

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

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request 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/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. SHEPHERD CENTER, INC.	Taxpayer identification number (TIN) 51-0141601
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. 2020 PEACHTREE ROAD, NW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ATLANTA, GA 30309	

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 or Form 990-EZ	01	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	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
Form 990-T (corporation)	07		

KIMBERLY L LABOONE

- The books are in the care of ▶ **2020 PEACHTREE RD. NW - ATLANTA, GA 30309-1402**

Telephone No. ▶ **404-350-7336** Fax No. ▶ _____

- 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 TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **FEBRUARY 15, 2024**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year _____ or
- ▶ tax year beginning **APR 1, 2022**, and ending **MAR 31, 2023**.

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 Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 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	\$	0.
c Balance due. 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	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form **8868** (Rev. 1-2022)

**MAIL TO: DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0045**

****PUBLIC DISCLOSURE COPY****
Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
 Do not enter social security numbers on this form as it may be made public.
 Go to www.irs.gov/Form990 for instructions and the latest information.

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning **APR 1, 2022** and ending **MAR 31, 2023**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization SHEPHERD CENTER, INC. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2020 PEACHTREE ROAD, NW City or town, state or province, country, and ZIP or foreign postal code ATLANTA, GA 30309 F Name and address of principal officer: SAME AS C ABOVE	D Employer identification number 51-0141601 E Telephone number 404-350-7310 G Gross receipts \$ 320,397,411. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number
I 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		
J Website: WWW.SHEPHERD.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: 1975 M State of legal domicile: GA

Part I Summary

	1	Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O FOR A COMPLETE DESCRIPTION OF SHEPHERD CENTER'S MISSION STATEMENT.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	3	33
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	27
	5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	2151
	6	Total number of volunteers (estimate if necessary)	6	1000
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	137,021.
	7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
	Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year
9		Program service revenue (Part VIII, line 2g)	57,142,715.	55,015,600.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	243,854,729.	254,927,377.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,488,528.	4,224,496.
12		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,805,817.	6,218,862.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	310,291,789.	320,386,335.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	158,864,673.	159,543,352.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	127,649,861.	130,123,841.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	286,514,534.	289,667,193.
	19	Revenue less expenses. Subtract line 18 from line 12	23,777,255.	30,719,142.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	736,563,004.	760,249,608.
	22	Net assets or fund balances. Subtract line 21 from line 20	92,951,390.	88,225,837.
	22	Net assets or fund balances. Subtract line 21 from line 20	643,611,614.	672,023,771.

Part II Signature Block

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

Sign Here	Signature of officer STEPHEN B. HOLLEMAN, CFO Type or print name and title	Date
Paid Preparer Use Only	Print/Type preparer's name STANLEY M SMITH II	Preparer's signature STANLEY M SMITH II
	Firm's name CARR, RIGGS & INGRAM, LLC	Date 02/04/24
	Firm's address 4004 SUMMIT BLVD NE, SUITE 800 ATLANTA, GA 30319	Check if self-employed <input type="checkbox"/> PTIN P00319916
		Firm's EIN 72-1396621 Phone no. 770.394.8000

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: SHEPHERD CENTER'S PRIMARY PURPOSE IS TO PROVIDE ACUTE AND REHABILITATIVE HOSPITAL CARE TO PATIENTS WITH SPINAL CORD INJURIES, ACQUIRED BRAIN INJURIES, MULTIPLE SCLEROSIS, AND OTHER NEUROMUSCULAR AND NEUROLOGICAL CONDITIONS.

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 [X] No

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 200,194,147. including grants of \$) (Revenue \$ 254,927,377.) IN REFERENCE TO THE PROVISION OF PATIENT CARE SERVICES, SHEPHERD CENTER IS DEDICATED TO HELPING PEOPLE WHO HAVE EXPERIENCED CATASTROPHIC INJURY OR DISEASE REBUILD THEIR LIVES WITH HOPE, DIGNITY, AND INDEPENDENCE, ADVOCATING FOR THEIR FULL INCLUSION IN ALL ASPECTS OF COMMUNITY LIFE. IN THE LAST FISCAL YEAR, SHEPHERD CENTER INCURRED EXPENSES TO PROVIDE SERVICES FOR 888 INPATIENT ADMISSIONS, 47,153 INPATIENT DAYS, 48,196 DAY PATIENT VISITS, AND 89,624 OUTPATIENT VISITS.

4b (Code:) (Expenses \$ 19,533,792. including grants of \$) (Revenue \$ 18,158,171.) BECAUSE OF THE GENEROUS FINANCIAL SUPPORT OF THE COMMUNITY, SHEPHERD CENTER IS ABLE TO PROVIDE MANY COMMUNITY FUNDED SERVICES THAT ARE NOT AVAILABLE IN OTHER HOSPITALS. SHEPHERD CENTER OFFERS SERVICES SUCH AS FAMILY HOUSING AND TRAINING, EXPANDED THERAPEUTIC RECREATION SERVICES, ASSISTIVE TECHNOLOGY AND ADAPTIVE EQUIPMENT, VOCATIONAL TRAINING, AS WELL AS MEDICAL CARE FOR PATIENTS WITHOUT THE ABILITY TO PAY FOR THESE SERVICES.

4c (Code:) (Expenses \$ 4,970,688. including grants of \$) (Revenue \$ 4,446,194.) WITH REGARD TO RESEARCH ACTIVITY, SHEPHERD CENTER IS A SITE FOR LEADING-EDGE RESEARCH AND PROVIDES IMPORTANT OUTCOMES TRACKING THAT HELP SHAPE THE FACE OF REHABILITATION IN THE UNITED STATES. OUR VISION IS TO BE A CENTER OF EXCELLENCE IN PATIENT CARE, PARTICIPATING IN RESEARCH THAT WILL ACHIEVE THE HIGHEST OUTCOMES AND IMPROVE THE LIVES OF OUR PATIENTS AND FAMILIES.

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

4e Total program service expenses 224,698,627.

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 <i>Schedule B, Schedule of Contributors</i> ? See instructions		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 Section 501(c)(3) organizations. 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 Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		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, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in 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 and XII</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 and XII 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, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		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> See instructions		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 hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 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	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c 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
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. 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 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
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	X	
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 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
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 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
33 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
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. 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
37 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
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 17 regarding employee counts, tax returns, unrelated business income, foreign accounts, prohibited transactions, and charitable contributions.

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 on Schedule O. See instructions.

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 33; 1b Enter the number of voting members included on line 1a... 27; 2 Did any officer, director, trustee, or key employee have a family relationship... X; 3 Did the organization delegate control over management duties... X; 4 Did the organization make any significant changes to its governing documents... X; 5 Did the organization become aware during the year of a significant diversion of the organization's assets... X; 6 Did the organization have members or stockholders... X; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body... X; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body... X; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body... X; b Each committee with authority to act on behalf of the governing body... X; 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 on Schedule O... X

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 Did the organization have local chapters, branches, or affiliates... X; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? X; 11b Describe on Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13... X; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? X; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done... X; 13 Did the organization have a written whistleblower policy? X; 14 Did the organization have a written document retention and destruction policy? X; 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? a The organization's CEO, Executive Director, or top management official... X; b Other officers or key employees of the organization... X; 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? X; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 GA, SC, FL, NC, AL, VA, ME, TN
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [X] Own website [X] Another's website [X] Upon request [] Other (explain on Schedule O)
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records
KIMBERLY L LABOONE - 404-350-7336
2020 PEACHTREE RD. NW, ATLANTA, GA 30309-1402

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

Check if Schedule O contains a response or note to any line 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 the 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, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) 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.
- See the instructions for the order in which to list the persons above.

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 (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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			
(1) SARAH MORRISON CEO	40.00 1.00	X		X				1,278,833.	0.	31,641.
(2) MICHAEL R. YOCHELSON, M.D. CHIEF MEDICAL OFFICER	40.00 0.00	X		X				773,200.	0.	31,796.
(3) ERIK SHAW PHYSICIAN	40.00 0.00					X		696,767.	0.	34,855.
(4) STEPHEN B. HOLLEMAN CHIEF FINANCIAL OFFICER	40.00 1.00	X		X				621,984.	0.	38,115.
(5) BEN W. THROWER PHYSICIAN	40.00 0.00					X		602,162.	0.	37,105.
(6) SHERRILL LORING PHYSICIAN	40.00 0.00					X		621,463.	0.	13,545.
(7) PHILIP WEXLER PHYSICIAN	40.00 0.00					X		575,966.	0.	29,330.
(8) BROCK BOWMAN, M.D. ASSOCIATE MEDICAL DIRECTOR	40.00 0.00					X		565,820.	0.	37,055.
(9) DAVID QUINTERO PHYSICIAN	40.00 0.00					X		578,200.	0.	6,090.
(10) JAMES H. SHEPHERD, III PRESIDENT/COO	40.00 0.00	X		X				537,781.	0.	31,780.
(11) BRIAN BARNETTE CHIEF INFORMATION OFFICER	40.00 1.00	X		X				384,659.	0.	27,056.
(12) SARAH BATTS VICE PRESIDENT FOUNDATION	1.00 40.00	X						311,391.	0.	16,274.
(13) DEBORAH BACKUS VP RESEARCH AND INNOVATION	40.00 0.00					X		300,649.	0.	26,358.
(14) WILMA BUNCH VP PATIENT EXPERIENCE	40.00 0.00	X						274,923.	0.	22,572.
(15) JOE NOWICKI VP FACILITY SERVICE	40.00 0.00	X						273,747.	0.	22,434.
(16) KATHERINE CREEK VP OF HUMAN RESOURCES	40.00 0.00					X		279,435.	0.	11,184.
(17) TAMARA KING CHIEF NURSE EXECUTIVE	40.00 0.00					X		258,752.	0.	30,929.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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			
(18) JO TAPPER VP MARKETING AND COMMUNICATIONS	40.00 0.00				X			273,878.	0.	2,273.
(19) JOHN R. HAMILTON, III CHIEF COMPLIANCE OFFICER & GENERAL C	40.00 0.00	X		X				237,526.	0.	4,442.
(20) DONALD P. LESLIE, M.D. MED DIR EMERITUS	20.00 1.00	X						155,751.	0.	29,085.
(21) DAVID F. APPLE, JR. M.D. MED DIR EMERITUS	30.00 1.00	X						134,754.	0.	13,022.
(22) ALANA SHEPHERD CHAIRMAN	30.00 30.00	X		X				0.	0.	0.
(23) ANDREW ALIAS BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(24) BRYANT G. COATS BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(25) CHARLES L DAVIDSON III BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(26) CLARK H. DEAN CHAIR ELECT	1.00 0.00	X		X				0.	0.	0.
1b Subtotal								9,737,641.	0.	496,941.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								9,737,641.	0.	496,941.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 318

