna Corbett**  
Telephone No. **410-938-3344** FAX No. **410-938-3340**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until May 15, 20 12.
- For calendar year \_\_\_\_\_, or other tax year beginning July 1, 20 10, and ending June 30, 20 11.
- If the tax year entered in line 5 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period
- State in detail why you need the extension  
Additional time is needed to file a complete and accurate return.

<b>8a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>8a</b>	\$	
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	<b>8b</b>	\$	
<b>c</b> <b>Balance due.</b> Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>8c</b>	\$	N/A

**Signature and Verification must be completed for Part II only.**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title VP/CEO Date 2-7-12

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission: SHEPPARD PRATT, A NOT-FOR-PROFIT BEHAVIORAL HEALTH SYSTEM, IS DEDICATED TO THE IMPROVEMENT OF QUALITY OF LIFE IN COMMUNITIES BY SERVING THE BEHAVIORAL HEALTH AND SPECIAL EDUCATION NEEDS OF INDIVIDUALS, FAMILIES AND ORGANIZATIONS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

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

4a (Code: ) (Expenses \$ 161789079. including grants of \$ ) (Revenue \$ 176356951.) SHEPPARD PRATT HEALTH SYSTEM PROVIDES INPATIENT BEHAVIORAL HEALTH CARE, OUTPATIENT/ANCILLARY CARE, RESIDENTIAL SERVICES, SPECIAL EDUCATION TO STUDENTS AND RESIDENCY TRAINING PROGRAMS.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

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

4e Total program service expenses 161,789,079.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> .....	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? .....	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> .....		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> .....	X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> .....		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> .....		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> .....		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> .....	X	
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> .....		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> .....	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> .....	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> .....	X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> .....		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> .....		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> .....	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> .....		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> .....		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i> .....	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> .....		X
14a Did the organization maintain an office, employees, or agents outside of the United States? .....		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i> .....		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> .....		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> .....		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> .....		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> .....	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> .....		X
20a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> .....	X	
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions) .....	X	

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

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....		X
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i> .....	X	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		X
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		X
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		X
<b>25a Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....		X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		X
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> .....		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> .....		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....	X	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....	X	
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> .....	X	
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? .....		X
<b>a</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O .....	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Input box for Schedule O response

Main table with columns for question number, description, sub-questions (1a-14b), Yes, and No. Includes entries for Form 1096 (3350), Form W-2G, and various tax compliance questions.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:; 8a The governing body?; 8b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
[ ] Own website [ ] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
DONNA CORBETT - (410) 938-3344
6501 NORTH CHARLES STREET, TOWSON, MD 21285

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

Check if Schedule O contains a response to any question in this Part VII

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

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
DR. W. BYRON FORBUSH CHAIRPERSON	1.00	X		X				0.	0.	0.
TIMOTHY R. HEARN VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
HONORABLE J. FREDERICK MOTZ VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
ALFRED SINGER VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
MARGARET ALLEN TRUSTEE	1.00	X						0.	0.	0.
EMILE A. BENDIT, M.D. TRUSTEE	1.00	X						0.	0.	0.
S. WINFIELD CAIN TRUSTEE	1.00	X						0.	0.	0.
JOHN E. CARNELL TRUSTEE	1.00	X						0.	0.	0.
LAURA GAMBLE TRUSTEE	1.00	X						0.	0.	0.
ALAN GAMSE TRUSTEE	1.00	X						0.	0.	0.
BOB HAMILTON TRUSTEE	1.00	X						0.	0.	0.
H. THOMAS HOWELL TRUSTEE	1.00	X						0.	0.	0.
KENNETH JONES TRUSTEE	1.00	X						0.	0.	0.
NORMA PEDEN KILLEBREW TRUSTEE	1.00	X						0.	0.	0.
DAVID W. KINKOPF TRUSTEE	1.00	X						0.	0.	0.
CHARLES E. KNUDSEN TRUSTEE	1.00	X						0.	0.	0.
ROBERT KRESSLEIN TRUSTEE	1.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
BRIAN LE GETTE TRUSTEE	1.00	X						0.	0.	0.
ANNETTE R. MARCH-GRIER TRUSTEE	1.00	X						0.	0.	0.
FRED F. MIRMIRAN TRUSTEE	1.00	X						0.	0.	0.
JENNIFER W. REYNOLDS TRUSTEE	1.00	X						0.	0.	0.
ROBERT SCHAFFTEL TRUSTEE	1.00	X						0.	0.	0.
GAIL L. SHAWE TRUSTEE	1.00	X						0.	0.	0.
JOHN W. STEELE, III TRUSTEE	1.00	X						0.	0.	0.
KATHLEEN KENNEDY TOWNSEND TRUSTEE	1.00	X						0.	0.	0.
ROGER A. WAESCHE JR. TRUSTEE	1.00	X						0.	0.	0.
<b>1b Sub-total</b>								0.	0.	0.
<b>c Total from continuation sheets to Part VII, Section A</b>								2,937,715.	0.	551,352.
<b>d Total (add lines 1b and 1c)</b>								2,937,715.	0.	551,352.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **41**

	Yes	No
3 Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
CENTER FOR EATING DISORDERS PA, 6535 N. CHARLES STREET, STE 300, BALTIMORE, MD	PROFESSIONAL FEES	1,892,721.
UNIVERSITY OF MARYLAND MEDICAL SYSTEM P.O. BOX 64468, BALTIMORE, MD 21264-4468	RESIDENCY TRAINING PROGRAM	1,862,060.
GREATER BALTIMORE MEDICAL CENTER 6701 N. CHARLES STREET, TOWSON, MD 21204	LAB FEES & OTHER CLINICAL SERVICES	1,758,507.
WORCESTER EISENBRANDT INC 2100 GABLE AVE, BALTIMORE, MD 21230	BUILDING CONTRACTOR	1,073,308.
RUPPERT LANDSCAPE, 23601 LAYTONSVILLE ROAD, LAYTONSVILLE, MD 20882	LANDSCAPING SERVICES	911,150.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **42**

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
SUSAN GAY WILLIAMS TRUSTEE	1.00	X					0.	0.	0.	
ALFRED A. WINDESHEIM TRUSTEE	1.00	X					0.	0.	0.	
PAMELA P. YOUNG, PH.D. TRUSTEE	1.00	X					0.	0.	0.	
STEVEN S. SHARFSTEIN, M.D. PRESIDENT & CEO	40.00			X			750,829.	0.	68,453.	
PATRICIA PINKERTON SECRETARY/TREASURER	40.00			X			378,365.	0.	65,706.	
STEPHANIE PROVENZA ASST SECRETARY	40.00			X			57,365.	0.	4,410.	
BONNIE KATZ VP CORP DEVELOPMENT	40.00				X		220,923.	0.	54,573.	
JAMES TRUSCELLO DIR DAY SCHOOL PROGRAMS	40.00				X		172,812.	0.	63,013.	
ERNESTINE COSBY VP CLINICAL SERVICES	40.00				X		161,027.	0.	64,608.	
M. THOMAS GRAHAM DIR MANN RES PROGRAM	40.00				X		157,518.	0.	14,445.	
STEVEN E. TUTTLE VP OF PHILANTHROPY	40.00				X		155,248.	0.	29,416.	
J. KENNETH WALTERS DIR OF PHARMACY	40.00					X	143,527.	0.	46,926.	
THOMAS HESS SPECIAL ASSISTANT TO THE PRESIDENT	40.00					X	139,794.	0.	39,886.	
SHERRY MCGRAW STAFF NURSE	40.00					X	139,118.	0.	3,357.	
AVERY DOVER DIR OF FINANCE	40.00					X	139,090.	0.	37,313.	
ERIKA WILMOTH UNIT MANAGER	40.00					X	136,460.	0.	59,246.	
DIANA RAMSAY FORMER EXECUTIVE VP & COO	0.00						185,639.	0.	0.	
Total to Part VII, Section A, line 1c .....							2,937,715.		551,352.	

**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a	962.				
	b	Membership dues	1b					
	c	Fundraising events	1c	135,752.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,579,984.				
	g	Noncash contributions included in lines 1a-1f: \$		40,728.				
	h	<b>Total.</b> Add lines 1a-1f		1,716,698.				
	Program Service Revenue	2 a	<b>PATIENT SERVICE REVENUE</b>	Business Code 621990	106329468.	106329468.		
b		<b>EDUCATIONAL SVC REVENUE</b>	611600	42382405.	42382405.			
c		<b>RTC/RESPITE REVENUE</b>	623000	15128823.	15128823.			
d		<b>RETREAT REVENUE</b>	621990	7,784,486.	7,784,486.			
e								
f		All other program service revenue						
g		<b>Total.</b> Add lines 2a-2f		171625182.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		1,070,188.			1070188.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	1393999.				
		b	Less: rental expenses					
		c	Rental income or (loss)	(ii) Personal	1393999.			
		d	Net rental income or (loss)		1,393,999.			1393999.
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	9980429.				
		b	Less: cost or other basis and sales expenses	(ii) Other	2,580.			
		c	Gain or (loss)		8990184.	8,222.		
		d	Net gain or (loss)		990,245.	-5,642.		
	8 a	Gross income from fundraising events (not including \$ 135,752. of contributions reported on line 1c). See Part IV, line 18						
	b	Less: direct expenses						
	c	Net income or (loss) from fundraising events						
	9 a	Gross income from gaming activities. See Part IV, line 19						
b	Less: direct expenses							
c	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances							
b	Less: cost of goods sold							
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code					
11 a	<b>OTHER OPERATING REVENUE</b>	900099	2,747,082.	2,037,596.		709,486.		
b	<b>INTERCORPORATE REVENUE</b>	900099	2,694,173.	2,694,173.				
c	<b>OTHER REVENUE - UNRELA</b>	900002	491,644.		491,644.			
d	All other revenue							
e	<b>Total.</b> Add lines 11a-11d		5,932,899.					
12	<b>Total revenue.</b> See instructions.		182644214.	176356951.	491,644.	4078921.		

**Part IX Statement of Functional Expenses**

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 .....				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 .....				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 .....				
4 Benefits paid to or for members .....				
5 Compensation of current officers, directors, trustees, and key employees .....	2,668,748.		2,468,709.	200,039.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
7 Other salaries and wages .....	84,521,124.	79,547,631.	4,730,932.	242,561.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) .....	6,316,510.	5,745,231.	542,493.	28,786.
9 Other employee benefits .....	10,767,286.	10,314,905.	443,670.	8,711.
10 Payroll taxes .....	6,333,481.	5,760,667.	543,950.	28,864.
11 Fees for services (non-employees):				
a Management .....				
b Legal .....	381,453.		381,453.	
c Accounting .....	332,374.		332,374.	
d Lobbying .....				
e Professional fundraising services. See Part IV, line 17 .....				
f Investment management fees .....				
g Other .....	12,073,313.	11,480,095.	583,311.	9,907.
12 Advertising and promotion .....	562,580.	447,811.	107,973.	6,796.
13 Office expenses .....	3,191,700.	2,599,762.	573,205.	18,733.
14 Information technology .....	1,851,037.	134,134.	1,716,903.	
15 Royalties .....				
16 Occupancy .....	9,416,380.	8,560,628.	786,924.	68,828.
17 Travel .....	379,543.	322,906.	53,777.	2,860.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings .....	256,995.	233,497.	23,340.	158.
20 Interest .....				
21 Payments to affiliates .....				
22 Depreciation, depletion, and amortization .....	11,876,749.	10,999,832.	866,893.	10,024.
23 Insurance .....	2,831,801.	2,831,801.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a <b>INTERCORPORATE</b> .....	8,045,206.	7,641,166.	404,040.	
b <b>REPAIRS AND MAINTENANCE</b> .....	4,232,559.	3,478,426.	754,133.	
c <b>SUPPLIES &amp; PHARMACEUTIC</b> .....	3,943,609.	3,923,199.	20,410.	
d <b>BAD DEBT</b> .....	3,256,318.	3,256,318.		
e <b>FOOD</b> .....	2,439,896.	2,429,965.	4,986.	4,945.
f All other expenses .....	2,344,653.	2,081,105.	249,539.	14,009.
25 <b>Total functional expenses.</b> Add lines 1 through 24f	178,023,315.	161,789,079.	15,589,015.	645,221.
26 <b>Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation .....				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	29,233,990.	<b>1</b>	29,762,754.	
	<b>2</b> Savings and temporary cash investments .....		<b>2</b>		
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>		
	<b>4</b> Accounts receivable, net .....	22,314,331.	<b>4</b>	24,487,384.	
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>		
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) .....		<b>6</b>		
	<b>7</b> Notes and loans receivable, net .....	191,442.	<b>7</b>	0.	
	<b>8</b> Inventories for sale or use .....		<b>8</b>		
	<b>9</b> Prepaid expenses and deferred charges .....	4,008,813.	<b>9</b>	3,948,173.	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 281,694,083.			
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 112,817,094.			
		161,565,449.	<b>10c</b>	168,876,989.	
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>		
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	38,067,175.	<b>12</b>	42,216,966.	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>		
	<b>14</b> Intangible assets .....		<b>14</b>		
<b>15</b> Other assets. See Part IV, line 11 .....	6,569,241.	<b>15</b>	5,529,724.		
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	261,950,441.	<b>16</b>	274,821,990.		
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	25,798,855.	<b>17</b>	26,073,720.	
	<b>18</b> Grants payable .....		<b>18</b>		
	<b>19</b> Deferred revenue .....		<b>19</b>		
	<b>20</b> Tax-exempt bond liabilities .....	97,165,868.	<b>20</b>	104,216,022.	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>		
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<b>22</b>		
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>		
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>		
	<b>25</b> Other liabilities. Complete Part X of Schedule D .....	47,427,885.	<b>25</b>	21,885,331.	
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	170,392,608.	<b>26</b>	152,175,073.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	<b>27</b> Unrestricted net assets .....	84,155,363.	<b>27</b>	114,363,327.	
	<b>28</b> Temporarily restricted net assets .....	4,498,316.	<b>28</b>	5,097,701.	
	<b>29</b> Permanently restricted net assets .....	2,904,154.	<b>29</b>	3,185,889.	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>		
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>		
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>		
	<b>33</b> Total net assets or fund balances .....	91,557,833.	<b>33</b>	122,646,917.	
<b>34</b> Total liabilities and net assets/fund balances .....	261,950,441.	<b>34</b>	274,821,990.		

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	182,644,214.
2	Total expenses (must equal Part IX, column (A), line 25)	2	178,023,315.
3	Revenue less expenses. Subtract line 2 from line 1	3	4,620,899.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	91,557,833.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	26,468,185.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	122,646,917.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

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

Form 990 (2010)

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

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

Open to Public Inspection

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I
  - b  Type II
  - c  Type III - Functionally integrated
  - d  Type III - Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? .....		
(ii) A family member of a person described in (i) above? .....		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? .....		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					<b>12</b>	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

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

<b>14</b> Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	%
<b>15</b> Public support percentage from 2009 Schedule A, Part II, line 14 .....	<b>15</b>	%
<b>16a 33 1/3% support test - 2010.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 33 1/3% support test - 2009.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2010.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2009.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input type="checkbox"/>

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>13 Total support</b> (Add lines 9, 10c, 11, and 12.)						

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

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

<b>15</b> Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2009 Schedule A, Part III, line 15 .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for <b>2010</b> (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2009</b> Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

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

OMB No. 1545-0047

**2010**

Name of the organization

Employer identification number

SHEPPARD PRATT HEALTH SYSTEM, INC.

52-0591684

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

**General Rule**

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

**Special Rules**

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

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

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

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization <b>SHEPPARD PRATT HEALTH SYSTEM, INC.</b>	Employer identification number <b>52-0591684</b>
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**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	WOMEN'S HOSPITAL FOUNDATION P.O. BOX 166 RIDERWOOD, MD 21139	\$ 310,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	GRETA FAIGEN 231 BRADLEY PLACE, SUITE 200 PALM BEACH, FL 33480	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	ANDREW J. WALTER 1431 BAY HEAD ROAD ANNAPOLIS, MD 21409	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	MARIA KILLINGSTAD 105 SCOTT DRIVE ANNAPOLIS, MD 21401	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	TAYLOR FOUNDATION, INC P.O. BOX 396 ELLCOTT CITY, MD 21041	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	MELISSA L. BERGE 1313 WESTERN RUN ROAD COCKEYSVILLE, MD 21030	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
SHEPPARD PRATT HEALTH SYSTEM, INC.	52-0591684

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	PATRICIA CASTILLO 800 SOUTHERLY ROAD BALTIMORE, MD 21286	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	BENNO AND ELAYNE HURWITZ FAMILY FOUNDATION, INC 100 EAST PRATT STREET, 26TH FLOOR BALTIMORE, MD 21202	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	THE MARION I. & HENRY J. KNOTT FOUNDATION 3904 HICKORY AVENUE BALTIMORE, MD 21211	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	THE LEONARD AND HELEN R. STULMAN FOUNDATION 6225 SMITH AVE BALTIMORE, MD 21209	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	THE BALTIMORE COMMUNITY FOUNDATION 2 EAST READ STREET, 9TH FLOOR BALTIMORE, MD 21202	\$ 38,750.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

<b>Name of organization</b>  SHEPPARD PRATT HEALTH SYSTEM, INC.	<b>Employer identification number</b>  52-0591684
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**Part II Noncash Property** (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____

<b>Name of organization</b>  SHEPPARD PRATT HEALTH SYSTEM, INC.	<b>Employer identification number</b>  52-0591684
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**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

For Organizations Exempt From Income Tax Under section 501(c) and section 527

**2010**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**

**Open to Public Inspection**

▶ **See separate instructions.**

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

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

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

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

**If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35a (Proxy Tax), then**

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

Name of organization <b>SHEPPARD PRATT HEALTH SYSTEM, INC.</b>	Employer identification number <b>52-0591684</b>
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ..... ▶ \$ \_\_\_\_\_
- 3 Volunteer hours ..... \_\_\_\_\_

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

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

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

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

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

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

- A Check  if the filing organization belongs to an affiliated group.  
 B Check  if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying) .....			
b Total lobbying expenditures to influence a legislative body (direct lobbying) .....			
c Total lobbying expenditures (add lines 1a and 1b) .....			
d Other exempt purpose expenditures .....			
e Total exempt purpose expenditures (add lines 1c and 1d) .....			
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
g Grassroots nontaxable amount (enter 25% of line 1f) .....			
h Subtract line 1g from line 1a. If zero or less, enter -0- .....			
i Subtract line 1f from line 1c. If zero or less, enter -0- .....			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....		<input type="checkbox"/> Yes	<input type="checkbox"/> No

**4-Year Averaging Period Under Section 501(h)**  
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2010

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

	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? .....		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		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		25,539.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? If "Yes," describe in Part IV .....	X		4,082.
<b>j</b> Total. Add lines 1c through 1i .....			29,621.
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? .....		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 .....			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

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

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

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

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

**Part IV** Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

**PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES:**

SHEPPARD PRATT RETAINS A LAW FIRM AS A REGISTERED LOBBYIST FOR \$25,539 TO KEEP THE ORGANIZATION INFORMED AS TO ANY NEW LEGISLATION THAT MAY IMPACT THE OPERATIONS OF THE HOSPITAL. SHEPPARD PRATT ALSO PAYS DUES TO THE MARYLAND HOSPITAL ASSOCIATION. A PORTION OF THOSE DUES (\$4,082) ARE USED FOR LOBBYING ACTIVITIES.

**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

Open to Public  
Inspection

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number

52-0591684

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

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

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

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

Preservation of land for public use (e.g., recreation or education)       Preservation of an historically important land area

Protection of natural habitat       Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....

Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....

Yes  No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 .....

▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X .....

▶ \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 .....

▶ \$ \_\_\_\_\_

b Assets included in Form 990, Part X .....

▶ \$ \_\_\_\_\_

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

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

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

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

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

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

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

	Amount
c Beginning balance	<b>1c</b>
d Additions during the year	<b>1d</b>
e Distributions during the year	<b>1e</b>
f Ending balance	<b>1f</b>

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,904,154.	2,902,654.	2,672,119.		
b Contributions	281,735.	1,500.	230,535.		
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	3,185,889.	2,904,154.	2,902,654.		

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment  \_\_\_\_\_ %
- b Permanent endowment  100.00 %
- c Term endowment  \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(ii) related organizations	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		15,462,217.		15,462,217.
b Buildings		208,506,465.	77,197,659.	131,308,806.
c Leasehold improvements				
d Equipment		49,314,550.	31,203,092.	18,111,458.
e Other		8,410,851.	4,416,343.	3,994,508.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				<b>168,876,989.</b>

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other		
(A) INVESTMENTS LIMITED OR		
(B) RESTRICTED A	42,216,966.	END-OF-YEAR MARKET VALUE
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	<b>42,216,966.</b>	

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) SELF-INSURANCE LIABILITY	6,593,021.
(3) CAPITAL LEASE OBLIGATIONS	5,549,529.
(4) ACCRUED PENSION LIABILITY	5,836,206.
(5) DUE TO AFFILIATES	3,906,575.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	<b>21,885,331.</b>

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	182,644,214.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	178,023,315.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	4,620,899.
4	Net unrealized gains (losses) on investments	4	3,053,181.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	23,415,004.
9	Total adjustments (net). Add lines 4 through 8	9	26,468,185.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	31,089,084.

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

1	Total revenue, gains, and other support per audited financial statements	1	186,399,950.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	2,381,527.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	3,288,386.
e	Add lines 2a through 2d	2e	5,669,913.
3	Subtract line 2e from line 1	3	180,730,037.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	1,914,177.
c	Add lines 4a and 4b	4c	1,914,177.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	182,644,214.

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

1	Total expenses and losses per audited financial statements	1	180,640,059.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	2,616,744.
e	Add lines 2a through 2d	2e	2,616,744.
3	Subtract line 2e from line 1	3	178,023,315.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	178,023,315.

**Part XIV Supplemental Information**

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

**PART III, LINE 4: THE ART COLLECTION OF SHEPPARD PRATT EXEMPLIFIES THE**

**HEALING ASPECTS OF ART, BOTH FOR THE CREATOR AND THE OBSERVER. THIS**

**UNIQUELY THEMED COLLECTION CELEBRATES THE CAPACITY FOR ARTISTIC ENDEAVOR**

**TO TRANSCEND AND TRIUMPH OVER MENTAL ILLNESS AND ADDICTION.**

**PART XI, LINE 8 - OTHER ADJUSTMENTS:**

**TRANSFERS FROM AFFILIATES 3,271,791.**

**CHANGE IN PENSION LIABILITY 21,837,835.**

**Part XIV** Supplemental Information (continued)

IMPAIRMENT OF GOODWILL	-1,618,264.
INTEREST IN NET ASSETS OF FOUNDATION	-76,358.
TOTAL TO SCHEDULE D, PART XI, LINE 8	23,415,004.

## PART XII, LINE 2D - OTHER ADJUSTMENTS:

PHYSICIANS PA OVERHEAD RECOVERY ALLOCATION	2,611,102.
NET ASSETS RELEASED FROM RESTRICTION	677,284.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	3,288,386.

## PART XII, LINE 4B - OTHER ADJUSTMENTS:

RESTRICTED CONTRIBUTIONS	1,202,343.
INVESTMENT INCOME ON TEMPORARILY RESTRICTED ASSETS	105,821.
REALIZED GAIN ON TEMPORARILY RESTRICTED ASSETS	176,655.
LOSS ON SALE OF ASSETS	-5,642.
GIFTS RECEIVED ON BEHALF OF AFFILIATE	435,000.
TOTAL TO SCHEDULE D, PART XII, LINE 4B	1,914,177.

## PART XIII, LINE 2D - OTHER ADJUSTMENTS:

PHYSICIANS PA OVERHEAD RECOVERY ALLOCATION	2,611,102.
LOSS ON SALE OF ASSETS	5,642.
TOTAL TO SCHEDULE D, PART XIII, LINE 2D	2,616,744.

PARTS XI, XII, AND XIII RECONCILE TO SEPARATE COMPANY FINANCIAL STATEMENTS  
OF SHEPPARD PRATT HEALTH SYSTEM, INC.



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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		CARE FOR KIDS		NONE	
		(event type)	(event type)	(total number)	
Revenue	<b>1</b> Gross receipts .....	171,812.			171,812.
	<b>2</b> Less: Charitable contributions .....	135,752.			135,752.
	<b>3</b> Gross income (line 1 minus line 2) .....	36,060.			36,060.
Direct Expenses	<b>4</b> Cash prizes .....				
	<b>5</b> Noncash prizes .....				
	<b>6</b> Rent/facility costs .....	20,229.			20,229.
	<b>7</b> Food and beverages .....	8,750.			8,750.
	<b>8</b> Entertainment .....	66,000.			66,000.
	<b>9</b> Other direct expenses .....	20,436.			20,436.
	<b>10</b> Direct expense summary. Add lines 4 through 9 in column (d) .....				( 115,415 )
	<b>11</b> Net income summary. Combine line 3, column (d), and line 10 .....				-79,355.