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	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	4	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	5	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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
RULE JOY TRAMMELL & RUBIO LLC, 300 GALLERIA PARKWAY, SUITE 740, ATLANTA, GA	ARCHITECTURAL AND DESIGN SERVICES	5,777,093.
PIEDMONT HEALTHCARE PO BOX 100062, ATLANTA, GA 30348-0062	MEDICAL SERVICES	4,881,013.
BRASFIELD & GORRIE LLC 2999 CIRCLE 75 PARKWAY, ATLANTA, GA 30339	CONSTRUCTION SERVICES	1,920,688.
PIEDMONT COMMUNITY CONNECT PO BOX 117464, ATLANTA, GA 30368-7464	INFORMATION TECHNOLOGY MAINTENAN	1,557,740.
HEALTHCARE WORKFORCE LOGISTICS - HWL 2555 NORTHWINDS PARKWAY, ATLANTA, GA 30009	HEALTHCARE STAFFING SERVICES	1,457,166.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 50

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 (list any hours for related organizations below line)	(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			
(27) CYNDAE ARRENDALE BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(28) DOUGLAS LINDAUER BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(29) FRED V. ALIAS BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(30) JAMES D. THOMPSON CHAIR ELECT	1.00 0.00	X		X				0.	0.	0.
(31) JAMES E. STEPHENSON BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(32) JARRAD TURNER BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(33) JOHN ROOKER BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(34) JOHN S. DRYMAN BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(35) JULI OWENS RECORDING SECRETARY	1.00 0.00	X		X				0.	0.	0.
(36) JUSTIN JONES BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(37) K. BOYNTON SMITH BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(38) LARRY R. ELLIS, GENERAL RET. BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(39) MOLLY Y. LANIER BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(40) ROBERT CUNNINGHAM BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(41) SALLY D. NUNNALLY BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(42) SARA S. CHAPMAN CORPORATE SECRETARY	1.00 1.00	X		X				0.	0.	0.
(43) SHALER ALIAS BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(44) SUSAN HAWKINS BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(45) TALBOT NUNNALLY BOARD MEMBER	1.00 0.00	X						0.	0.	0.
(46) VINCENZO PISCOPO BOARD MEMBER	1.00 0.00	X						0.	0.	0.
Total to Part VII, Section A, line 1c										

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

Table with 6 main columns: (A) Name and title, (B) Average hours per week, (C) Position (Individual trustee or director, Institutional trustee, Officer, Key employee, Highest compensated employee, Former), (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Includes entries for W. CLYDE SHEPHERD, III and WILLIAM C. FOWLER.

Total to Part VII, Section A, line 1c

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	9,202,175.			
	f	All other contributions, gifts, grants, and similar amounts not included above ...	1f	45,813,425.			
	g	Noncash contributions included in lines 1a-1f	1g	\$ 130,950.			
	h	Total. Add lines 1a-1f		55,015,600.			
Program Service Revenue	2 a	NET INPATIENT SERVICE	Business Code				
			900099	164281623.	164281623.		
	b	NET OUTPATIENT SERVICE	900099	84,022,412.	84022412.		
	c	NET DAYPATIENT SERVICE	900099	6,623,342.	6,623,342.		
	d						
	e						
	f	All other program service revenue					
g	Total. Add lines 2a-2f		254927377.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		4,226,372.		4226372.	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	6a	(i) Real			
				(ii) Personal			
	b	Less: rental expenses ...	6b				
	c	Rental income or (loss)	6c				
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	7a	(i) Securities			
				(ii) Other	9,200.		
	b	Less: cost or other basis and sales expenses	7b		11,076.		
	c	Gain or (loss)	7c		-1,876.		
d	Net gain or (loss)		-1,876.		-1,876.		
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a					
b	Less: direct expenses	8b					
c	Net income or (loss) from fundraising events						
9 a	Gross income from gaming activities. See Part IV, line 19	9a					
b	Less: direct expenses	9b					
c	Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances	10a					
b	Less: cost of goods sold	10b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue	11 a	CAFETERIA REVENUE	Business Code				
			900099	1,352,121.		1352121.	
	b	ADMINISTRATIVE FEES	532000	72,221.	72,221.		
	c	RENTAL INCOME	532000	64,800.	64,800.		
	d	All other revenue	900099	4,729,720.	4,729,720.		
e	Total. Add lines 11a-11d		6,218,862.				
12	Total revenue. See instructions		320386335.	259657097.	137,021.	5576617.	

Part IX Statement of Functional Expenses

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

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

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 domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	10,234,545.	5,552,656.	4,681,889.	
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	116,108,090.	96,121,944.	19,986,146.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,057,223.		4,057,223.	
9 Other employee benefits	11,344,750.	9,391,933.	1,952,817.	
10 Payroll taxes	17,798,744.	6,719,289.	11,079,455.	
11 Fees for services (nonemployees):				
a Management	3,099,639.	1,576,264.	1,523,375.	
b Legal	84,387.	544.	83,843.	
c Accounting	191,235.		191,235.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	35,184.		35,184.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	16,565,024.	10,520,776.	6,044,248.	
12 Advertising and promotion	1,247,734.	122,017.	1,125,717.	
13 Office expenses	3,513,697.	2,105,267.	1,408,430.	
14 Information technology	6,426,487.	174,227.	6,252,260.	
15 Royalties				
16 Occupancy	2,645,734.	523,744.	2,121,990.	
17 Travel	716,529.	570,434.	146,095.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	1,119,801.	562,618.	557,183.	
20 Interest	1,258,427.		1,258,427.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	11,630,405.	2,952,389.	8,678,016.	
23 Insurance	1,244,429.	164,450.	1,079,979.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	70,964,099.	70,964,099.		
b OTHER DIRECT EXPENSES	6,206,853.	320,985.	5,885,868.	
c EQUIPMENT RENTAL & MAIN	3,174,177.	2,162,089.	1,012,088.	
d ALLOCATION OF INDIRECT	0.	14,192,902.	-14,192,902.	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	289,667,193.	224,698,627.	64,968,566.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

		(A)		(B)	
		Beginning of year		End of year	
Assets	1 Cash - non-interest-bearing	94,093,408.	1	50,240,652.	
	2 Savings and temporary cash investments	28,853,909.	2	140,276,058.	
	3 Pledges and grants receivable, net	2,131,258.	3	2,202,493.	
	4 Accounts receivable, net	70,713,587.	4	80,581,350.	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6		
	7 Notes and loans receivable, net	57,341.	7	128,918.	
	8 Inventories for sale or use	5,660,319.	8	5,259,000.	
	9 Prepaid expenses and deferred charges	4,751,268.	9	4,948,990.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 355,871,535.			
	b Less: accumulated depreciation	10b 205,471,249.	129,723,923.	10c	150,400,286.
	11 Investments - publicly traded securities	380,138,960.	11	307,093,339.	
	12 Investments - other securities. See Part IV, line 11		12		
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets	14,769,258.	14	12,505,726.	
	15 Other assets. See Part IV, line 11	5,669,773.	15	6,612,796.	
16 Total assets. Add lines 1 through 15 (must equal line 33)	736,563,004.	16	760,249,608.		
Liabilities	17 Accounts payable and accrued expenses	34,531,269.	17	38,683,996.	
	18 Grants payable		18		
	19 Deferred revenue	6,890,176.	19	110,582.	
	20 Tax-exempt bond liabilities	45,759,993.	20	43,450,100.	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22		
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	5,769,952.	25	5,981,159.	
	26 Total liabilities. Add lines 17 through 25	92,951,390.	26	88,225,837.	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.				
	27 Net assets without donor restrictions	452,696,703.	27	459,220,292.	
	28 Net assets with donor restrictions	190,914,911.	28	212,803,479.	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
	29 Capital stock or trust principal, or current funds		29		
	30 Paid-in or capital surplus, or land, building, or equipment fund		30		
	31 Retained earnings, endowment, accumulated income, or other funds		31		
	32 Total net assets or fund balances	643,611,614.	32	672,023,771.	
33 Total liabilities and net assets/fund balances	736,563,004.	33	760,249,608.		

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	320,386,335.
2	Total expenses (must equal Part IX, column (A), line 25)	2	289,667,193.
3	Revenue less expenses. Subtract line 2 from line 1	3	30,719,142.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	643,611,614.
5	Net unrealized gains (losses) on investments	5	-19,602,373.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	17,295,388.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	672,023,771.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line 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 on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
c	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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

Form 990 (2022)

SCHEDULE A
(Form 990)

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.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

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

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

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

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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 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)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 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						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2021 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 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

15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2022. 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 - 2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? Row 2: Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test. Answer lines 2a and 2b below. Sub-rows a, b. Row 3: Parent of Supported Organizations. Answer lines 3a and 3b below. Sub-rows a, b.

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

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

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (<i>describe in Part VI</i>). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2022 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2022	(iii) Distributable Amount for 2022
1 Distributable amount for 2022 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2022 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2022			
a From 2017			
b From 2018			
c From 2019			
d From 2020			
e From 2021			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2022 distributable amount			
i Carryover from 2017 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2022 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2022 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2023. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2018			
b Excess from 2019			
c Excess from 2020			
d Excess from 2021			
e Excess from 2022			

Schedule A (Form 990) 2022

Part VI

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

Horizontal lines for supplemental information.

SCHEDULE C
(Form 990)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for instructions and the latest information.

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

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

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

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

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

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

Name of organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
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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 campaign activity expenditures \$ _____
- 3 Volunteer hours for political campaign activities _____

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-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990) 2022

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grassroots lobbying)	22,137.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	127,753.													
c	Total lobbying expenditures (add lines 1a and 1b)	149,890.													
d	Other exempt purpose expenditures	224548737.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	224698627.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		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.		
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)	250,000.													
h	Subtract line 1g from line 1a. If zero or less, enter -0-	0.													
i	Subtract line 1f from line 1c. If zero or less, enter -0-	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 separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) Total
2a Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000.
c Total lobbying expenditures	66,016.	65,958.	86,399.	149,890.	368,263.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures				22,137.	22,137.

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 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:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d 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
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	
a Current year	2a
b Carryover from last year	2b
c Total	2c
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3
4 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 expenditures next year?	4
5 Taxable amount of lobbying and political expenditures. See instructions	5

Part IV Supplemental Information

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

PART II-A SUPPLEMENTAL INFORMATION:

SHEPHERD CENTER EMPLOYED ABIGAIL THOMPSON AS THE DIRECTOR OF GOVERNMENT RELATIONS AND ADVOCACY. DURING FISCAL YEAR OF 2023, SHE WAS INVOLVED IN THE FOLLOWING ACTIVITIES:

1. REPRESENTED SHEPHERD CENTER ON HEALTHCARE AND RELATED ISSUES BEFORE THE GEORGIA GENERAL ASSEMBLY, STATE EXECUTIVE BRANCH, AND APPROPRIATE STATE

Part IV Supplemental Information *(continued)*

AGENCIES.

2. REPRESENTED SHEPHERD CENTER ON HEALTHCARE AND RELATED ISSUES BEFORE CONGRESSIONAL OFFICES AND FEDERAL AGENCIES (E.G., CMS).

Multiple horizontal lines for text entry.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization **SHEPHERD CENTER, INC.** Employer identification number **51-0141601**

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of 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" on 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 (for example, recreation or education) Preservation of a 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 July 25, 2006, 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?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

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

b If the organization elected, as permitted under FASB 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) Revenue included on 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 FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 \$ _____

b Assets included in Form 990, Part X \$ _____

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2022

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 make 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 program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	45,563,086.	44,573,483.	44,534,489.	44,441,878.	44,200,893.
b Contributions	2,519,690.	989,603.	38,994.	92,611.	240,985.
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	48,082,776.	45,563,086.	44,573,483.	44,534,489.	44,441,878.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment .0000 %
 - b Permanent endowment 100 %
 - c Term endowment .0000 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|-----|----|
| (i) Unrelated organizations | | X |
| (ii) Related organizations | | X |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		44,910,980.		44,910,980.
b Buildings		121,515,735.	67,920,840.	53,594,895.
c Leasehold improvements				
d Equipment		159,836,997.	136,242,124.	23,594,873.
e Other		29,607,823.	1,308,285.	28,299,538.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				150,400,286.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ANNUITIES PAYABLE	5,981,159.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	

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

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

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

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

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

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

1	Total expenses and losses per audited financial statements		1
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 XIII.)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
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 XIII.)	4b	
c	Add lines 4a and 4b		4c
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5

Part XIII Supplemental Information.

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

PART V, LINE 4:

SHEPHERD CENTER HAS ESTABLISHED MULTIPLE PERMANENT ENDOWMENT FUNDS TO SUPPORT A VARIETY OF COMMUNITY FUNDED PROGRAMS SUCH AS RECREATION THERAPY, HOUSING, ASSISTIVE TECHNOLOGY AND MANY OTHER PROGRAMS THAT ARE NOT TRADITIONALLY OFFERED IN OTHER HOSPITALS. THESE PROGRAMS ARE VALUE ADDED SERVICES THAT ARE NOT REIMBURSED BY THIRD PARTY PAYORS AND ENSURE THAT SHEPHERD CENTER PROVIDES A FULL AND EXPANDED CONTINUUM OF CARE THAT HELPS FULFILL OUR MISSION OF HELPING PATIENTS REBUILD THEIR LIVES TO THE FULLEST EXTENT POSSIBLE.

PART X, LINE 2:

SHEPHERD AND FOUNDATION HAVE BOTH BEEN GRANTED TAX-EXEMPT STATUS UNDER

Part XIII Supplemental Information (continued)

SECTION 501(A) OF THE INTERNAL REVENUE CODE (THE CODE) AS ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) WHEREBY ONLY UNRELATED BUSINESS INCOME, AS DEFINED BY SECTION 512(A)(1) OF THE CODE, IS SUBJECT TO FEDERAL INCOME TAX. SHEPHERD AND FOUNDATION HAD NO SIGNIFICANT UNRELATED BUSINESS TAXABLE INCOME DURING 2023 AND 2022; ACCORDINGLY, NO PROVISION OR BENEFIT FOR INCOME TAXES HAS BEEN INCLUDED IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

THE PROVISIONS OF ACCOUNTING STANDARDS FOR INCOME TAXES REQUIRE THAT A TAX POSITION BE RECOGNIZED OR DERECOGNIZED BASED ON A 'MORE-LIKELY-THAN-NOT' THRESHOLD. THIS APPLIES TO POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. THE CENTER DOES NOT BELIEVE ITS CONSOLIDATED FINANCIAL STATEMENTS INCLUDE ANY MATERIAL UNCERTAIN TAX POSITIONS. THE CENTER IS NO LONGER SUBJECT TO FEDERAL OR STATE INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR CALENDAR YEARS BEFORE 2019.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
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Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year: <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 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.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>250</u> %	X	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		X
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 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"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
c 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?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

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

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)	1	1,118	5964075.	628,442.	5335633.	1.84%
b Medicaid (from Worksheet 3, column a)	1	1,087	4846124.	0.	4846124.	1.67%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs	2	2,205	10810199.	628,442.	10181757.	3.51%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	71	18,134	12142460.	8109899.	4032561.	1.39%
f Health professions education (from Worksheet 5)	3	479	456,619.		456,619.	.16%
g Subsidized health services (from Worksheet 6)	15	6,174	1178697.	928,066.	250,631.	.09%
h Research (from Worksheet 7)	46	350	6056230.	5159615.	896,615.	.31%
i Cash and in-kind contributions for community benefit (from Worksheet 8)	1	0	30,000.	0.	30,000.	.01%
j Total. Other Benefits	136	25,137	19864006.	14197580.	5666426.	1.96%
k Total. Add lines 7d and 7j	138	27,342	30674205.	14826022.	15848183.	5.47%

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing	1	796	718,059.	717,857.	203.	.00%
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other	5	1,554	139,457.	76,238.	63,219.	.02%
10 Total	6	2,350	857,516.	794,095.	63,422.	.02%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	835,432.	
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	24,357,923.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	36,783,852.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-12,425,929.
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? 1

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

1 SHEPHERD CENTER, INC.
2020 PEACHTREE ROAD, NW
ATLANTA, GA 30309
WWW.SHEPHERD.ORG
060-500

Table with 9 columns: Licensed hospital, gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group. Row 1 has 'X' in Licensed hospital and Research facility columns.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: SHEPHERD CENTER, INC.

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

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" 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 checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>21</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SHEPHERD.ORG</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>21</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>WWW.SHEPHERD.ORG</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: SHEPHERD CENTER, INC.

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>250</u> % and FPG family income limit for eligibility for discounted care of _____ %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SHEPHERD.ORG</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SHEPHERD.ORG</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SHEPHERD.ORG</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input checked="" type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2022

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: SHEPHERD CENTER, INC.

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

Policy Relating to Emergency Medical Care

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

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group: SHEPHERD CENTER, INC.

		Yes	No		
<p>22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:</p> <p>a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p>b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p>					
<p>23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?</p> <p>If "Yes," explain in Section C.</p>		23	X		
<p>24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?</p> <p>If "Yes," explain in Section C.</p>		24	X		

Schedule H (Form 990) 2022

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SHEPHERD CENTER, INC.:

PART V, SECTION B, LINE 5: TO CONDUCT AND PRODUCE A HIGH-QUALITY 2021 CHNA, A SMALL GROUP OF ENGAGED PARTNERS AND AN EXTERNAL CONSULTANT (DI VITO CONSULTING) GUIDED THE PROCESS AS OUTLINED IN THE 2010 AFFORDABLE CARE ACT. THE CHNA STEERING COMMITTEE CONSISTED OF 14 MEMBERS OF THE CLINICAL AND OPERATIONS TEAMS AT SHEPHERD CENTER.