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

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

**9** Enter the state(s) in which the organization operates gaming activities: \_\_\_\_\_  
**a** Is the organization licensed to operate gaming activities in each of these states?  Yes  No  
**b** If "No," explain: \_\_\_\_\_

**10a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
**b** If "Yes," explain: \_\_\_\_\_



**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2010**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.  
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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

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

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

<b>7 Financial Assistance and Certain Other Community Benefits at Cost</b>						
<b>Financial Assistance and Means-Tested Government Programs</b>	<b>(a)</b> Number of activities or programs (optional)	<b>(b)</b> Persons served (optional)	<b>(c)</b> Total community benefit expense	<b>(d)</b> Direct offsetting revenue	<b>(e)</b> Net community benefit expense	<b>(f)</b> Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheets 1 and 2) .....			1992342.		1992342.	1.14%
<b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a) .....						
<b>c</b> Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b) .....						
<b>d Total</b> Financial Assistance and Means-Tested Government Programs .....			1992342.		1992342.	1.14%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .....			37,324.		37,324.	.02%
<b>f</b> Health professions education (from Worksheet 5) .....			68,760.		68,760.	.04%
<b>g</b> Subsidized health services (from Worksheet 6) .....			318,679.	41,405.	277,274.	.16%
<b>h</b> Research (from Worksheet 7) .....						
<b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8) .....			64,622.		64,622.	.04%
<b>j Total.</b> Other Benefits .....			489,385.	41,405.	447,980.	.26%
<b>k Total.</b> Add lines 7d and 7j .....			2481727.	41,405.	2440322.	1.40%





**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: N/A

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

	Yes	No
<b>Community Health Needs Assessment</b> (Lines 1 through 7 are optional for 2010)		
<b>1</b> During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	<b>1</b>	
If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a <input type="checkbox"/> A definition of the community served by the hospital facility		
b <input type="checkbox"/> Demographics of the community		
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input type="checkbox"/> How data was obtained		
e <input type="checkbox"/> The health needs of the community		
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess all of the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
<b>2</b> Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____		
<b>3</b> In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	<b>3</b>	
<b>4</b> Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	<b>4</b>	
<b>5</b> Did the hospital facility make its Needs Assessment widely available to the public?	<b>5</b>	
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
<b>6</b> If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d <input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
<b>7</b> Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	<b>7</b>	
<b>Financial Assistance Policy</b>		
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
<b>8</b> Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	<b>8</b>	
<b>9</b> Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?	<b>9</b>	
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %		

**Part V Facility Information** (continued) N/A

		Yes	No
<b>10</b>	Used FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? .....		
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %		
<b>11</b>	Explained the basis for calculating amounts charged to patients? .....		
	If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a	<input type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
<b>12</b>	Explained the method for applying for financial assistance? .....		
<b>13</b>	Included measures to publicize the policy within the community served by the hospital facility? .....		
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a	<input type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Part VI)		

**Billing and Collections**

<b>14</b>	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?		
<b>15</b>	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other actions (describe in Part VI)		
<b>16</b>	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year? .....		
	If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other actions (describe in Part VI)		
<b>17</b>	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply): .....		
a	<input type="checkbox"/> Notified patients of the financial assistance policy on admission		
b	<input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c	<input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d	<input type="checkbox"/> Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance		
e	<input type="checkbox"/> Other (describe in Part VI)		

**Part V Facility Information** (continued) N/A

**Policy Relating to Emergency Medical Care**

**18** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? .....

	Yes	No
<b>18</b>		

If "No," indicate the reasons why (check all that apply):

- a**  The hospital facility did not provide care for any emergency medical conditions
- b**  The hospital facility did not have a policy relating to emergency medical care
- c**  The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d**  Other (describe in Part VI)

**Charges for Medical Care**

**19** Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):

- a**  The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
- b**  The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
- c**  The hospital facility used the Medicare rate for those services
- d**  Other (describe in Part VI)

**20** Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? .....

If "Yes," explain in Part VI.

**21** Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient? .....

If "Yes," explain in Part VI.

<b>20</b>		
<b>21</b>		

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

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 15

Name and address	Type of Facility (describe)
1 JEFFERSON RESIDENTIAL TREATMENT CENTE 2940 POINT OF ROCKS ROAD, P.O. BOX 9 JEFFERSON, MD 21755	LICENSED RESIDENTIAL TREATMENT CENTER
2 BERKELEY AND ELEANOR MANN RESIDENTIAL 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	THERAPEUTIC EDUCATIONAL AND RECREATIONAL PROGRAM
3 MANN RESPITE 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	24-HOUR THERAPEUTIC LIVING ENVIRONMENT
4 JEFFERSON SCHOOL 2940 POINT OF ROCKS ROAD, P.O. BOX 9 JEFFERSON, MD 21755	FULL DAY AND RESIDENTIAL SPECIAL EDUCATION SCHOOL
5 FORBUSH SCHOOL AT GLYNDON 407 CENTRAL AVENUE REISTERSTOWN, MD 21136	ACCREDITED SPECIAL EDUCATION FACILITY
6 FORBUSH SCHOOL AT HUNT VALLEY 11201 PEPPER ROAD HUNT VALLEY, MD 21031	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
7 FORBUSH SCHOOL AT WESTMINSTER 1135 BUSINESS PARKWAY SOUTH, SUITE 50 WESTMINSTER, MD 21157	NON-PUBLIC ELEMENTARY/MIDDLE SCHOOL
8 FROST SCHOOL 4915 ASPEN HILL ROAD ROCKVILLE, MD 20853	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
9 JEFFERSON SCHOOL AT FINAN 10102 COUNTRY CLUB ROAD SOUTHEAST CUMBERLAND, MD 21501	SCHOOL SERVES STUDENTS WITH EMOTIONAL DISTURBANCES AND WITH AUTISM
10 FROST SCHOOL - OAKMONT PROGRAM - PRIM 4915 ASPEN HILL RD. ROCKVILLE, MD 20853	A 12-MONTH DAY SCHOOL FOR STUDENT AGES 5 TO 15 WITH AUTISM

**Part V Facility Information** (continued)

**Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? \_\_\_\_\_

Name and address	Type of Facility (describe)
11 FORBUSH SCHOOL AT OAKMONT - UPPER 610 EAST DIAMOND AVENUE GAITHERSBURG, MD 20877	A 12-MONTH DAY SCHOOL FOR STUDENTS WITH AUTISM
12 FORBUSH THERAPEUTIC PRESCHOOL AT TOWS 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	SPECIAL EDUCATION AND RELATED SERVICES
13 FORBUSH SCHOOL AT ANNE ARUNDEL 648 OLD MILL ROAD MILLERSVILLE, MD 21108	SPECIAL EDUCATION AND RELATED SERVICES
14 FORBUSH SCHOOL AT PRINCE GEORGE'S COU 4949 ADDISON ROAD CAPITAL HEIGHTS, MD 20743	FIVE CLASSROOMS SERVING CHILDREN WITH AUTISM IN A PUBLIC SCHOOL SETTING
15 THE RETREAT AT SHEPPARD PRATT 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	16-BED LICENSED ASSISTED LIVING PROGRAM

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

**PART I, LINE 3C: SHEPPARD PRATT HEALTH SYSTEM'S FINANCIAL ASSISTANCE PROGRAM USES 200% OF THE FEDERAL POVERTY GUIDELINES TO DETERMINE ELIGIBILITY FOR FINANCIAL AID.**

**PART I, LINE 7: RATIO OF COST TO CHARGES, AS CALCULATED IN THE FILED MEDICARE COST REPORT, WAS THE METHODOLOGY USED IN CALCULATING ITEMS LISTED IN PART I, LINE 7.**

**PART I, LN 7A COL(D): MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING PROCESS AND ALL PAYORS PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. THERE IS A GOVERNMENTAL CARVE-OUT FOR PSYCHIATRIC HOSPITALS. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.**

**Part VI** Supplemental Information

PART I, LINE 7F COL(D): MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING PROCESS AND ALL PAYORS PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. THERE IS A GOVERNMENTAL CARVE-OUT FOR PSYCHIATRIC HOSPITALS. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7G: RESIDENTS OUTPATIENT CLINIC: IN FY 2011, SHEPPARD PRATT'S RESIDENCY TRAINING PROGRAM CONTINUED TO OFFER THE RESIDENTS' OUTPATIENT CLINIC. SERVICES ARE PROVIDED FREE OF CHARGE OR FOR A SMALL CO-PAY. DURING FY 2011, THE PROGRAM PROVIDED A TOTAL OF 1,981 SERVICES TO 189 CLIENTS.

TELEPSYCHIATRY PROVIDED TO RURAL REGIONS OF MARYLAND: SHEPPARD PRATT'S TELEBEHAVIORAL SERVICES PROGRAM PROVIDES BOTH TELEHEALTH (DISTANCE PROFESSIONAL EDUCATION) AND TELEPSYCHIATRY (REAL-TIME PSYCHIATRIC SERVICES). UTILIZING VIDEOCONFERENCING EQUIPMENT, SHEPPARD PRATT PROVIDES PSYCHIATRIC TREATMENT SERVICES TO PROGRAMS LOCATED IN FEDERALLY-DESIGNATED MEDICALLY UNDERSERVED AREAS AS WELL AS MENTAL HEALTH PROVIDER SHORTAGE AREAS. IN FY 2011, 292 CLIENTS WERE PROVIDED WITH 1,367 HOURS OF TELEPSYCHIATRY SERVICE. PREVIOUS TO THE TELEPSYCHIATRY SERVICE, MANY CLIENTS WERE FORCED TO USE AREA EMERGENCY ROOMS AFTER THEIR SYMPTOMS BECAME OVERWHELMING. ADDITIONALLY, SHEPPARD PRATT'S TELEHEALTH COMPONENT HAS PROVIDED RURAL PROVIDERS ACCESS TO SHEPPARD PRATT'S COMPLIMENTARY FY 2011 PROFESSIONAL EDUCATION. THIRTY-ONE WEDNESDAY LECTURE SESSIONS WERE

**Part VI Supplemental Information**

PROVIDED AND 797 CLINICAL PROFESSIONALS ACCESSED THESE FREE CME SESSIONS.

PART I, LN 7 COL(F): THE PORTION OF BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25 AND REMOVED FROM LINE 7 COLUMN F IS \$3,256,318.

PART II: COMMUNITY SUPPORT:

SHEPPARD PRATT STRIVES TO MEET THE MENTAL HEALTH NEEDS OF A DIVERSE COMMUNITY THROUGH THE FLEXIBILITY OF TRADITIONAL TREATMENT MODALITIES COMBINED WITH COMMUNITY BENEFIT PROGRAMMING SO THAT THE MOST VULNERABLE OF OUR SOCIETY HAVE ACCESS TO INFORMATION, ACTIVITIES AND/OR TREATMENT. DUE TO THE SENSITIVITY OF THE SUBJECT MATTER AND WHILE UNDERSTANDING THE BURDEN SOME PEOPLE LABOR UNDER IN ASKING FOR INFORMATION, SHEPPARD PRATT HAS WORKED DILIGENTLY TO PROVIDE ACCESS THROUGH MANY LEVELS FROM FREELY AVAILABLE INFORMATION ON THE INTERNET TO PUBLIC MEETINGS AND PROFESSIONAL SCREENINGS.

SHEPPARD PRATT HEALTH SYSTEM ATTENDS LOCAL, REGIONAL AND NATIONAL CONFERENCES IN ORDER TO REACH A BROAD SPECTRUM OF THE COMMUNITY WITH GENERAL PSYCHIATRIC EDUCATIONAL LITERATURE. IN FY 2011, SHEPPARD PRATT PROVIDED EDUCATIONAL INFORMATION TO THE COMMUNITY BY ATTENDING 23 CONFERENCES THEREBY REACHING OVER 3,000 CONFERENCE ATTENDEES. SHEPPARD PRATT'S MOBILE CRISIS TEAM RESPONDS TO MENTAL HEALTH EMERGENCIES IN HARFORD COUNTY, MARYLAND AT LOCATIONS OF OCCURRENCE, SUCH AS HOMES, WORK, AND SCHOOLS. THE PROGRAM WORKS TO AVERT UNNECESSARY VISITS TO HOSPITAL EMERGENCY ROOMS. CLINICAL TEAMS PROVIDE ON-SITE ASSESSMENTS AND CRISIS STABILIZATION THROUGH THERAPEUTIC INTERVENTIONS. THE PROGRAM ALSO PROVIDES ACCESS TO OUTPATIENT COUNSELING AND REHABILITATIVE SERVICES. TRAINING IS ALSO PROVIDED TO LAW ENFORCEMENT OFFICERS. IN FY 2011, THE

**Part VI** Supplemental Information

PROGRAM SERVED 4,467 INDIVIDUALS THROUGH A VARIETY OF SERVICES AND EVENTS SUCH AS CLINICAL CALLS, POLICE CALLS, AND COMMUNITY EDUCATIONAL EVENTS.