THE STEERING COMMITTEE OVERSAW A PROCESS THAT INCLUDED:

- DEMOGRAPHIC ASSESSMENT IDENTIFYING THE NATIONAL, REGIONAL AND LOCAL COMMUNITY SERVED
- FOUR FOCUS GROUPS AND KEY COMMUNITY MEMBER INFORMANT INTERVIEWS
- COMMUNITY HEALTH NEEDS ASSESSMENT SURVEY OF PERCEIVED HEALTHCARE ISSUES AMONG SHEPHERD PATIENTS
- QUANTITATIVE ANALYSIS OF ACTUAL HEALTH CARE ISSUES AND NATIONAL BENCHMARKING DATA AND REPORTS
- APPRAISAL OF CURRENT EFFORTS TO ADDRESS THE HEALTHCARE ISSUES
- DEVELOPMENT OF PROPOSED STRATEGIZES TO DEPLOY OVER THE NEXT THREE YEARS TO ADDRESS ISSUES COLLECTIVELY, ULTIMATELY WORKING TOWARDS GROWING A HEALTHIER COMMUNITY

MEMBERS OF THE STEERING COMMITTEE:

DEBORAH BACKUS, VICE PRESIDENT OF RESEARCH AND INNOVATION; BRIAN BARNETTE, CHIEF INFORMATION OFFICER; JACQUELINE BARON-LEE, DIRECTOR OF QUALITY AND OUTCOMES MANAGEMENT; MARSHA HANSON, DIRECTOR OF OUTPATIENT SERVICES; MARIELLEN JACOBS, FAMILY MEMBER/BRAIN INJURY, PEER SUPPORT LIAISON; DIANE JOHNSTON, DIRECTOR OF PROFESSIONAL EDUCATION ; JACQUELINE JONES, DIRECTOR

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

OF ADMISSIONS AND CASE MANAGEMENT; SHARI MCDOWELL, DIRECTOR, SPINAL CORD INJURY REHABILITATION PROGRAM; KATIE METZGER, DIRECTOR, BRAIN INJURY REHABILITATION PROGRAM, LAURIE BAKER, DIRECTOR, DEPARTMENT OF PSYCHOLOGY ; ELLEN PERRY, DIRECTOR OF STRATEGY, SHEPHERD CENTER FOUNDATION ; VINCENZO PISCOPO, PRESIDENT & CEO, UNITED SPINAL ASSOCIATION, AND BOARD OF DIRECTORS, SHEPHERD CENTER; JANE SANDERS, DIRECTOR OF PUBLIC RELATIONS AND DIGITAL MARKETING; MICHAEL YOCHELSON, M.D., CHIEF MEDICAL OFFICER FOUR SEPARATE FOCUS GROUPS, INCLUDING 20 SHEPHERD CENTER STAFF MEMBERS, PATIENTS, FAMILY MEMBERS AND CAREGIVERS, WERE CONDUCTED WITH THE SHEPHERD CONSUMER ADVISORY GROUP, PATIENT FAMILY SUPPORT GROUP, SHEPHERD CASE MANAGERS AND A MULTIPLE SCLEROSIS GROUP.

ADDITIONALLY, 22 KEY INFORMANT INTERVIEWS WERE CONDUCTED WITH COMMUNITY PARTNER SUBJECT MATTER EXPERTS. THESE INTERVIEWS PROVIDED QUALITATIVE INFORMATION FOR PRIMARY DATA ANALYSIS.

KEY INFORMANT INTERVIEW PARTICIPANTS:

DEBORAH BACKUS, VICE PRESIDENT OF RESEARCH AND INNOVATION, SHEPHERD CENTER; BRIAN BARNETTE, VICE PRESIDENT AND CHIEF INFORMATION OFFICER, SHEPHERD CENTER; JACQUELINE BARON-LEE, DIRECTOR OF QUALITY AND OUTCOMES MANAGEMENT, SHEPHERD CENTER; ANNA BERRY, PROGRAM MANAGER, ANDREW C. CARLOS MULTIPLE SCLEROSIS INSTITUTE, SHEPHERD CENTER; JACKIE BREITENSTEIN, PROGRAM MANAGER, SHARE MILITARY INITIATIVE, SHEPHERD CENTER; WILMA BUNCH, RD, VICE PRESIDENT OF PATIENT EXPERIENCE, SHEPHERD CENTER; SUSAN CONNORS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, BRAIN INJURY ASSOCIATION OF AMERICA; GENERAL LARRY ELLIS, CEO, ESSE, AND BOARD OF DIRECTORS, SHEPHERD CENTER; MARSHA HANSON, DIRECTOR OF OUTPATIENT SERVICES, SHEPHERD CENTER;

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

EMMA HARRINGTON, M.ED.DIRECTOR OF INJURY PREVENTION AND EDUCATION,
SHEPHERD CENTER; MARIELLEN JACOBS, FAMILY MEMBER/BRAIN INJURY PEER SUPPORT
LIAISON, SHEPHERD CENTER; JACQUELINE M. JONES, DIRECTOR OF ADMISSIONS AND
CASE MANAGEMENT, SHEPHERD CENTER; SHARI MCDOWELL, DIRECTOR, SPINAL CORD
INJURY REHABILITATION PROGRAM, SHEPHERD CENTER; KATIE METZGER, DIRECTOR OF
BRAIN REHABILITATION PROGRAM, SHEPHERD CENTER; KATIE MOONEY SR. MANAGER OF
COMMUNITY BENEFIT AND POPULATION HEALTH, GRADY HEALTH; SARAH MORRISON,
CEO, SHEPHERD CENTER; LAURIE BAKER, DIRECTOR, DEPARTMENT OF PSYCHOLOGY,
SHEPHERD CENTER; KAREN NELSON, TEAM LEAD, GEORGIA'S AGING AND DISABILITY
RESOURCE CONNECTION; VINCENZO PISCOPO, PRESIDENT AND CEO, UNITED SPINAL
ASSOCIATION, BOARD OF DIRECTORS, SHEPHERD CENTER; JAMES H SHEPHERD III,
PRESIDENT/COO, SHEPHERD CENTER; CHRIS WELLS, EXECUTIVE DIRECTOR, GEORGIA
VOCATIONAL REHABILITATION AGENCY; MICHAEL YOCHELSON, M.D., CHIEF MEDICAL
OFFICER, SHEPHERD CENTER

SHEPHERD CENTER, INC.:

PART V, SECTION B, LINE 13H: FAMILY SIZE

SHEPHERD CENTER, INC.:

PART V, SECTION B, LINE 16J: WHEN PATIENTS ARE SCHEDULED OR AN ADMISSION
REFERRAL IS MADE, APPROPRIATE FINANCIAL SCREENING IS PROVIDED.

PART V, SECTION B, LINE 11:

THE CHNA IDENTIFIED THE FOLLOWING COMMUNITY HEALTH NEEDS:

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

1. FITNESS AND PHYSICAL ACTIVITIES

2. EXPANDED ACCESS TO SHEPHERD CENTER-LEVEL SERVICES

3. COMMUNITY-BASED ACCESS TO SPECIALIZED HEALTHCARE PROVIDERS

4. FINANCIAL STABILITY AND INSURANCE COVERAGE

5. EXPANDED ACCESS TO MENTAL HEALTH AND EMOTIONAL WELL-BEING SERVICES

6. EXPANDED ACCESS TO WELLNESS AND NUTRITIONAL PROGRAMS

SHEPHERD CENTER HAS STRATEGIES, AS DESCRIBED BELOW, TO ADDRESS THE COMMUNITY HEALTH NEEDS FOR INDIVIDUALS WITH SCI, ABI, STROKE AND MS.

1. FITNESS AND PHYSICAL ACTIVITIES NEED FOR IMPROVED, COMMUNITY-BASED ACCESS TO FITNESS, IN GENERAL, AND PHYSICAL ACTIVITIES/PROGRAMS

DESIGNED SPECIFICALLY FOR INDIVIDUALS WITH SCI, ABI, STROKE AND MS.

- THROUGH A PARTNERSHIP WITH BURNALONG (BURNALONG.COM), AN INDEPENDENT ONLINE WELLNESS PLATFORM, SHEPHERD-DEVELOPED AND BRANDED NUTRITION AND EXERCISE EDUCATIONAL VIDEOS WILL BE AVAILABLE ON THE PLATFORM. SHEPHERD PATIENTS, NON-PATIENTS AND THEIR COMMUNITY-BASED SUPPORTERS AND CAREGIVERS WILL HAVE ACCESS TO THESE MATERIALS SO THEY CAN BE USED AT ANY LOCAL GYM AND FITNESS CENTER, OR AT HOME.

- STRIVE TO INCREASE REMOTE CLASSES THROUGH THE BURNALONG PARTNERSHIP.

- CONTINUE SHEPHERD CENTER'S 12 SPORTS TEAMS RANGING FROM FENCING, RUGBY, BASKETBALL, TENNIS AND WATER SKIING TO SOCCER WHICH ALLOW OUR COMMUNITY TO STAY FIT AND ACTIVE.

- CONTINUE PARTNERSHIP WITH BLAZE SPORTS, ENCOURAGING HEALTH AND WELLNESS/SPORTS TEAMS FOR YOUTHS AND VETERANS.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- INCREASE ACCESS AND KNOWLEDGE OF APPS THAT PROMOTE INDIVIDUALS TO ACHIEVE AND MAINTAIN A HEALTHY LIFESTYLE BY DOING EXERCISES SHOWN AND DESCRIBED IN HOW-TO VIDEOS.

- THROUGH TELEREHABILITATION, CONTINUE INCREASING THE NUMBER OF HEALTH-RELATED VIRTUAL CLASSES.

- CONTINUE PARTNERSHIP WITH THE RSVP CLINIC OF GEORGIA, FOCUSING ON PROVIDING FREE OUTPATIENT REHABILITATION CARE THAT MAXIMIZES INDEPENDENCE, WELLNESS, AND COMMUNITY PARTICIPATION FOR UNINSURED PEOPLE WITH BRAIN, STROKE, AND SPINAL CORD INJURIES.

- CONTINUE THE PRO BONO WHEELCHAIR MOBILITY CLASS OFFERED THROUGH SHEPHERD CENTER'S SPINAL CORD INJURY PROGRAM.

- CONTINUE CLINICS FOR SPORTING ACTIVITIES THROUGH SHEPHERD CENTER'S RECREATIONAL THERAPY PROGRAM

- CONTINUE TO OFFER GYM MEMBERSHIPS TO THE PUBLIC

2. EXPANDED ACCESS TO SHEPHERD CENTER-LEVEL SERVICES NEED FOR EXPANDED COMMUNITY ACCESS TO SHEPHERD SERVICES AND EXPERTISE (INDIVIDUALS WITH SCI, ABI, STROKE AND MS, AND AMONG HEALTHCARE PROFESSIONALS).

- EDUCATE HEALTHCARE PROFESSIONALS ("TRAIN THE TRAINER" PROGRAMS).

- PROVIDE SHEPHERD DOCTORS VOLUNTEER HOURS WITHIN THE COMMUNITY THROUGH ORGANIZATIONS LIKE THE GEORGIA REHABILITATION SERVICE VOLUNTEER PARTNERSHIP (GA RSVP CLINIC).

- SHARE RESEARCH MORE BROADLY, I.E., BE THE "EXPORTERS OF EXCELLENCE." THIS WILL BE ACHIEVED BY PUBLISHING RESEARCH RESULTS, SITTING ON VARIOUS COMMITTEES AND BOARDS AND/OR SHARING INFORMATION VIA SOCIAL MEDIA. THIS YOUTUBE VIDEO WITH DR. THROWER OF SHEPHERD CENTER IS AN

EXAMPLE: BIT.LY/3NKMJPL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- CONTINUE TO EXPAND TELEHEALTH AND TELEREHABILITATION REACH FOR SHEPHERD PATIENTS AS ALLOWED BY REGULATORY BODIES. AT THE TIME OF THIS WRITING, THE NATION IS OPERATING UNDER THE FEDERAL GOVERNMENT'S DECLARED COVID-19 PUBLIC HEALTH EMERGENCY, ALLOWING PHYSICIANS AND OTHER PROFESSIONALS TO PROVIDE TELEHEALTH, TELEREHABILITATION AND OTHER WEB-BASED SERVICES WITHOUT NEEDING TO BE LICENSED IN EVERY STATE. ONCE THE PUBLIC HEALTH EMERGENCY IS LIFTED, SHEPHERD MAY HAVE MORE DIFFICULTY REACHING PATIENTS IN OTHER STATES REQUIRING INDIVIDUAL LICENSURES INSTEAD OF BELONGING TO A COMPACT THAT ALLOWS RECIPROCITY (I.E., PSYPACT FOR PSYCHOLOGISTS). SHEPHERD STAFF WILL NEED TO BE KNOWLEDGEABLE OF WHICH STATES ALLOW RECIPROCITY AND THE LEVEL OF SERVICE THAT CAN BE OFFERED E.G., TELECOUNSELING MAY BE ALLOWED, BUT TELEREHABILITATION MAY NOT BE ALLOWED.

- INCREASE OUTREACH TO HISPANIC INDIVIDUALS BY CREATING ADDITIONAL PUBLICATIONS, MARKETING COLLATERAL AND OTHER WRITTEN COMMUNICATIONS AVAILABLE IN SPANISH (SOME CURRENTLY AVAILABLE AT SHEPHERD.ORG/ESPAÑOL).

3. COMMUNITY-BASED ACCESS TO SPECIALIZED HEALTH CARE PROVIDERS NEED FOR IMPROVED AND EXPANDED ACCESS TO COMMUNITY-BASED HEALTH CARE PROVIDERS WHO ARE EDUCATED OR TRAINED TO WORK WITH AND SUPPORT INDIVIDUALS WITH SCI, ABI, STROKE AND MS.

- CONTINUE TO GROW ENGAGEMENT AND PARTNERSHIP WITH CAN DO MS, AN EXPERIENTIAL LEARNING MS NON-PROFIT. LEVERAGING A SHEPHERD NEUROLOGIST WHO IS ALSO CAN DO MS BOARD MEMBER, SHEPHERD PROVIDES THIS NETWORK WITH VIRTUAL AND ON-SITE EDUCATION AND HEALTHCARE PROVIDER RESOURCES. THIS ENGAGEMENT WILL BE EXPANDED IN THE NEXT THREE YEARS.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- EXPAND THE KNOWLEDGE OF COMMUNITY-BASED PROFESSIONALS ON THE UNIQUE NEEDS OF OUR PATIENTS THROUGH THE NEUROREHABILITATION LEARNING INSTITUTE. CONTINUE TO BECOME ACCREDITED BY APPROPRIATE ORGANIZATIONS, ENABLING SHEPHERD TO PROVIDE CONTINUING EDUCATION CREDITS TO COMMUNITY HEALTHCARE PROFESSIONALS AND CARE PROVIDERS ACROSS MULTIPLE DISCIPLINES.

- INCREASE THE NUMBER OF FELLOWSHIPS FOR ABI, SCI, MS, PAIN AND PSYCHOLOGY THROUGH THE INSTITUTE OF HIGHER LEARNING.

- USE TECHNOLOGY MORE EFFECTIVELY TO PROVIDE EDUCATIONAL SESSIONS. FULLY IMPLEMENT THE PROGRAM FUNDED BY ANDEE'S ARMY, WHICH IS FOCUSED ON DEVELOPING ADOLESCENT AND YOUNG ADULT PEER MENTORING AND MENTAL HEALTH ASSESSMENT AND INTERVENTION PROGRAMS.

4. FINANCIAL STABILITY AND INSURANCE COVERAGE NEED TO ENSURE THAT FINANCIAL CONCERNS AND CONSTRAINTS ARE NOT A BARRIER TO INDIVIDUALS WITH ABI, STROKE, SCI AND MS RECEIVING SPECIALIZED CARE AS INPATIENTS OR OUTPATIENTS, NOR DO THEY PREVENT A SUCCESSFUL RETURN TO HOME, WORK/SCHOOL AND LIFE IN THE COMMUNITY.

- CONTINUE TO ADVOCATE FOR THE EXPANSION OF MEDICAID IN GEORGIA AND OTHER STATES, AND HELP OUT-OF-STATE PATIENTS WHO BECOME ELIGIBLE FOR GEORGIA MEDICAID DETERMINE IF THERE IS MEDICAID RECIPROCITY THEY CAN BENEFIT FROM UPON MOVING BACK TO THEIR HOME STATE.

- CONTINUE TO WORK WITH INSURANCE CARRIERS TO EXPAND COVERED SERVICES.

- CONTINUE TO WORK WITH GOVERNMENTAL AGENCIES AND NONPROFITS TO INCREASE FINANCIAL STABILITY. FOR EXAMPLE, GEORGIA HAS A BRAIN AND SPINAL CORD INJURY TRUST FUND THAT REDUCES THE FINANCIAL BURDEN OF GEORGIA PATIENTS. IDENTIFYING STATES THAT DO NOT HAVE A SIMILAR TRUST

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

FUND AND ADVOCATING FOR THE CREATION OF ONE IS A WAY TO REDUCE BARRIERS TO SPECIALIZED CARE.

- BUILD NEW AND EXPANDED PATIENT FAMILY HOUSING A KEY OBJECTIVE IN THE EXISTING SHEPHERD 2020-2025 STRATEGIC PLAN.

- CONTINUE TO ASSIST PATIENTS IN APPLYING FOR SUPPLEMENTAL SECURITY INCOME (SSI) OR SOCIAL SECURITY DISABILITY INSURANCE (SSDI).

- IN ADDITION TO CONTINUING SHEPHERD'S PATIENT EQUIPMENT FUND (FOR EQUIPMENT) AND PATIENT ASSISTANCE FUND (FOR SUPPLIES, MEDICATION, ETC.) NOT COVERED BY INSURANCE, EXPAND EFFORTS TO ENCOURAGE DONATIONS TO ATLANTA-BASED FODAC (FRIENDS OF DISABLED ADULTS AND CHILDREN), ENABLING THE ORGANIZATION TO PROVIDE MORE EQUIPMENT TO INDIVIDUALS.

5. EXPANDED ACCESS TO MENTAL HEALTH AND EMOTIONAL WELL-BEING SERVICES NEED FOR MORE COMMUNITY-BASED MENTAL HEALTH AND EMOTIONAL WELL-BEING SERVICE PROVIDERS EQUIPPED TO MEET THE UNIQUE NEEDS OF INDIVIDUALS WITH AN ABI, STROKE, SCI OR MS.

- INCREASE NETWORK OF COUNSELORS WHO ARE KNOWLEDGEABLE OF SPECIALIZED MENTAL HEALTH AND EMOTIONAL WELL-BEING ISSUES. PROVIDE STUDENT TRAINING IN REHABILITATION PSYCHOLOGY, NEUROPSYCHOLOGY AND PSYCHOMETRY. CONTINUE MONTHLY INTERDISCIPLINARY CLINICS WHERE VOLUNTEER PROVIDERS, INCLUDING PSYCHOLOGISTS, LICENSED PROFESSIONAL COUNSELORS AND SOCIAL WORKERS, PROVIDE SERVICES.

- INCREASE THE NUMBER OF PARTNERSHIPS WITH INDIVIDUAL COUNSELORS, NONPROFITS AND GOVERNMENTAL AGENCIES. SHEPHERD CENTER APPLIED FOR AND WAS AWARDED AN ANDEE'S ARMY GRANT TO DEVELOP ADOLESCENT AND YOUNG ADULT PEER MENTORING AND MENTAL HEALTH ASSESSMENT AND INTERVENTION. THIS THREE-YEAR GRANT STARTING IN LATE 2021 WILL INCLUDE WORKING WITH LOCAL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

UNIVERSITIES AND COUNSELING CENTERS TO PROVIDE TRAINING AND DEVELOPMENT OF AN APP TO PROVIDE OUTREACH WHEREVER AND WHENEVER NEEDED.

- CONTINUE PROVIDING SHEPHERD TRAINING TO THESE PROFESSIONALS. STAFF MEMBERS VOLUNTEER TO TEACH CLASSES AND SERVE AS GUEST SPEAKERS AT LOCAL AND NATIONAL UNIVERSITIES FOR PSYCHOLOGY AND MEDICAL SCHOOL COURSES. EMPLOYEES ARE MEMBERS OF THE GEORGIA PSYCHOLOGICAL ASSOCIATION AND AMERICAN PSYCHOLOGICAL ASSOCIATION TO PROVIDE EDUCATION AND UPDATE RESOURCES FOR OUR PATIENTS. CONTINUE THE APPCN FELLOWSHIP, SHEPHERD'S NATIONALLY RECOGNIZED, TWO-YEAR CLINICAL NEUROPSYCHOLOGY TRAINING FELLOWSHIP.