REGARDING NUTRITION AND A HEALTHY LIFESTYLE IN THE COMMUNITY, SHEPPARD PRATT ATTENDED MORE THAN 80 EVENTS WHERE INFORMATION WAS PROVIDED ON WELLNESS, GOOD NUTRITION, BODY IMAGE AS WELL AS MEDIA LITERACY AS IT IMPACTS THE DIET AND HEALTH OF TODAY'S YOUTH. THIS COUNT INCLUDES A FREE WEEKLY SUPPORT GROUP FOR ANYONE CONCERNED ABOUT THEIR OWN NUTRITIONAL HABITS OR THOSE OF A LOVED ONE. APPROXIMATELY 2,600 PEOPLE TOOK ADVANTAGE OF THESE FREE EVENTS IN FY 2011.

SHEPPARD PRATT'S WEB SITE RECEIVED 673,000 VISITS IN FY 2011; VISITORS HAVE FREE ACCESS TO MENTAL HEALTH ARTICLES AND LINKS TO OTHER GENERAL, NON-PROFIT MENTAL HEALTH RESOURCES.

IN FY 2011, APPROXIMATELY 2,560 REQUESTS FOR MAILED LITERATURE WERE ALSO FULFILLED. A SAMPLE OF LITERATURE TOPICS INCLUDES: "A PARENT'S GUIDE TO CHILDHOOD AND ADOLESCENCE" AND "AGING MATTERS".

A TOTAL OF TEN FREE COMMUNITY EDUCATIONAL EVENTS WERE SPONSORED BY SHEPPARD PRATT IN FY 2011. DETAILS ON SEVERAL ARE PROVIDED BELOW.

-ANNUAL OPEN FORUM IN OCTOBER 2010: MS. ROSALYN CARTER PRESENTED TO THE COMMUNITY ON MENTAL HEALTH ISSUES THAT PERSIST IN OUR NATION TODAY AS WELL AS HOW TO END THE CRISIS.

-NATIONAL EATING DISORDERS AWARENESS WEEK: ON FEBRUARY 20, 2011 SHEPPARD PRATT HOSTED AUTHOR JOHANNA S. KANDEL, AUTHOR OF LIFE BEYOND YOUR EATING DISORDER, TO KICK OFF EATING DISORDERS AWARENESS WEEK. MS. KANDEL'S PRESENTATION WAS FREE AND OPEN TO THE PUBLIC. SHE SHARED HER EXPERIENCE

**Part VI** Supplemental Information

AND INSIGHTS WITH INDIVIDUALS WHO ARE PRESENTLY WORKING TO OVERCOME THEIR ILLNESS.

-SHEPPARD PRATT'S SPEAKERS BUREAU ARRANGES FOR MENTAL HEALTH-RELATED PRESENTATIONS TO INTERESTED GROUPS THROUGHOUT THE COMMUNITY.

-SHEPPARD PRATT ALSO OFFERS ASSISTANCE TO INPATIENTS AS THEY APPLY FOR MEDICARE AND MEDICAID BENEFITS WHICH WILL ASSIST THEM IN MAINTAINING TREATMENT COMPLIANCE POST-DISCHARGE BY LOWERING THE COST OF DOCTOR APPOINTMENTS AND MEDICATIONS. DURING FY 2011, APPROXIMATELY 104 INPATIENTS RECEIVED ASSISTANCE IN COORDINATING THEIR APPLICATIONS. WITHOUT THIS SUPPORT, IT IS LIKELY MANY OF THESE INDIVIDUALS MAY NOT HAVE BEEN ABLE TO CONTINUE IN OUTPATIENT TREATMENT AND WOULD HAVE FALLEN BACK INTO THE NEED FOR INPATIENT CARE.

LEADERSHIP DEVELOPMENT AND TRAINING FOR THE COMMUNITY:

IN FY 2011, SHEPPARD PRATT CONTINUED TO SERVE AS THE TRAINING RESOURCE FOR POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS (PBIS), A GRANT-FUNDED PROGRAM PROVIDED IN PARTNERSHIP WITH THE MARYLAND DEPARTMENT OF EDUCATION AND JOHNS HOPKINS UNIVERSITY'S CENTER FOR PREVENTION OF YOUTH VIOLENCE. THROUGH THIS PROGRAM, EDUCATORS ARE TRAINED IN THE PBIS METHOD WHICH ENHANCES THE CAPACITY OF SCHOOL STAFF TO EDUCATE CHILDREN IN A SAFER AND MORE EFFECTIVE ENVIRONMENT. IN FY 2011, TRAINING WAS PROVIDED TO 3,590 COACHES AND EDUCATORS. THE WORK OF PBIS' NATIONAL TECHNICAL ASSISTANCE CENTER CONTINUED PREVIOUS YEARS' EFFORT WITH 16,000 SCHOOLS ACROSS THE COUNTRY AND LAUNCHED A WIKI SITE WHICH ALLOWS STATE AND DISTRICT LEVEL IMPLEMENTERS AND TRAINERS FAST ACCESS TO PBIS RESOURCES AND MATERIALS. ONGOING TECHNICAL ASSISTANCE WAS PROVIDED TO SIX STATE TEAMS.

**Part VI** Supplemental Information

## COALITION BUILDING:

CORPORATE VOLUNTEERISM IS A CRITICAL VALUE AT SHEPPARD PRATT AND ALLOWS FOR COALITION BUILDING OPPORTUNITIES. SHEPPARD PRATT LEVERAGES ITS COALITION RELATIONSHIPS TO SHARE ITS KNOWLEDGE AND EXPERIENCE WITH OTHER, SMALLER NON-PROFIT ORGANIZATIONS. EXECUTIVE AND MANAGEMENT STAFF PARTICIPATE ON VARIOUS COMMUNITY BOARDS WHOSE MISSIONS ARE DEDICATED TO IMPROVING QUALITY OF LIFE FOR ALL THEY SERVE. WHILE IN VOLUNTEER SERVICE TO LOCAL AND NATIONAL NON-PROFIT ORGANIZATIONS, SHEPPARD PRATT STAFF ALSO HAVE THE OPPORTUNITY TO GATHER IMPORTANT NEEDS ASSESSMENT DATA CRITICAL TO THE DEVELOPMENT OF COMMUNITY BENEFIT PROGRAMMING.

## WORKFORCE DEVELOPMENT:

SHEPPARD PRATT PARTICIPATES ANNUALLY IN A NURSING SCHOLARSHIP FUND FOR A DESERVING TOWSON UNIVERSITY FRESHMAN INTERESTED IN A HEALTH CARE CAREER. ALONG WITH AREA HOSPITAL AND UNIVERSITY PARTNERS, SHEPPARD PRATT CONTRIBUTES \$4,000 PER YEAR WHICH COMBINES WITH THE PARTNERS TO PROVIDE \$16,000 IN SCHOLARSHIP FUNDING.

## OTHER:

A PORTION OF SHEPPARD PRATT'S WEB SITE IS DEVOTED TO PUBLICIZING THE ART (THE COLLECTION) AND THE HISTORY (THE GIBSON MUSEUM AND EVOLUTION OF TREATMENT AREA) OF MENTAL HEALTH CARE AND TREATMENT IN OUR SOCIETY. THIS YEAR A NEW, OUTDOOR DISPLAY WAS ADDED: THE WALKING TOUR OF SHEPPARD PRATT. EACH INSTALLATION IS DESIGNED TO EDUCATE THE PUBLIC REGARDING THE HISTORY AND TREATMENT OF MENTAL HEALTH THROUGHOUT TIME IN ORDER TO REDUCE THE STIGMA OF MENTAL ILLNESS.

THE COLLECTION OF SHEPPARD PRATT IS COMPRISED OF THE WORKS OF NEARLY

**Part VI** Supplemental Information

100 PROFESSIONALLY TRAINED ARTISTS WHOSE LIFE EXPERIENCES HAVE BEEN IMPACTED BY MENTAL ILLNESS OR ADDICTIONS. THE COLLECTION IS DISPLAYED THROUGHOUT THE PUBLIC AREAS OF THE MAIN CAMPUS WITH A SELF GUIDED PROGRAM AVAILABLE.

THE GIBSON MUSEUM TELLS THE STORY OF THE EVOLUTION OF SHEPPARD PRATT AS ONE OF AMERICA'S FOREMOST PRIVATE PSYCHIATRIC HOSPITALS AND IS OPEN TO THE PUBLIC.

THE EVOLUTION OF TREATMENT PANEL DISPLAY IS COMPRISED OF GRAPHIC DISPLAYS RECOUNTING THE HISTORY OF TREATMENT OF INDIVIDUALS WITH MENTAL ILLNESS FROM ROMAN TIMES THROUGH MODERN DAY. INSTALLED IN A WELL-TRAVELED PUBLIC CORRIDOR, THE DISPLAY IS VIEWED BY PATIENTS, FAMILIES, AND VISITORS.

THE WALKING TOUR WAS OPENED TO THE PUBLIC IN THE SPRING OF 2011 AND TRACES THE HOSPITAL'S EARLY HISTORY. THE ONE-MILE TOUR ENCOMPASSES THIRTEEN STATIONS MARKED BY PANELS ILLUSTRATING HOW PARTICULAR BUILDINGS AND EXTERIOR SPACES WERE USED.

PART III, LINE 4: SHEPPARD PRATT HEALTH SYSTEM'S BAD DEBT AND CHARITABLE WRITE OFF POLICY OUTLINES THE PROCESS BY WHICH THE SYSTEM COLLECTS AND ACTS UPON PATIENT'S FINANCIAL HARDSHIP INFORMATION INCLUDING ACCESS TO SHEPPARD PRATT'S FINANCIAL AID PROCESS. THE HEALTH SYSTEM DOES NOT CHARGE INTEREST, LATE FEES, OR PENALTIES ON ANY ACCOUNTS AND DOES NOT PERMIT COLLECTION AGENCIES TO REPORT ACCOUNTS TO CREDIT REPORTING AGENCIES.

**Part VI** Supplemental Information

PART III, LINE 8: UNDER THE NEW MEDICARE PROSPECTIVE PAYMENT SYSTEM, MEDICARE PAYS SHEPPARD PRATT LESS THAN ITS COST AS SUPPORTED BY THE FINAL FILED FISCAL 2011 COST REPORT. SHEPPARD PRATT TREATS ALL MEDICALLY APPROPRIATE MEDICARE PATIENTS AS REQUIRED BY THE CONDITIONS OF PARTICIPATION AND EMTALA.

PART III, LINE 9B: SHEPPARD PRATT HEALTH SYSTEM'S BAD DEBT AND CHARITABLE WRITE OFF POLICY OUTLINES THE PROCESS BY WHICH THE SYSTEM COLLECTS AND ACTS UPON PATIENT'S FINANCIAL HARDSHIP INFORMATION INCLUDING ACCESS TO SHEPPARD PRATT'S FINANCIAL AID PROCESS. THE HEALTH SYSTEM DOES NOT CHARGE INTEREST, LATE FEES, OR PENALTIES ON ANY ACCOUNTS AND DOES NOT PERMIT COLLECTION AGENCIES TO REPORT ACCOUNTS TO CREDIT REPORTING AGENCIES.

PART VI, LINE 2: SHEPPARD PRATT UTILIZES A NEEDS ASSESSMENT PROCESS WITH INPUT GATHERED INFORMALLY FROM THE COMMUNITY, PROFESSIONALS, LOCAL AND NATIONAL ADVOCACY AGENCIES, AND SHEPPARD PRATT'S BOARD OF TRUSTEES. THE HEALTH SYSTEM IS IN THE PRELIMINARY STAGES OF A JOINTLY-COMMISSIONED NEEDS ASSESSMENT VENTURE WITH TWO NEIGHBORING HEALTH CARE FACILITIES.

SHEPPARD PRATT'S COMMUNITY ADVISORY COUNCIL WAS RECENTLY TRANSITIONED TO A COMMUNITY CONSUMER COUNCIL WITH ROBUST REPRESENTATION FROM THE COMMUNITY. THIS GROUP REFLECTS THE CULTURAL, SOCIOECONOMIC AND ETHNIC PROFILE OF THE COMMUNITIES SERVED. THE COUNCIL PROVIDES A VEHICLE FOR COMMUNITY MEMBERS TO PROVIDE FEEDBACK DIRECTLY TO THE EXECUTIVE OFFICERS AND THE BOARD OF TRUSTEES ON THE HEALTH SYSTEM'S CURRENT AND FUTURE SERVICES. DURING FY2011, MEETING MONTHLY, THIRTEEN VOLUNTEER COMMUNITY COUNCIL MEMBERS AND

**Part VI Supplemental Information**

EIGHT HEALTH SYSTEM STAFF PARTICIPATED IN PLANNING, ADVOCACY, AND COMMUNICATION REGARDING COMMUNITY NEEDS AND THE CORRESPONDING HEALTH SYSTEM PROGRAMMING.