PART V, SECTION B, LINE 11:

6. EXPANDED ACCESS TO WELLNESS AND NUTRITIONAL PROGRAMS NEED FOR EXPANDED AND ENHANCED SHEPHERD WELLNESS AND NUTRITIONAL PROGRAMS FOR PATIENTS, THEIR CARE PROVIDERS AND FAMILY MEMBERS.

- INCREASE THE NUTRITIONAL EDUCATION PROVIDED TO PATIENTS, CARE PROVIDERS AND FAMILY MEMBERS THROUGH ALL COMMUNICATION VEHICLES AVAILABLE. DEVELOP EDUCATIONAL AND OUTREACH PROGRAMS VIA PARTNERSHIPS AND CONTRACTS WITH INSURANCE COMPANIES FOR THEIR CLIENTS. - THROUGH A PARTNERSHIP WITH BURNALONG (BURNALONG.COM), AN INDEPENDENT ONLINE WELLNESS PLATFORM, ADD SHEPHERD-DEVELOPED AND BRANDED NUTRITION AND EXERCISE EDUCATIONAL VIDEOS TO THE PLATFORM.

FOR ADDITIONAL DETAILS AND INFORMATION REGARDING EACH NEED AND SHEPHERD IMPLEMENTATION PLANS AND PROGRESS, PLEASE VISIT WWW.SHEPHERD.ORG FOR OUR COMMUNITY HEALTH NEEDS ASSESSMENT POSTED UNDER ABOUT SHEPHERD CENTER/PUBLICATIONS.

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Multiple horizontal lines for providing supplemental information.

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

How many non-hospital health care facilities did the organization operate during the tax year? 3

Name and address	Type of facility (describe)
1 SHARE MILITARY INIT & COMPLEX CONCUSSI 80 PEACHTREE PARK DRIVE NE ATLANTA, GA 30309	OUTPATIENT CENTER SERVING INJURED SERVICEMEN AND WOMEN
2 SHEPHERD PATHWAYS 1942 CLAIRMONT ROAD DECATUR, GA 30033	OUTPATIENT CENTER SERVING BRAIN INJURY PATIENTS
3 PATHWAY RESIDENTIAL 2086 AZALEA CIRCLE DECATUR, GA 30033	RESIDENTIAL UNITS SERVING BRAIN INJURY PATIENTS

Schedule H (Form 990) 2022

Part VI Supplemental Information

Provide the following information.

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8, and 9b.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, 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:

IF INCOME EXCEEDS 250% OF THE FEDERAL POVERTY GUIDELINES, ADDITIONAL INFORMATION MAY BE REQUIRED FROM THE PATIENT OR GUARANTOR TO DETERMINE IF ASSISTANCE CAN BE GRANTED BASED ON A 'MEDICALLY NEEDY' SITUATION RESULTING FROM THE CATASTROPHIC EVENT NECESSITATING ADMISSION TO SHEPHERD CENTER.

PART II, COMMUNITY BUILDING ACTIVITIES:

SHEPHERD CENTER'S COMMUNITY BUILDING ACTIVITIES ARE CONCENTRATED IN THE FOLLOWING AREAS:

- ADVOCACY

SHEPHERD CENTER'S ADVOCACY PROGRAM IS RESPONSIBLE FOR THE FOLLOWING:

- 1.SERVE AS A PRIMARY LIAISON BETWEEN SHEPHERD CENTER AND THE DISABILITY COMMUNITY.
- 2.PROVIDE DAY-TO-DAY EXPERTISE ON DISABILITY RIGHTS ISSUES.
- 3.PROMOTE DISABILITY RIGHTS.
- 4.SUPPORT THE DEVELOPMENT OF LOCAL AND NATIONAL CAMPAIGNS RELATED TO HOME AND COMMUNITY BASED SERVICES (HCBS), ACCESSIBLE, AFFORDABLE, INTEGRATED

Part VI Supplemental Information (Continuation)

HOUSING, AFFORDABLE, INTEGRATED HOUSING, REUSE EFFORTS AND INCLUSIVE EMERGENCY MANAGEMENT.

- HOUSING

HAVING THE FAMILIES AND LOVED ONES INVOLVED IN REHABILITATION AFTER A CATASTROPHIC INJURY IS IMPERATIVE TO THE SUCCESSFUL TRANSITION TO COMMUNITY, HOME, WORK AND/OR SCHOOL. SHEPHERD CENTER OFFERS HOUSING FOR 30 DAYS FOR FAMILIES WHO TRAVEL MORE THAN 60 MILES FROM ATLANTA TO GET TO SHEPHERD CENTER. THIS SUPPORT IS CRUCIAL AND APPRECIATED BY FAMILIES AS IT ENABLES THEM TO FOCUS ON THEIR LOVED ONE GETTING BETTER AND NOT THE FINANCIAL BURDENS AND STRESS THAT COMES WITH MOVING FROM HOME FOR CARE. COMPLIMENTARY HOUSING IS ALSO OFFERED FOR DAY PROGRAM PATIENTS AS A WAY TO EXPERIENCE WHAT THEY HAVE LEARNED IN THE INPATIENT SETTING AND PUT IT TO WORK IN A SAFE ENVIRONMENT. THE HOUSING PROGRAM HELPS ALLEVIATE STRESS AND UNCERTAINTY AS PATIENTS TRANSITION BACK TO THEIR HOME AND COMMUNITY. IN ORDER TO PROVIDE A PEER SUPPORT COMMUNITY FOR MILITARY PATIENTS, HOUSING IS PROVIDED AT BISCAYNE PLACE, AN APARTMENT COMPLEX WITHIN TWO MILES OF SHEPHERD CENTER. MOST EVERY FAMILY MEMBER THAT STAYS IN THE WOODRUFF FAMILY RESIDENCE

CENTER HAS SHARED THAT, BY HAVING HOUSING AVAILABLE TO THEM, SHEPHERD CENTER HAS ALLEVIATED THE STRESS AND WORRY OF TRYING TO FIND AND PAY FOR A PLACE TO STAY. PLUS, THEY ARE SO CLOSE TO THEIR LOVED ONES AT THE HOSPITAL, IT GIVES THEM A SENSE OF SECURITY AND CONVENIENCE THEY WOULDN'T HAVE HAD OTHERWISE.

-INJURY PREVENTION

SHEPHERD CENTER BEGAN ITS INJURY PREVENTION EFFORTS IN 1995, FORMALIZING THE PROGRAM IN 2012. IN THIS TIME, SHEPHERD CENTER HAS BECOME A LEADER IN

Part VI Supplemental Information (Continuation)

PREVENTION THROUGHOUT GEORGIA, CREATING EVIDENCE-BASED PROGRAMS TO LESSEN THE INCIDENCE OF CATASTROPHIC BRAIN AND SPINAL CORD INJURY.

1. SHEPHERD CENTER'S BRAIN AND SPINAL CORD INJURY CURRICULUM SAFETY EDUCATION RELATED TO PARTICULAR ACTIVITIES INCLUDING: CONTACT SPORTS, WATER SPORTS AND DIVING INJURIES; MOTORCYCLES, MOTORIZED SCOOTERS, AND ALL-TERRAIN VEHICLE SAFETY; SAFE DRIVING; AND GUN SAFETY. THE CURRICULUM IS CURRENTLY BEING DELIVERED TO 7TH GRADE STUDENTS IN 10 COBB COUNTY MIDDLE SCHOOLS. DURING THE THREE-WEEK COURSE, STUDENTS EXPLORE CASE STUDIES AND HEAR FROM ACTUAL PATIENTS REGARDING THE HEALTH CONSEQUENCES AND DAILY CHALLENGES RESULTING FROM TRAUMATIC SPINAL CORD AND BRAIN INJURY. AS THE CURRICULUM CONTINUES TO PROVE SUCCESSFUL, SHEPHERD CENTER WILL MAINTAIN THIS PARTNERSHIP AND WORK TO ESTABLISH MORE PARTNERSHIPS LOCALLY AND REGIONALLY.

2. DIVING INJURY AWARENESS - USING DATA FROM A TEN-YEAR RETROSPECTIVE STUDY ON LOCAL AND NATIONWIDE DIVING INJURIES, SHEPHERD CENTER'S INJURY PREVENTION PROGRAM HAS CREATED SEVERAL DIVING INTERVENTIONS TARGETED TO THE MOST AT-RISK POPULATIONS INCLUDING "FEET FIRST, EVERYTIME" SOCIAL MEDIA PSAS THAT ARE PROMOTED DURING PEAK SWIMMING/WATER SPORTS SEASON AND TV INTERVIEWS AND RADIO SEGMENTS TARGETED TO AT-RISK DEMOGRAPHICS. CURRENTLY, SHEPHERD IS DESIGNING AND IMPLEMENTING A SEARCH ENGINE FLAG THAT WILL DISPLAY A SIMILAR "FEET FIRST EVERYTIME" MESSAGE POP-UP TO GOOGLE, YAHOO, AND BING USERS WHEN SEARCHING FOR METRO ATLANTA LAKES, SWIMMING POOLS, AND OTHER POPULAR SWIMMING LOCATIONS.

3. FALL PREVENTION FOR SENIORS - A PARTNERSHIP WITH A MATTER OF BALANCE (AMOB AN EVIDENCE-BASED PROGRAM FOR AGES 65 AND OVER THAT COMBINES EDUCATION AND EXERCISES TO TARGET THE FEARS OF FALLING. AMOB IS CONDUCTED IN CLASS SESSIONS OF TWO HOURS OVER AN 8-WEEK PERIOD. SHEPHERD CENTER IS LEADING THE EFFORTS WITH THE GEORGIA COMMISSION ON TRAUMA EXCELLENCE

Part VI Supplemental Information (Continuation)

(GCTE) SUB-COMMITTEE ON INJURY PREVENTION AND THE GEORGIA AREA AGENCIES ON AGING (AAA) TO DISSEMINATE THE PROGRAM STATE-WIDE.