THE HEALTH SYSTEM'S PROFESSIONAL EDUCATION DEPARTMENT COLLECTS INFORMATION SPECIFIC TO PROFESSIONAL EDUCATIONAL NEEDS FROM COMMUNITY PROVIDERS USING CONTINUING EDUCATION SURVEYS, FOCUS GROUPS, AND ON-LINE SURVEYS. THIS COLLECTIVE DATA IDENTIFIES AND DEFINES AREAS OF KNOWLEDGE, COMPETENCY AND PERFORMANCE GAPS WHERE PROVIDERS WILL BENEFIT FROM FOCUSED PROFESSIONAL EDUCATION SESSIONS. UTILIZING THIS DATA SHEPPARD PRATT'S WEDNESDAY LECTURE SERIES TARGETS THE PERFORMANCE GAPS TO IMPROVE OR CHANGE PROFESSIONAL PRACTICE OR ENHANCE CURRENT COMPETENCIES. ADDITIONALLY, SURVEY DATA ILLUMINATES AREAS OF EDUCATION OR SERVICE THAT MAY BE LACKING IN THE COMMUNITY.

SHEPPARD PRATT'S ADVOCACY WITH LOCAL AND NATIONAL CARE AGENCIES IS ANOTHER METHOD FOR GATHERING INFORMATION REGARDING SERVICES LACKING FOR OVERLOOKED OR NICHE POPULATIONS SUCH AS ADOLESCENTS SUFFERING FROM AUTISTIC SPECTRUM DISORDERS AND RESIDENTIAL OR SCHOOL SERVICES.

ADDITIONALLY, ALL SHEPPARD PRATT SERVICE PROGRAMS ROUTINELY SURVEY PATIENTS, RESULTING IN DATA INDICATING IMPORTANT TREATMENT GAPS. CALLS TO THE THERAPY REFERRAL PROGRAM PROVIDE INFORMATION ON SERVICE NEEDS IN THE COMMUNITY WHICH ARE OTHERWISE NOT BEING FULFILLED. THIS METHOD RESULTED IN THE OPENING OF THE CRISIS WALK-IN CLINIC AS WELL AS A SPECIALTY INTENSIVE OUTPATIENT PROGRAM (CRISIS REFERRAL OUTPATIENT PROGRAM) SPECIFICALLY DESIGNED TO HELP BRIDGE PEOPLE AS THEY TRANSITION FROM INPATIENT TO OUTPATIENT CARE.

**Part VI** Supplemental Information

SHEPPARD PRATT'S VOLUNTEER BOARD OF TRUSTEES PARTICIPATES IN BI-MONTHLY MEETINGS, ANNUALLY IN STRATEGIC PLANNING INITIATIVES, AS WELL AS IN PROGRAM-SPECIFIC COMMITTEE PROJECTS AS NEEDED. THE BOARD OF TRUSTEES ARE RECRUITED FROM THE COMMUNITY AND THEIR UNIQUE ABILITIES BRING AN ADDED DIMENSION TO THE ABILITY TO ADDRESS COMMUNITY NEED.

WITH INPUT FROM THE INITIATIVES NOTED ABOVE, THE BOARD OF TRUSTEES AND STAFF WORK TO PROVIDE TARGETED SERVICES AND EDUCATION FOR THE COMMUNITY.

PART VI, LINE 3: EACH PATIENT IS PROVIDED WITH A PATIENT HANDBOOK UPON ADMISSION. THE PATIENT HANDBOOK OUTLINES INFORMATION ABOUT THE HOSPITAL INCLUDING INSTRUCTIONS ON HOW TO ACCESS FINANCIAL ASSISTANCE/CHARITY CARE. SIGNAGE IS POSTED IN THE ADMISSIONS SUITE IN BOTH PATIENT AND FAMILY WAITING AREAS INFORMING INTERESTED PARTIES THAT FINANCIAL ASSISTANCE IS AVAILABLE. PATIENTS ARE URGED TO SPEAK WITH THEIR THERAPIST OR OTHER HOSPITAL STAFF TO LEARN MORE ABOUT THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM. ADDITIONALLY, SHEPPARD PRATT'S FINANCIAL OFFICE PERSONNEL SERVE AS PATIENT FINANCIAL ADVOCATES.

PART VI, LINE 4: SHEPPARD PRATT HEALTH SYSTEM SERVES THE CENTRAL MARYLAND REGION. EIGHTY-FIVE PERCENT OF REFERRALS ORIGINATE FROM SIX JURISDICTIONS: BALTIMORE CITY, BALTIMORE, ANNE ARUNDEL, CARROLL, HARFORD, AND HOWARD COUNTIES WHOSE COMBINED POPULATION TOTALS 2.7 MILLION INDIVIDUALS. THE AREA INCLUDES URBAN, SUBURBAN AND RURAL REGIONS. THIS CENTRAL MARYLAND POPULATION IS 48 PERCENT MALE AND 52 PERCENT FEMALE. RACIAL BREAKDOWN ACCORDING TO THE US CENSUS BUREAU'S AMERICAN COMMUNITY SURVEY OF 2010 IS AS FOLLOWS: 61.7 PERCENT OF RESIDENTS REPORT BEING WHITE, 29.1 PERCENT REPORT BEING AFRICAN AMERICAN, AND 9.2 PERCENT

**Part VI** Supplemental Information

REPORTED BEING OF ANOTHER RACIAL ORIGIN. MEDIAN AGE BY JURISDICTION RANGES FROM A LOW OF 33.1 YEARS OF AGE FOR MALES IN BALTIMORE CITY TO A HIGH OF 41.2 YEARS OF AGE FOR FEMALES IN CARROLL COUNTY. CENTRAL MARYLAND EXPERIENCES A BROAD RANGE OF ESTIMATED MEDIAN FAMILY INCOME FOR THE SIX JURISDICTIONS WITH A LOW OF \$38,346 IN BALTIMORE CITY AND A HIGH OF \$110,771 IN HOWARD COUNTY. ADDITIONALLY, ON AVERAGE ACROSS ALL COUNTIES, 11.3 PERCENT OF RESIDENTS HAVE NO HEALTH INSURANCE COVERAGE; THE RANGE BEGINS AT A LOW OF 6.9 PERCENT NOT COVERED BY HEALTH INSURANCE IN CARROLL COUNTY TO A HIGH OF 16.0 PERCENT OF RESIDENTS WITHOUT HEALTH INSURANCE COVERAGE IN PRINCE GEORGE'S COUNTY. (SOURCE: U. S. CENSUS BUREAU; AMERICAN COMMUNITY SURVEY 2010.)

THE CENTRAL MARYLAND JURISDICTION CONTAINS 28 HOSPITALS EXCLUDING SHEPPARD PRATT. SEVERAL GENERAL ACUTE HOSPITALS SERVE THIS SAME COMMUNITY. OF THIS GROUP, 17 FACILITIES HAVE PSYCHIATRIC INPATIENT UNITS; HOWEVER, WITHIN THIS GROUP, THERE ARE NO OTHER SPECIALTY PSYCHIATRIC FACILITIES. SHEPPARD PRATT HEALTH SYSTEM IS THE ONLY HEALTH SYSTEM EXCLUSIVELY PROVIDING PSYCHIATRIC SPECIALTY CARE IN THE CENTRAL MARYLAND AREA.

PART VI, LINE 5: SHEPPARD PRATT HEALTH SYSTEM CONTINUES ITS COMMITMENT TO THE FOUNDERS' CHARTER TO "CARRY FORWARD, AND IMPROVE, THE AMELIORATED SYSTEM OF TREATMENT OF THE INSANE WITH THOUGHTFUL, PROACTIVE SERVICES" AND HAS EVOLVED ITS SERVICES BEYOND THE TRADITIONAL INPATIENT OR OUTPATIENT BOUNDARIES. THE SYSTEM PROVIDES A POSITIVE IMPACT ON THOUSANDS OF INDIVIDUALS, THEIR FAMILIES AND COMMUNITIES BY PROVIDING ACCESS TO A CREATIVE MIX OF COMMUNITY BENEFIT-DRIVEN BEHAVIORAL SERVICES WHEN, WHERE, AND IN WHATEVER FORM IS BEST SUITED TO THOSE IN NEED. IN FY 2011, SHEPPARD PRATT WAS AGAIN RECOGNIZED BY U.S. NEWS AND WORLD REPORT AS ONE OF THE

**Part VI Supplemental Information**

NATION'S TOP TEN HOSPITALS FOR PSYCHIATRIC CARE. FIFTY FIVE PERCENT OF INPATIENT SERVICES WERE PROVIDED TO MEDICARE AND MEDICAID RECIPIENTS.

WHILE A MAJORITY OF PATIENTS WERE DRAWN FROM CENTRAL MARYLAND, SHEPPARD PRATT'S DIVERSE PROGRAMMING ALSO ATTRACTS PATIENTS NATIONALLY.

SHEPPARD PRATT'S FLAGSHIP CAMPUS IS LOCATED AT 6501 NORTH CHARLES STREET, BALTIMORE, MD. AS THE FOUNDING LOCATION OF THE SYSTEM, A FULL RANGE OF INPATIENT, OUTPATIENT, AND RESIDENTIAL SERVICES ARE PROVIDED FROM THIS CAMPUS. A SECOND INPATIENT CAMPUS, SHEPPARD PRATT AT ELLICOTT CITY, IS LOCATED AT 4100 COLLEGE AVENUE, IN ELLICOTT CITY, MARYLAND AND PROVIDES BOTH INPATIENT AND PARTIAL DAY HOSPITAL SERVICES.

THE TWO INPATIENT HOSPITAL PROGRAMS OPERATE A TOTAL OF 335 BEDS.

SPECIALTY INPATIENT UNITS PROVIDE SERVICES FOR A WIDE SPAN OF PSYCHIATRIC DIAGNOSTIC CATEGORIES.

IN FY 2011, SHEPPARD PRATT PROVIDED SERVICE FOR 8,294 INPATIENT ADMISSIONS RESULTING IN 95,185 INPATIENT DAYS, 75,136 OUTPATIENT AND DAY HOSPITAL VISITS, 37,920 RTC/RESPITE DAYS, AND 126,931 STUDENT DAYS.

THERAPY REFERRAL SERVICE PROGRAMMING: CRISIS WALK IN CLINIC, SCHEDULED CRISIS INTERVENTION PROGRAM AND URGENT ASSESSMENT. THERAPY REFERRAL SERVICE (TRS) IS A FREE, CONFIDENTIAL TELEPHONE SERVICE THAT ASSISTS IN REFERRALS TO MENTAL HEALTH RESOURCES FOR THE BALTIMORE METROPOLITAN AREA INCLUDING SHEPPARD PRATT PROGRAMS. PROGRAMMING ACCESSED THROUGH THIS SERVICE INCLUDES URGENT ASSESSMENTS AND SCHEDULED CRISIS INTERVENTION PROGRAMS. FOR THE MOST SERIOUS CASES SHEPPARD PRATT'S CRISIS WALK IN CLINIC (CWIC) OPENED IN MAY OF 2011 TO RESPOND TO A COMMUNITY NEED FOR A



**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

Open to Public Inspection

Name of the organization

**SHEPPARD PRATT HEALTH SYSTEM, INC.**

Employer identification number

**52-0591684**

**Part I Questions Regarding Compensation**

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

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

Schedule J (Form 990) 2010

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 STEVEN S. SHARFSTEIN, M.D.	(i)	727,855.	0.	22,974.	62,005.	6,448.	819,282.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 PATRICIA PINKERTON	(i)	375,071.	0.	3,294.	49,479.	16,227.	444,071.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 BONNIE KATZ	(i)	214,612.	0.	6,311.	39,907.	14,666.	275,496.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 JAMES TRUSCELLO	(i)	161,612.	4,000.	7,200.	51,706.	11,307.	235,825.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 ERNESTINE COSBY	(i)	158,051.	0.	2,976.	57,873.	6,735.	225,635.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 M. THOMAS GRAHAM	(i)	155,365.	0.	2,153.	7,956.	6,489.	171,963.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 STEVEN E. TUTTLE	(i)	153,682.	0.	1,566.	8,320.	21,096.	184,664.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 J. KENNETH WALTERS	(i)	141,339.	50.	2,138.	30,399.	16,527.	190,453.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 THOMAS HESS	(i)	138,375.	0.	1,419.	38,577.	1,309.	179,680.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 AVERY DOVER	(i)	137,063.	0.	2,027.	27,768.	9,545.	176,403.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 ERIKA WILMOTH	(i)	131,474.	225.	4,761.	52,003.	7,243.	195,706.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 DIANA RAMSAY	(i)	0.	0.	185,639.	0.	0.	185,639.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**Part III** Supplemental Information

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

PART I, LINES 4A-B: LINE 4A: DIANA RAMSAY SEVERANCE OF \$185,639.

LINE 4B: THE FOLLOWING PARTICIPATED IN SHEPPARD PRATT'S 457(F) PLAN:

PATRICIA PINKERTON \$25,000

**Supplemental Information on Tax-Exempt Bonds**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization

**SHEPPARD PRATT HEALTH SYSTEM, INC.**

**Employer identification number**  
**52-0591684**

**Part I Bond Issues** SEE PART V FOR COLUMNS (A) AND (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
<b>A</b>	MD HEALTH & HIGHER EDUCATIONAL FACILITIES	52-0936091	574217KL8	05/29/03	45590000	CONSTRUCT NEW HSPTL, RENOVATE		X		X		X
<b>B</b>	MD HEALTH & HIGHER EDUCATIONAL FACILITIES	52-0936091	574217KM6	05/29/03	45550000	CONSTRUCT NEW HSPTL, RENOVATE		X		X		X
<b>C</b>	MD HEALTH & HIGHER EDUCATIONAL FACILITIES	52-0936091	NONE	12/01/09	22555000	PURCHASE OF SCHOOL BUILDING		X		X		X
<b>D</b>												

**Part II Proceeds**

	A	B	C	D
<b>1</b> Amount of bonds retired	7,755,000.	2,475,000.		
<b>2</b> Amount of bonds legally defeased				
<b>3</b> Total proceeds of issue	46,107,383.	45,304,058.	22,555,000.	
<b>4</b> Gross proceeds in reserve funds	3,725,513.	2,088,418.		
<b>5</b> Capitalized interest from proceeds	4,516,542.	1,418,430.		
<b>6</b> Proceeds in refunding escrows		23,453,347.		
<b>7</b> Issuance costs from proceeds	249,269.	237,237.		
<b>8</b> Credit enhancement from proceeds		1,625,826.		
<b>9</b> Working capital expenditures from proceeds				
<b>10</b> Capital expenditures from proceeds	37,445,686.	16,480,799.	22,555,000.	
<b>11</b> Other spent proceeds	170,373.			
<b>12</b> Other unspent proceeds				
<b>13</b> Year of substantial completion	2005	2005	2010	
	Yes	No	Yes	No
<b>14</b> Were the bonds issued as part of a current refunding issue?		X	X	X
<b>15</b> Were the bonds issued as part of an advance refunding issue?		X	X	X
<b>16</b> Has the final allocation of proceeds been made?	X		X	X
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X	X

**Part III Private Business Use**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
<b>2</b> Are there any lease arrangements that may result in private business use of bond-financed property?		X	X			X		

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

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? .....		X		X		X		
<b>b</b> Are there any research agreements that may result in private business use of bond-financed property? .....		X		X		X		
<b>c</b> Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property? .....	X		X		X			
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....	.00 %				.00 %			
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....	.00 %				.00 %			
<b>6</b> Total of lines 4 and 5 .....	.00 %				.00 %			
<b>7</b> Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? .....	X		X		X			

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue? .....		X		X		X		
<b>2</b> Is the bond issue a variable rate issue? .....		X	X		X			
<b>3a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....		X		X		X		
<b>b</b> Name of provider .....								
<b>c</b> Term of hedge .....								
<b>d</b> Was the hedge superintergrated? .....								
<b>e</b> Was the hedge terminated? .....								
<b>4a</b> Were gross proceeds invested in a GIC? .....		X		X		X		
<b>b</b> Name of provider .....								
<b>c</b> Term of GIC .....								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? .....								
<b>5</b> Were any gross proceeds invested beyond an available temporary period? .....		X	X			X		
<b>6</b> Did the bond issue qualify for an exception to rebate? .....		X		X	X			

**Part V Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K.

**SCHEDULE K, PART I, BOND ISSUES:**

(A) ISSUER NAME: MD HEALTH & HIGHER EDUCATIONAL FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE: CONSTRUCT NEW HSPTL, RENOVATE EXISTING HSPTL

(A) ISSUER NAME: MD HEALTH & HIGHER EDUCATIONAL FACILITIES AUTHORITY

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

(F) DESCRIPTION OF PURPOSE: CONSTRUCT NEW HSPTL, RENOVATE EXISTING HSPTL

(A) ISSUER NAME: MD HEALTH & HIGHER EDUCATIONAL FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

PURCHASE OF SCHOOL BUILDING AND PROPERTY FOR NEW HOSPITAL

PART III, QUESTION 4

PRIVATE BUSINESS USE

BOND B - MULTI-PURPOSE ALLOCATION

1992/1985 REFUNDING PORTION - \$3,865,000 - NOT MORE THAN 15% (1986

ACT TRANSITION RULE REFUNDING)

1995/1992 REFUNDING PORTION - 18,915,000 - LESS THAN 5%

2003/1999 REFUNDING PORTION - \$22,770,000 - LESS THAN 5%

**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2010**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

Part I		Types of Property			
		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art - Works of art .....	X	3	650.	FAIR MARKET VALUE
2	Art - Historical treasures .....				
3	Art - Fractional interests .....				
4	Books and publications .....				
5	Clothing and household goods .....				
6	Cars and other vehicles .....				
7	Boats and planes .....				
8	Intellectual property .....				
9	Securities - Publicly traded .....	X	7	17,158.	STOCK EXCHANGE
10	Securities - Closely held stock .....				
11	Securities - Partnership, LLC, or trust interests .....				
12	Securities - Miscellaneous .....				
13	Qualified conservation contribution - Historic structures .....				
14	Qualified conservation contribution - Other .....				
15	Real estate - Residential .....				
16	Real estate - Commercial .....				
17	Real estate - Other .....				
18	Collectibles .....				
19	Food inventory .....				
20	Drugs and medical supplies .....				
21	Taxidermy .....				
22	Historical artifacts .....				
23	Scientific specimens .....				
24	Archeological artifacts .....				
25	Other ▶ ( <u>DONATIONS FOR</u> ) .....	X	57	22,920.	FAIR MARKET VALUE
26	Other ▶ ( _____ ) .....				
27	Other ▶ ( _____ ) .....				
28	Other ▶ ( _____ ) .....				

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

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? .....		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? .....	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? .....		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

OMB No. 1545-0047

**2010**

Open to Public  
Inspection

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number

52-0591684

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

RESIDENTIAL CARE FOR CHILDREN/ADOLESCENTS. SPONSOR RESIDENCY TRAINING  
PROGRAMS.

FORM 990, PART VI, SECTION A, LINE 6: SHEPPARD & ENOCH PRATT FOUNDATION,  
INC. IS THE SOLE MEMBER OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A: SHEPPARD & ENOCH PRATT FOUNDATION  
HOLDS RESERVED RIGHTS WHICH INCLUDE THE POWERS TO APPOINT BOARD MEMBERS.

FORM 990, PART VI, SECTION A, LINE 7B: SHEPPARD & ENOCH PRATT FOUNDATION  
HOLDS RESERVED RIGHTS WHICH INCLUDE THE POWERS TO APPOINT AND REMOVE BOARD  
MEMBERS. THE FOUNDATION ALSO HOLDS THE RIGHT TO APPROVE CERTAIN SELECT  
TRANSACTIONS OF ITS SUBSIDIARIES.

FORM 990, PART VI, SECTION B, LINE 11: THE FINANCE COMMITTEE OF THE BOARD  
OF TRUSTEES WILL REVIEW AND APPROVE THE 990. FOLLOWING FINANCE COMMITTEE  
APPROVAL OF THE 990 ON 4/17/12, THE CFO WILL MAKE COPIES AVAILABLE TO BOARD  
MEMBERS PRIOR TO FILING THE FORM 990.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES ALL  
TRUSTEES AND KEY EXECUTIVE PERSONNEL TO COMPLETE A CONFLICT OF INTEREST  
QUESTIONNAIRE ANNUALLY. THE COMPLETED QUESTIONNAIRES ARE REVIEWED BY THE  
CFO WHO SUMMARIZES THE REPORTED CONFLICTS. THIS INFORMATION IS THEN  
PRESENTED TO THE CEO AND TO THE CHAIRMAN OF THE BOARD FOR REVIEW.  
CONFLICTS ARE REPORTED AT BOARD MEETINGS AS APPROPRIATE.

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

Schedule O (Form 990 or 990-EZ) (2010)

032211  
01-24-11

Name of the organization SHEPPARD PRATT HEALTH SYSTEM, INC.	Employer identification number 52-0591684
--	--

FORM 990, PART VI, SECTION B, LINE 15: SALARIES OF THE CEO AND TOP MANAGEMENT/PHYSICIANS ARE REVIEWED BY THE EMPLOYEE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES. THIS COMMITTEE IS COMPRISED OF INDEPENDENT TRUSTEES. THE TRUSTEES REVIEW COMPENSATION FOR REASONABLENESS. THEY USE COMPARATIVE INDUSTRY DATA IN THEIR REVIEW PROCESS. THE PROCESS FOR EMPLOYEE COMPENSATION INCLUDES DEVELOPMENT OF COMPENSATION RECOMMENDATIONS BASED ON MARKET SURVEYS AND OTHER COMPARATIVE INDUSTRY DATA. THE SALARY INFORMATION FOR THIS GROUP IS OBTAINED BY A CONSULTANT THAT IS ENGAGED BY THE EXECUTIVE COMPENSATION COMMITTEE. THIS CONSULTANT USES CURRENT MARKET COMPENSATION SURVEYS AND OTHER COMPARATIVE INDUSTRY DATA TO MAKE RECOMMENDATIONS. THE RECOMMENDATIONS ARE THEN PRESENTED TO THE EXECUTIVE COMPENSATION COMMITTEE FOR APPROVAL. THE EXECUTIVE COMPENSATION COMMITTEE REPORTS THAT COMPENSATION WAS APPROVED TO THE FULL BOARD.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION POSTS ITS FINANCIAL STATEMENTS QUARTERLY ON THE DAC WEBSITE. FINANCIAL STATEMENTS AND OTHER POLICIES ARE AVAILABLE UPON REQUEST.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS:	3,053,181.
TRANSFERS FROM AFFILIATES	3,271,791.
CHANGE IN PENSION LIABILITY	21,837,835.
IMPAIRMENT OF GOODWILL	-1,618,264.
INTEREST IN NET ASSETS OF FOUNDATION	-76,358.
TOTAL TO FORM 990, PART XI, LINE 5	26,468,185.

FORM 990, PART XII, 2C

032212  
01-24-11

Name of the organization SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number 52-0591684

THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Multiple horizontal lines for additional text entry.

**Related Organizations and Unrelated Partnerships**  
▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
SHEPPARD & ENOCH PRATT FOUNDATION - 52-1357109, PO BOX 6815, BALTIMORE, MD 21285	CONDUCT FUNDRAISING ACTIVITIES TO SUPPORT AFFILIATED ORGANIZATIONS	MARYLAND	501(C)(3)	7			<b>X</b>
SHEPPARD PRATT PHYSICIANS PA, INC. - 52-1392214, PO BOX 6815, BALTIMORE, MD 21285	PROVIDE HEALTH CARE TO PATIENTS & RESIDENCY TRAINING TO MEDICAL	MARYLAND	501(C)(3)	9	SHEPPARD & ENOCH PRATT FOUNDATION		<b>X</b>
SHEPPARD PRATT INVESTMENT, INC. - 52-1388935 PO BOX 6815 BALTIMORE, MD 21285	HOLD AND MANAGE ENDOWMENT FUNDS OF RELATED NONPROFIT ENTITIES	MARYLAND	501(C)(3)	11A	SHEPPARD & ENOCH PRATT FOUNDATION		<b>X</b>
MOSAIC COMMUNITY SERVICES, INC. - 52-1388141 1925 GREENSPRING DRIVE TIMONIUM, MD 21093	PROVIDES COMMUNITY BASED THERAPEUTIC RESIDENTIAL, REHABILITATIVE SUPPORT	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		<b>X</b>

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
WAY STATION, INC. - 52-1162749 PO BOX 3826 FREDERICK, MD 21705	PROVIDES REHABILITATIVE AND TREATMENT SERVICES	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X
FAMILY SERVICES, INC. - 52-0730225 610 EAST DIAMOND AVE GAITHERSBURG, MD 20877	FOSTER STRONG & HEALTHY INDIVIDUALS AND FAMILIES THROUGH EDUCATION	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X
BEHAVIORAL HEALTH PARTNERS OF FREDERICK, INC. - 52-2125435, PO BOX 6815, BALTIMORE, MD 21285	OUTPATIENT BEHAVIORAL HEALTH CARE SERVICES	MARYLAND	501(C)(3)	3	SHEPPARD & ENOCH PRATT FOUNDATION		X
REVISIONS COMMUNITY DEVELOPMENT ORG, INC. - 52-1849336, 1925 GREENSPRING DRIVE, TIMONIUM, MD 21093	PROVIDE AFFORDABLE HOUSING TO CHRONICALLY MENTALLY DISABLED	MARYLAND	501(C)(3)	9	MOSAIC COMMUNITY SERVICES, INC.		X
DULANEY STATION COMMUNITY HOUSING DEVELOPMENT ORGANIZATION, INC. - 02-065028, 1925 GREENSPRING DRIVE, TIMONIUM, MD 21093	CREATE UNITS OF DECENT, AFFORDABLE HOUSING FOR LOW-INCOME ADULTS	MARYLAND	501(C)(3)	9	MOSAIC COMMUNITY SERVICES, INC.		X
TURNING POINT OF WASHINGTON COUNTY, INC - 52-1190659, 25 E NORTH AVE, HAGERSTOWN, MD 21740	PROVIDE EDUCATIONAL, VOCATIONAL, SOCIAL, RESIDENTIAL SUPPORT	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X



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

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

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

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

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			





# TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

..... June 30, 2011 .....