4. DISTRACTED DRIVING - END DISTRACTED DRIVING (ENDDD.ORG) IS AN EVIDENCE-BASED PROGRAM, SCIENTIFICALLY DESIGNED BY AN EXPERT TEAM OF TEEN MESSAGING SPECIALISTS AND PSYCHOLOGISTS TO INFLUENCE TEENS' ATTITUDES AND PERCEPTIONS AROUND THE DANGERS OF DISTRACTED DRIVING. THE INTERACTIVE PROGRAM HAS BEEN DESIGNED TO CAPTURE TEENAGERS' ATTENTION AND CAN BE COMPLETED IN LESS THAN AN HOUR AND CAN BE TAILORED TO FIT THE NEEDS OF ANY AUDIENCE.

5. ADVOCACY AND POLICY - IN ADDITION TO EDUCATION, SHEPHERD CENTER'S INJURY PREVENTION PROGRAM PARTNERS WITH THE AMERICAN TRAUMA SOCIETY TO PROVIDE CURRICULUM TRAINING TO NEW INJURY PREVENTION COORDINATORS NATIONWIDE. AS WELL, SHEPHERD'S INJURY PREVENTION STAFF MAINTAINS LEADERSHIP ROLES IN THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY TASK TEAMS, THE GEORGIA COMMITTEE ON TRAUMA EXCELLENCE INJURY PREVENTION SUBCOMMITTEE, AND THE GEORGIA FALLS PREVENTION COALITION IN ORDER TO ADVOCATE FOR PUBLIC POLICY THAT WILL IMPROVE STATE-WIDE INJURY PREVENTION EFFORTS.

PART III, LINE 2:

BAD DEBT EXPENSE IS RECORDED AT COST BASED ON ACTUAL BAD DEBT CHARGES WRITTEN OFF DURING THE FISCAL YEAR MULTIPLIED BY THE RATIO OF COST TO CHARGES FOR THE FISCAL YEAR.

PART III, LINE 4:

THE CENTER GRANTS CREDIT WITHOUT COLLATERAL TO ITS PATIENTS, MOST OF WHOM ARE INSURED UNDER THIRD-PARTY PAYOR AGREEMENTS. PATIENT ACCOUNTS RECEIVABLE ARE REPORTED AT THEIR NET REALIZABLE VALUE FROM THIRD-PARTY PAYORS, PATIENTS, RESIDENTS AND OTHERS FOR SERVICES RENDERED. ALLOWANCES

Part VI Supplemental Information (Continuation)

ARE PROVIDED FOR THIRD-PARTY PAYORS BASED ON ESTIMATED REIMBURSEMENT RATES. ALLOWANCES ARE ALSO PROVIDED FOR DOUBTFUL ACCOUNTS BASED ON AN ESTIMATE OF UNCOLLECTIBLE ACCOUNTS. WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS IS DETERMINED ON A CASE-BY-CASE BASIS AFTER A REVIEW OF THE CIRCUMSTANCES SURROUNDING THE INDIVIDUAL PATIENT ACCOUNTS.

FOR FINAL SETTLEMENTS THAT HAVE NOT BEEN REACHED FOR BAD DEBT EXPENSE WITH MEDICARE FOR ANY FISCAL YEARS, MANAGEMENT EXPECTS THAT THE AMOUNTS PAYABLE OR RECEIVABLE FOR THE UNSETTLED YEARS WILL APPROXIMATE THE AMOUNTS INCLUDED IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF FINANCIAL POSITION. ANY ADJUSTMENTS TO AMOUNTS PREVIOUSLY RECORDED, BASED ON FINAL SETTLEMENTS, ARE RECORDED IN THE PERIOD OF FINAL SETTLEMENT.

PART III, LINE 8:

SHEPHERD IS NOT TREATING ANY AMOUNT OF LINE 7 AS A COMMUNITY BENEFIT. THE AMOUNT ON LINE 6 IS DETERMINED BY MULTIPLYING GROSS MEDICARE CHARGES X SHEPHERD'S COST TO CHARGE RATIOS FOR INPATIENT AND OUTPATIENT.

PART III, LINE 9B:

ACCORDING TO SHEPHERD CENTER'S DEBT COLLECTION POLICY, ALL PATIENTS ARE ASKED TO COMPLETE A FINANCIAL SCREENING AT THE TIME OF REGISTRATION. IF A PATIENT IS APPROVED FOR ASSISTANCE BASED ON THE FINANCIAL DATA SUPPLIED, ANY PATIENT BALANCES WILL BE APPLIED TO A CHARITY ALLOWANCE BASED ON THE HOSPITAL'S FINANCIAL ASSISTANCE TO PATIENTS POLICY.

PART VI, LINE 2:

PRIMARY DATA USED TO INFORM THE CHNA CAME FROM THE FOUR FOCUS GROUPS CONSISTING OF 20 INDIVIDUALS. THE FOCUS GROUPS WERE CONDUCTED VIRTUALLY

Part VI Supplemental Information (Continuation)

FOR ONE HOUR EACH AND FOCUSED ON QUESTIONS RELATED TO THE PARTICIPANTS' PERCEPTIONS OF THE COMMUNITY HEALTH NEEDS OF PATIENTS THAT SHEPHERD CENTER SERVES. FOCUS GROUP PARTICIPANTS INCLUDING SHEPHERD CENTER STAFF, PATIENTS, FAMILY MEMBERS AND CAREGIVERS.

ADDITIONALLY, DATA AND INPUT WERE OBTAINED THROUGH 22 KEY INFORMANT INTERVIEWS, WHICH INCLUDED PARTICIPANTS WITHIN SHEPHERD CENTER AND EXTERNAL CONSTITUENCIES. THE INTERVIEWS WERE CONDUCTED VIRTUALLY FOR 45 MINUTES TO ONE HOUR EACH. THE LIST OF PARTICIPANTS AND THE INTERVIEW QUESTIONS ARE INCLUDED IN THE APPENDIX OF THE 2021 CHNA.

FINALLY, IN PARTNERSHIP WITH THE VICE PRESIDENT OF RESEARCH AND INNOVATION AND THE TEAM, THE STEERING COMMITTEE DEVELOPED A 26-QUESTION PATIENT SURVEY, WHICH WAS EMAILED TO 3,018 INPATIENTS AND OUTPATIENTS COVERING THE PRIOR THREE YEARS (2018-2020). RESPONDENTS COULD COMPLETE THE SURVEY ONLINE OR COMPLETE IT BY PHONE BY CONTACTING SHEPHERD CENTER. RESPONDENTS COMPLETED 221 SURVEYS FOR A 27% RESPONSE RATE. THE SURVEY QUESTIONS, RESPONDENT INFORMATION AND QUANTITATIVE SURVEY RESULTS ARE INCLUDED IN THE APPENDIX OF THE 2021 CHNA.

SECONDARY DATA INCLUDED THE INFORMATION GATHERED FROM STATE AND LOCAL DEPARTMENTS AND THE CHNAS OF OTHER NATIONAL SPECIALTY HOSPITALS. IN ADDITION, THE KEY INFORMANT INTERVIEWS RESULTED IN OTHER DATA POINTS, WHICH AIDED IN THE COMPLETION OF THE CHNA, INCLUDING:

- NATIONAL SPINAL CORD INJURY STATISTICAL CENTER (NSCISC), SPINAL CORD INJURY MODEL SYSTEMS, 2020 ANNUAL REPORT COMPLETE PUBLIC VERSION
- NATIONAL SPINAL CORD INJURY STATISTICAL CENTER (NSCISC), RECENT TRENDS IN SPINAL CORD INJURY, 2020

Part VI Supplemental Information (Continuation)

- SHEPHERD CENTER, PURSUING POSSIBLE, THE CAMPAIGN FOR SHEPHERD CENTER
(2020)

- SHEPHERD CENTER STRATEGIC PLAN 2020 2025

- SHEPHERD CENTER ADMITS, FY 2020 FY 2021

- SHEPHERD CENTER TRENDS IN INJURY SOURCE, FY 2018 2021 (DECEMBER 2020)

- SHEPHERD CENTER COMMUNITY BENEFIT REPORT, APRIL 2019 MARCH 2020

- SHEPHERD CENTER PATIENT DEMOGRAPHICS, 2016 2020

- SHEPHERD CENTER RESEARCH AND INNOVATION, 2020

- SHEPHERD CENTER CY 2016, CY 2017, CY 2018 AND CY 2020 QUALITY AND
SAFETY PERFORMANCE REPORTS

- GRADY HEALTH SYSTEM COMMUNITY BENEFIT REPORT, 2016-2019

- U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTHY PEOPLE 2030
INITIATIVE, [HTTPS://HEALTH.GOV/HEALTHYPEOPLE](https://health.gov/healthypeople)

- CENTERS FOR DISEASE CONTROL AND PREVENTION DISABILITY AND HEALTH
PROMOTION, [WWW.CDC.GOV/NCBDDD/ DISABILITYANDHEALTH/IMPACTS](http://www.cdc.gov/ncbddd/disabilityandhealth/impacts)

IN ADDITION TO THE PRIMARY AND SECONDARY DATA NOTED ABOVE AND OBTAINED
THROUGH INTERVIEWS, FOCUS GROUPS AND A PATIENT SURVEY, NATIONAL
BENCHMARKING DATA AND STUDIES WERE USED TO IDENTIFY AND PRIORITIZE THE
2021 NEEDS.