<b>Prepared for</b>	Sheppard Pratt Health System, Inc. P.O. Box 6815 Baltimore, MD 21285
<b>Prepared by</b>	SC&H Tax & Advisory Services, LLC 910 Ridgebrook Road Sparks, MD 21152
<b>Amount due or refund</b>	No amount is due.
<b>Make check payable to</b>	No amount is due.
<b>Mail tax return and check (if applicable) to</b>	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0027
<b>Return must be mailed on or before</b>	May 15, 2012
<b>Special Instructions</b>	The return should be signed and dated.

**Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

**2010**

Department of the Treasury  
Internal Revenue Service

For calendar year 2010 or other tax year beginning **JUL 1, 2010** and ending **JUN 30, 2011**

Open to Public Inspection for  
501(c)(3) Organizations Only

<b>A</b> <input type="checkbox"/> Check box if address changed		Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)	D Employer identification number (Employees' trust, see instructions.)
<b>B</b> Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Print or Type	<b>SHEPPARD PRATT HEALTH SYSTEM, INC.</b>	<b>52-0591684</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O. BOX 6815</b>	E Unrelated business activity codes (See instructions.)
		City or town, state, and ZIP code <b>BALTIMORE, MD 21285</b>	<b>900002</b>
<b>C</b> Book value of all assets at end of year <b>274821990.</b>	<b>F</b> Group exemption number (See instructions.)		
	<b>G</b> Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust		

**H** Describe the organization's primary unrelated business activity. **RENTAL OF PERSONAL PROPERTY AND FOOD SERVICE**

**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 1**

**J** The books are in care of **DONNA CORBETT** Telephone number **(410) 938-3344**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales			
b Less returns and allowances <b>c</b> Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4 a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
6 Rent income (Schedule C)	6	763,428.	-271,784.
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule.)	12		
13 <b>Total.</b> Combine lines 3 through 12	13	763,428.	-271,784.

**Part II Deductions Not Taken Elsewhere** (See 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)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules.)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 <b>Total deductions.</b> Add lines 14 through 28	29	0.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	-271,784.
31 Net operating loss deduction (limited to the amount on line 30)	31	0.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	-271,784.
33 Specific deduction (Generally \$1,000, but see instructions for exceptions.)	33	1,000.
34 <b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	-271,784.

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

<b>Type or print</b>	Name of exempt organization Sheppard Pratt Health System Inc.	Employer identification number 52-0591684
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. Box 6815	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Baltimore, MD 21285-6815	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 7

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ Donna Corbett

Telephone No. ▶ 410-938-3344 FAX No. ▶ 410-938-3340

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until May 15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year 20 \_\_\_\_ or  
 ▶  tax year beginning July 1, 20 10, and ending June 30, 20 11.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. 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) \$ (2) \$ (3) \$ b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ (2) Additional 3% tax (not more than \$100,000) \$ c Income tax on the amount on line 34 35c 0. 36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: [ ] Tax rate schedule or [ ] Schedule D (Form 1041) 36 37 Proxy tax. See instructions 37 38 Alternative minimum tax 38 39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies 39 0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 40a 40b Other credits (see instructions) 40b 40c General business credit. Attach Form 3800 40c 40d Credit for prior year minimum tax (attach Form 8801 or 8827) 40d 40e Total credits. Add lines 40a through 40d 40e 41 Subtract line 40e from line 39 41 0. 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 0. 44a Payments: A 2009 overpayment credited to 2010 44a 44b 2010 estimated tax payments 44b 44c Tax deposited with Form 8868 44c 44d Foreign organizations: Tax paid or withheld at source (see instructions) 44d 44e Backup withholding (see instructions) 44e 44f Credit for small employer health insurance premiums (Attach Form 8941) 44f 44g Other credits and payments: [ ] Form 2439 [ ] Form 4136 [ ] Other Total 44g 45 Total payments. Add lines 44a through 44g 45 46 Estimated tax penalty (see 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 0. 48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid 48 0. 49 Enter the amount of line 48 you want: Credited to 2011 estimated tax Refunded 49

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2010 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, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here [ ] 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 instructions for other forms the organization may have to file. [ ] 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 N/A

1 Inventory at beginning of year 1 6 Inventory at end of year 6 2 Purchases 2 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 7 3 Cost of labor 3 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? Yes No X 4a Additional section 263A costs 4a b Other costs (attach schedule) 4b 5 Total. Add lines 1 through 4b 5

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 Signature of officer Date CFO Title May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check [ ] if self-employed PTIN LORI S. BURGHAUSER LORI S. BURGHAUSE 05/07/12 P00370694 Firm's name SC&H TAX & ADVISORY SERVICES, LLC Firm's EIN 41-2069731 910 RIDGEBROOK ROAD Firm's address SPARKS, MD 21152 Phone no. 410-403-1500

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

1. Description of property

(1) CONFERENCE CENTER
(2)
(3)
(4)

2. Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) <b>SEE STATEMENT 2</b>
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)	491,644.	763,428.
(2)		
(3)		
(4)		
Total	0.	491,644.
<b>(c) Total income.</b> Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶		<b>(b) Total deductions.</b> Enter here and on page 1, Part I, line 6, column (B) ... ▶
		491,644.
		763,428.

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

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		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
<b>Totals</b> .....			0.	0.
<b>Total dividends-received deductions</b> included in column 8 .....				0.

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

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	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
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	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
(1)				
(2)				
(3)				
(4)				
<b>Totals</b> .....			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
			0.	0.

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

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>	0.			0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income**  
(see instructions)

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>	0.	0.				0.

**Schedule J - Advertising Income** (see instructions)

**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 (carry to Part II, line (5))</b>	0.	0.				0.

**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. 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>(5) Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	0.	0.				0.

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

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total. Enter here and on page 1, Part II, line 14</b>			0.

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FORM 990-T      PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER      STATEMENT      1

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CORPORATION'S NAME      IDENTIFYING NO

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THE SHEPPARD AND ENOCH PRATT FOUNDATION, INC.      52-1357109

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FORM 990-T      DEDUCTIONS CONNECTED WITH RENTAL INCOME      STATEMENT      2

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DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
SALARIES		177,510.	
SUPPLIES		153,650.	
LICENSES		271.	
MISCELLANEOUS		9,002.	
EQUIPMENT RENTAL		3,592.	
PROFESSIONAL FEES		1,399.	
TELEPHONE		2,112.	
ADVERTISING		1,953.	
ALLOCATED SPACE COSTS		302,022.	
EMPLOYEE BENEFITS		48,490.	
INFORMATION SYSTEMS		29,052.	
UNIFORMS		915.	
CONTRACTED FEES		15,100.	
SUPPORT SERVICES		18,259.	
REPAIRS		41.	
REGISTRATIONS		60.	
- SUBTOTAL -	1		763,428.
TOTAL TO FORM 990-T, SCHEDULE C, COLUMN 3			763,428.

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**IRS e-file Signature Authorization  
for an Exempt Organization**

For calendar year 2010, or fiscal year beginning JUL 1, 2010, and ending JUN 30, 2011

**2010**

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**  
▶ **See instructions.**

Name of exempt organization

Employer identification number

**SHEPPARD PRATT HEALTH SYSTEM, INC.**

**52-0591684**

Name and title of officer

**PATRICIA PINKERTON  
CFO**

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

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

<b>1a</b> Form 990 check here ▶ <input checked="" type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990, Part VIII, column (A), line 12) .....	<b>1b</b> <u>182644214</u>
<b>2a</b> Form 990-EZ check here ▶ <input type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990-EZ, line 9) .....	<b>2b</b> _____
<b>3a</b> Form 1120-POL check here ▶ <input type="checkbox"/>	<b>b</b> Total tax (Form 1120-POL, line 22) .....	<b>3b</b> _____
<b>4a</b> Form 990-PF check here ▶ <input type="checkbox"/>	<b>b</b> Tax based on investment income (Form 990-PF, Part VI, line 5) .....	<b>4b</b> _____
<b>5a</b> Form 8868 check here ▶ <input type="checkbox"/>	<b>b</b> Balance Due (Form 8868, Part I, line 3c or Part II, line 8c) .....	<b>5b</b> _____

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2010 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) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an 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. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize SC&H TAX & ADVISORY SERVICES, LLC to enter my PIN 91684  
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2010 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2010 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

52410221031  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2010 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ \_\_\_\_\_ Date ▶ 05/07/12

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**

# 2010 TAX RETURN FILING INSTRUCTIONS

MARYLAND FORM 500

FOR THE YEAR ENDING

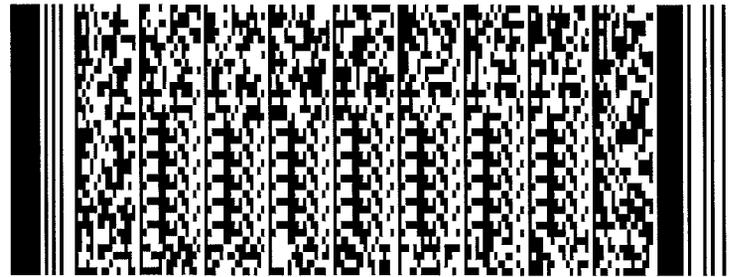
June 30, 2011

<b>Prepared for</b>	Sheppard Pratt Health System, Inc. P.O. Box 6815 Baltimore, MD 21285
<b>Prepared by</b>	SC&H Tax & Advisory Services, LLC 910 Ridgebrook Road Sparks, MD 21152
<b>To be signed and dated by</b>	The appropriate corporate officer(s).
<b>Amount of tax</b>	Total tax \$ 0.00 Less: payments and credits \$ 0.00 Plus: other amount \$ 0.00 Plus: interest and penalties \$ 0.00 No pmt required \$
<b>Overpayment</b>	Credited to your estimated tax \$ 0.00 Other amount \$ 0.00 Refunded to you \$ 0.00
<b>Make check payable to</b>	Not applicable
<b>Mail tax return and check (if applicable) to</b>	Comptroller of Maryland Revenue Administration Div. Annapolis, MD 21411-0001
<b>Return must be mailed on or before</b>	Please sign and mail as soon as possible.
<b>Special Instructions</b>	



OR FISCAL YEAR BEGINNING JUL 1, 2010, ENDING JUN 30 2011

Name: SHEPPARD PRATT HEALTH SYSTEM, INC.
Number and street: P.O. BOX 6815
City / town: BALTIMORE State: MD ZIP code: 21285
Federal Employer Identification No. (9 digits): 520591684
Do not write in this space: ME 06
FEIN Applied for date: YE 11
Date of Organization or Incorporation (MMDDYY): Business Activity Code No. (6 digits): 531190



CHECK HERE IF: NAME OR ADDRESS HAS CHANGED INACTIVE CORPORATION FIRST FILING OF THE CORPORATION FINAL RETURN
THIS TAX YEAR'S BEGINNING AND ENDING DATES ARE DIFFERENT FROM LAST YEAR'S DUE TO AN ACQUISITION OR CONSOLIDATION.

SEE INSTRUCTIONS IN CORPORATION INCOME TAX BOOKLET. ATTACH A COPY OF THE FEDERAL INCOME TAX RETURN THROUGH SCHEDULE M2

1. Taxable income based on attached federal return from the Taxable Income Worksheet. (Check applicable box:
[X] 1120/1120A, 990T, 1120-REIT, Other IF 1120S, FILE ON FORM 510) 1 -271784

ADDITION MODIFICATIONS (All entries must be positive amounts)

2. a. State and local income tax 2a
b. Dividends and interest from another state, local or federal tax-exempt obligations b
c. Net operating loss modification (Do not enter NOL carryover. See Instructions.) c
d. Section 10-306.1 related party transactions d
e. Domestic Production Activities Deduction e
f. Deduction for Dividends paid by a captive REIT f
g. Other additions (Enter code letter(s) from instructions and attach sch.) g
h. Total additions (Add lines 2a through 2g) 2h
3. Total (Add lines 1 and 2h) 3 -271784

STAPLE CHECK HERE

SUBTRACTION MODIFICATIONS (All entries must be positive amounts)

4. a. Dividends for domestic corporations claiming foreign tax credits 4a
b. Dividends from related foreign corporations b
c. Income from U.S. obligations c
d. Section 10-306.1 related party transactions d
e. Other subtractions (Enter code letter(s) from instructions and attach schedule.) e
f. Total subtractions (Add lines 4a through 4e) 4f
5. Maryland modified income (Subtract line 4f from line 3) 5 -271784

APPORTIONMENT OF INCOME (To be completed by multistate corporations whose apportionment factor is less than 1, otherwise skip to line 8)

6. Maryland apportionment factor (from page 2 of this form) (If factor is zero, enter 000001) 6
7. Maryland apportioned income (Multiply line 5 by line 6) 7

8. Maryland taxable income (from line 5 or line 7, whichever is applicable) 8 -271784
9. TAX (Multiply line 8 by 8.25%) 9 0

10. a. Estimated tax paid with Form 500DP, Form 500D, Form MW506NRS and/or credited from 2009 overpayment 10a
b. Tax paid with an extension request (Form 500E) b
c. Nonrefundable business income tax credits from Part U, Ln 27 of Form 500CR (Att Form 500CR) c
d. Refundable business income tax credits from Part W, Line 5 of Form 500CR (Att Form 500CR) d
e. Sustainable Communities tax credit (Attach Form 502S) (Check here if non-profit) e
f. Nonresident tax paid on behalf of the corp by pass-through entities (Attach Schedule K-1) f
g. Total payments and credits (Add lines 10a through 10f) 10g

11. Balance of tax due (If line 9 exceeds line 10g, enter the difference) 11
12. Overpayment (If line 10g exceeds line 9, enter the difference) 12
13. Interest and/or penalty from Form 500UP or late payment interest Total 13
14. Total balance due (Add lines 11 and 13, or if line 13 exceeds line 12 enter the difference) 14
15. Amt of overpayment to be applied to estimated tax for 2011 (not to exceed the net of ln 12 less ln 13) 15
16. Amount of overpayment TO BE REFUNDED (Add lines 13 and 15, and subtract the total from line 12) 16

DIRECT DEPOSIT OF REFUND (See instructions.) Please be sure the account information is correct.

In order to comply with new banking rules, please, check here if this refund will go to an account outside the United States. If checked, see instructions.

17. For the direct deposit option, complete the following information clearly and legibly. 17a. Type of account: Checking Savings
17b. Routing number 17c. Account number



NAME FEIN

Table with 4 columns: Description, Column 1 (Totals within Maryland), Column 2 (Totals within and without Maryland), and Column 3 (Decimal Factor). Rows include Receipts (1A), Property (2), Payroll (3), and Total of factors (4).

SCHEDULE B - ADDITIONAL INFORMATION REQUIRED (Attach a separate schedule if more space is necessary)

- 1. Telephone number of corporation tax department: 410-938-3344
If a multistate operation, provide the following:
2. Address of principal place of business in Maryland...
3. Brief description of operations in Maryland: PROVIDES BEHAVIORAL HEALTH SERVICES
4. Has the Internal Revenue Service made adjustments...
5. Did the corporation file employer withholding tax returns...
6. Is this entity part of a federal consolidated filing?
7. Is this entity a multistate corporation that is a member of a unitary group?
8. Is this entity a multistate manufacturer with more than 25 employees?

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. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge. Check here [X] if you authorize your tax preparer to discuss this return with us.

Officer's signature Date Preparer's SSN or PTIN P00370694 Preparer's signature LORI S. BURGHAUSER

Title Preparer's name, address and telephone number SC&H TAX & ADVISORY SERVICES, LLC 910 RIDGEBROOK ROAD SPARKS, MD 21152

Make checks payable and mail to: Comptroller of Maryland, Revenue Administration Division Annapolis, Maryland 21411-0001 Write federal employer identification number on check using blue or black ink.

**Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

**2010**

Department of the Treasury  
Internal Revenue Service

For calendar year 2010 or other tax year beginning **JUL 1, 2010**, and ending **JUN 30, 2011**

Open to Public Inspection for  
501(c)(3) Organizations Only

**A**  Check box if address changed

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

**C** Book value of all assets at end of year  
**274821990.**

**D** Employer identification number (Employees' trust, see instructions.)  
**52-0591684**

**E** Unrelated business activity codes (See instructions.)  
**900002**

Name of organization (  Check box if name changed and see instructions.)  
**SHEPPARD PRATT HEALTH SYSTEM, INC.**

Number, street, and room or suite no. If a P.O. box, see instructions.  
**P.O. BOX 6815**

City or town, state, and ZIP code  
**BALTIMORE, MD 21285**

**F** Group exemption number (See instructions.)

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

**H** Describe the organization's primary unrelated business activity. **RENTAL OF PERSONAL PROPERTY AND FOOD SERVICE**

**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 1**

**J** The books are in care of **DONNA CORBETT** Telephone number **(410) 938-3344**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales			
b	Less returns and allowances			
	c Balance			
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit. Subtract line 2 from line 1c			
4a	Capital gain net income (attach Schedule D)			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)	491,644.	763,428.	-271,784.
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Sch. F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)			
11	Advertising income (Schedule J)			
12	Other income (See instructions; attach schedule.)			
13	<b>Total.</b> Combine lines 3 through 12	491,644.	763,428.	-271,784.

**Part II Deductions Not Taken Elsewhere** (See 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)	14	
15	Salaries and wages	15	
16	Repairs and maintenance	16	
17	Bad debts	17	
18	Interest (attach schedule)	18	
19	Taxes and licenses	19	
20	Charitable contributions (See instructions for limitation rules.)	20	
21	Depreciation (attach Form 4562)	21	
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule)	28	
29	<b>Total deductions.</b> Add lines 14 through 28	29	0.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	-271,784.
31	Net operating loss deduction (limited to the amount on line 30)	31	0.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	-271,784.
33	Specific deduction (Generally \$1,000, but see instructions for exceptions.)	33	1,000.
34	<b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	-271,784.

**Part III Tax Computation**

<b>35 Organizations Taxable as Corporations.</b> See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> See instructions and:		
<b>a</b> Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ _____ (2) \$ _____ (3) \$ _____		
<b>b</b> Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____ (2) Additional 3% tax (not more than \$100,000) \$ _____		
<b>c</b> Income tax on the amount on line 34	<b>35c</b>	0.
<b>36 Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	<b>36</b>	
<b>37 Proxy tax.</b> See instructions	<b>37</b>	
<b>38 Alternative minimum tax</b>	<b>38</b>	
<b>39 Total.</b> Add lines 37 and 38 to line 35c or 36, whichever applies	<b>39</b>	0.

**Part IV Tax and Payments**

<b>40a</b> Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	<b>40a</b>	
<b>b</b> Other credits (see instructions)	<b>40b</b>	
<b>c</b> General business credit. Attach Form 3800	<b>40c</b>	
<b>d</b> Credit for prior year minimum tax (attach Form 8801 or 8827)	<b>40d</b>	
<b>e Total credits.</b> Add lines 40a through 40d	<b>40e</b>	
<b>41</b> Subtract line 40e from line 39	<b>41</b>	0.
<b>42</b> Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	<b>42</b>	
<b>43 Total tax.</b> Add lines 41 and 42	<b>43</b>	0.
<b>44a</b> Payments: A 2009 overpayment credited to 2010	<b>44a</b>	
<b>b</b> 2010 estimated tax payments	<b>44b</b>	
<b>c</b> Tax deposited with Form 8868	<b>44c</b>	
<b>d</b> Foreign organizations: Tax paid or withheld at source (see instructions)	<b>44d</b>	
<b>e</b> Backup withholding (see instructions)	<b>44e</b>	
<b>f</b> Credit for small employer health insurance premiums (Attach Form 8941)	<b>44f</b>	
<b>g</b> Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other _____ Total	<b>44g</b>	
<b>45 Total payments.</b> Add lines 44a through 44g	<b>45</b>	
<b>46</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	<b>46</b>	
<b>47 Tax due.</b> If line 45 is less than the total of lines 43 and 46, enter amount owed	<b>47</b>	0.
<b>48 Overpayment.</b> If line 45 is larger than the total of lines 43 and 46, enter amount overpaid	<b>48</b>	0.
<b>49</b> Enter the amount of line 48 you want: <b>Credited to 2011 estimated tax</b> _____ <b>Refunded</b> _____	<b>49</b>	

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

<b>1</b> At any time during the 2010 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, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here _____	Yes	No
<b>2</b> 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 instructions for other forms the organization may have to file.		X
<b>3</b> 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  N/A

<b>1</b> Inventory at beginning of year	<b>1</b>		<b>6</b> Inventory at end of year	<b>6</b>	
<b>2</b> Purchases	<b>2</b>		<b>7</b> Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	<b>7</b>	
<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?	Yes	No
<b>4a</b> Additional section 263A costs	<b>4a</b>				X
<b>b</b> Other costs (attach schedule)	<b>4b</b>				
<b>5 Total.</b> Add lines 1 through 4b	<b>5</b>				

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**  
 Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ **CFO** Title \_\_\_\_\_  
 May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Paid Preparer Use Only**  
 Print/Type preparer's name: **LORI S. BURGHAUSER** Preparer's signature: **LORI S. BURGHAUSE** Date: **05/07/12** Check  if self-employed PTIN: **P00370694**  
 Firm's name: **SC&H TAX & ADVISORY SERVICES, LLC** Firm's EIN: **41-2069731**  
 Firm's address: **910 RIDGEBROOK ROAD SPARKS, MD 21152** Phone no.: **410-403-1500**

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

1. Description of property

(1) **CONFERENCE CENTER**

(2)  
(3)  
(4)

2. Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) <b>SEE STATEMENT 2</b>
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)	491,644.	763,428.
(2)		
(3)		
(4)		
Total	0.	Total 491,644.

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) **491,644.**

(b) **Total deductions.** Enter here and on page 1, Part I, line 8, column (B) **763,428.**

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

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		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		

**Totals** Enter here and on page 1, Part I, line 7, column (A) **0.** Enter here and on page 1, Part I, line 7, column (B) **0.**

**Total dividends-received deductions** included in column 8 **0.**

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

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	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
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7. Taxable income	8. Net unrelated income (loss) (see instructions)	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
(1)				
(2)				
(3)				
(4)				

Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A) **0.**

Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B) **0.**

**Totals** **0.** **0.**

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

(see instructions)

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>	<b>0.</b>			<b>0.</b>

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

(see instructions)

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>	<b>0.</b>	<b>0.</b>				<b>0.</b>

**Schedule J - Advertising Income** (see instructions)

**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 (carry to Part II, line (5))</b>	<b>0.</b>	<b>0.</b>				<b>0.</b>

**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. 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>(5) Totals from Part I</b>	<b>0.</b>	<b>0.</b>				<b>0.</b>
<b>Totals, Part II (lines 1-5)</b>	<b>0.</b>	<b>0.</b>				<b>0.</b>

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

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total</b>			<b>0.</b>

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FORM 990-T      PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER      STATEMENT      1

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CORPORATION'S NAME      IDENTIFYING NO

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THE SHEPPARD AND ENOCH PRATT FOUNDATION, INC.      52-1357109

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FORM 990-T      DEDUCTIONS CONNECTED WITH RENTAL INCOME      STATEMENT      2

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DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
SALARIES		177,510.	
SUPPLIES		153,650.	
LICENSES		271.	
MISCELLANEOUS		9,002.	
EQUIPMENT RENTAL		3,592.	
PROFESSIONAL FEES		1,399.	
TELEPHONE		2,112.	
ADVERTISING		1,953.	
ALLOCATED SPACE COSTS		302,022.	
EMPLOYEE BENEFITS		48,490.	
INFORMATION SYSTEMS		29,052.	
UNIFORMS		915.	
CONTRACTED FEES		15,100.	
SUPPORT SERVICES		18,259.	
REPAIRS		41.	
REGISTRATIONS		60.	
- SUBTOTAL -	1		763,428.
TOTAL TO FORM 990-T, SCHEDULE C, COLUMN 3			763,428.