PART VI, LINE 3:

IT IS SHEPHERD CENTER POLICY TO EXTEND SERVICES TO ALL PATIENTS DEEMED
APPROPRIATE FOR CLINICAL PROGRAMS. THOSE WITH LIMITED FINANCIAL RESOURCES
WILL BE CONSIDERED FOR FINANCIAL ASSISTANCE AND WILL BE AFFORDED THE
OPPORTUNITY TO APPLY FOR ASSISTANCE. OUR APPLICATION PROCESS CONSISTENTLY
COLLECTS SUFFICIENT INFORMATION TO DETERMINE PATIENT(S) ELIGIBILITY FOR
ASSISTANCE WITH THEIR INDIVIDUAL FINANCIAL RESPONSIBILITY. THE PROGRAM

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

APPLIES TO ALL SERVICES RENDERED BY EMPLOYED AND CONTRACTED PHYSICIANS, AND HOSPITAL/FACILITY SERVICES. SPECIFIC HIGH COST DRUGS AND CONSULTING PHYSICIANS ATTENDING TO PATIENTS ARE NOT COVERED WITHIN THIS CHARITY PROGRAM.

WHEN PATIENTS ARE SCHEDULED OR AN ADMISSION REFERRAL IS MADE, APPROPRIATE FINANCIAL SCREENING IS PROVIDED. ALL PATIENTS WILL BE ASKED TO COMPLETE THE FINANCIAL SCREENING FORM REGARDLESS OF SERVICE LOCATION OR PATIENT TYPE. THE SCREENING FORMS WILL ALLOW PATIENTS WHO WOULD NOT OTHERWISE REQUEST ASSISTANCE TO BE PROVIDED EQUAL ACCESS TO FINANCIAL ASSISTANCE BASED ON THE INFORMATION THEY PROVIDE. THE SCREENING WILL INCLUDE DETERMINING WHETHER THIRD PARTY PAYER RESOURCES ARE AVAILABLE TO COVER THE COST OF CARE FOR THE INPATIENT OR DAY PATIENT CHARGES IN FULL.

CHARITY CARE/FINANCIAL ASSISTANCE WILL BE CONSIDERED FOR ANY PATIENT COMPLETING AN APPLICATION. THE PATIENT OR GUARANTOR WILL BE ASKED TO COMPLETE A 'PATIENT FINANCIAL EVALUATION' FORM (ALSO KNOWN AS FAP, 'FINANCIAL ASSISTANCE PROGRAM') TO OBTAIN ADDITIONAL INFORMATION THAT ALLOWS US TO ASSESS ELIGIBILITY FOR CHARITY ASSISTANCE. THE PATIENT OR GUARANTOR WILL BE REQUIRED TO COMPLETE THE APPLICATION IN FULL AND PROVIDE SUPPORTING EVIDENCE TO SUBSTANTIATE INCOME. MINIMUM SUPPORTING EVIDENCE FOR INCOME WOULD INCLUDE: 1. PROOF OF INCOME REPRESENTING CURRENT HOUSEHOLD INCOME - I.E., PAY STUBS, W2'S, PRIOR YEAR INCOME TAX FORMS, ETC. IF THERE IS NO INCOME, LETTERS FROM PERSON(S) PROVIDING ROOM & BOARD TO PATIENT IS REQUIRED. (NOTE: FAILURE TO PROVIDE APPROPRIATE INFORMATION WILL RESULT IN REJECTION OF THE APPLICATION).

FINANCIAL COUNSELORS WILL REVIEW APPLICATIONS FOR COMPLETENESS AND

Part VI Supplemental Information (Continuation)

ELIGIBILITY. ELIGIBILITY WILL BE BASED ON THE CRITERIA ESTABLISHED BY SHEPHERD CENTER AS FOLLOWS: CURRENT INCOME MUST NOT EXCEED 250% OF THE FEDERAL POVERTY GUIDELINES FOR THE CURRENT YEAR.

IF INCOME EXCEEDS 250% OF THE FEDERAL POVERTY GUIDELINES, ADDITIONAL INFORMATION MAY BE REQUIRED FROM THE PATIENT OR GUARANTOR TO DETERMINE IF ASSISTANCE CAN BE GRANTED BASED ON HARDSHIP.

IF THE PATIENT HAS APPLIED FOR GEORGIA MEDICAID, THE FAP FORM SHOULD BE COMPLETED AND IF SUCH CHARGES ARE ULTIMATELY NOT COVERED OR UNCOLLECTIBLE THE PATIENT IS DEEMED ELIGIBLE FOR FINANCIAL ASSISTANCE. IF THE PATIENT DOES NOT MEET CRITERIA, THE FINANCIAL COUNSELOR WILL ESTABLISH DEPOSIT REQUIREMENT BASED ON THE EXPECTED SERVICES AND WILL OFFER PAYMENT OPTIONS OR A PAYMENT PLAN AS APPROPRIATE. (NOTE: IF THE PATIENT REFUSES/FAILS TO COOPERATE IN COMPLETING THE SSI/GA MEDICAID/DISABILITY APPLICATION PROCESS, THE SHEPHERD FAP APPLICATION WILL BE DENIED AND THE PATIENT WILL BE BILLED.

IF THE PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE, THE FINANCIAL COUNSELOR WILL PRESENT THE PACKET TO THE MANAGER OF PATIENT FINANCIAL SERVICES FOR WRITTEN APPROVAL. IF THE ASSISTANCE IS NOT APPROVED, THE FINANCIAL COUNSELOR WILL COORDINATE THE NOTIFICATION TO THE PATIENT. PAYMENT ARRANGEMENTS WILL BE COMPLETED ACCORDING TO SHEPHERD CENTER'S FINANCIAL ASSISTANCE POLICY. APPROVED INPATIENT CHARITY APPLICATIONS ARE EFFECTIVE FOR ONE YEAR FROM APPROVAL DATE, OR THE LENGTH OF THE INPATIENT CONFINEMENT, WHICHEVER IS SHORTER. DAY PROGRAM AND OUTPATIENT CHARITY APPLICATION APPROVED ARE EFFECTIVE FOR SIX MONTHS OR THE PATIENT'S OUTPATIENT TREATMENT PLAN, WHICHEVER IS SHORTER.

Part VI Supplemental Information (Continuation)

PART VI, LINE 4:

EVEN THOUGH THE MAJORITY OF SHEPHERD CENTER PATIENTS COME FROM THROUGHOUT THE SOUTHEAST, THE HOSPITAL'S REPUTATION FOR EXCELLENCE, CONTINUUM OF CARE AND ABOVE-AVERAGE PATIENT OUTCOMES WITH THE MOST COMPLEX CASES IS EXEMPLIFIED BY HAVING SERVED OUTPATIENTS FROM 46 STATES AND INPATIENTS FROM 42 STATES OVER THE PAST FIVE YEARS. DURING THIS TIME, 88% OF OUTPATIENTS AND 50% OF INPATIENTS WERE FROM GEORGIA.

THE CORE STATES FOR INPATIENT AND OUTPATIENT SERVICES ARE ALABAMA, FLORIDA, GEORGIA, NORTH CAROLINA, SOUTH CAROLINA, TENNESSEE AND VIRGINIA. THE DATA INDICATE THAT THE PERCENTAGE OF PATIENTS OUTSIDE OF CORE STATES REMAINS RELATIVELY THE SAME OVER THE FIVE-YEAR PERIOD.

OVER THE LAST FIVE YEARS, 63.9% OF SHEPHERD GEORGIA OUTPATIENTS AND 48.4% OF GEORGIA INPATIENTS CAME FROM THESE COUNTIES: CLAYTON, CHEROKEE, COBB, DEKALB, DOUGLAS, FORSYTH, FULTON, GWINNETT AND HENRY.

OVER THE PAST FIVE YEARS, THE PERCENTAGE OF INPATIENTS WITH THE PRIMARY IMPAIRMENT OF ABI HAS BEEN TRENDING UP; THOSE WITH THE PRIMARY IMPAIRMENT OF SCI TRENDING DOWN; AND THOSE WITH DUAL PRIMARY IMPAIRMENT HAS BEEN INCREASING. THIS TREND IS EXPECTED, GIVEN THE PREVALENCE OF SCI VS. ABI.

FROM A GENDER PERSPECTIVE, A HIGHER PERCENTAGE OF INPATIENTS ARE MALE, AND A CONSISTENTLY HIGHER PERCENTAGE OF FEMALES RECEIVE OUTPATIENT SERVICES. THIS HAS REMAINED STABLE OVER THE PAST FIVE YEARS. REGARDING MILITARY AND VETERAN PATIENTS SERVED, THE SHARE OF MILITARY/VETERAN INPATIENTS (5.5%) ALMOST DOUBLED IN 2020 (41) COMPARED TO 2019 (24) AND IS THE HIGHEST

Part VI Supplemental Information (Continuation)

PERCENTAGE IN THE LAST FIVE YEARS. THE PERCENTAGE OF MILITARY/VETERAN
OUTPATIENTS HAS REMAINED RELATIVELY STABLE OVER THE PAST FIVE YEARS.

OVER THE PAST FIVE YEARS, THE RACIAL AND ETHNIC MAKE UP HAS REMAINED
RELATIVELY CONSISTENT FOR INPATIENTS AND VERY CONSISTENT FOR OUTPATIENTS,
WITH THE EXCEPTION OF PATIENTS IDENTIFYING THEMSELVES AS HISPANIC. THE
PERCENTAGE OF INPATIENTS IDENTIFYING AS BLACK/AFRICAN AMERICAN HAS
FLUCTUATED WITHIN A 3.5% RANGE OVER THE PAST FIVE YEARS. IN 2020, MORE
INPATIENTS IDENTIFIED AS BLACK/AFRICAN AMERICAN THAN IN 2016 AND 2018, BUT
IT WAS 2.2 POINTS LOWER THAN IN 2019. CONCURRENTLY, THE PERCENTAGE OF
WHITE/CAUCASIAN INPATIENTS WAS 4.7 POINTS HIGHER IN 2020 THAN 2019. THE
PERCENTAGE OF INPATIENTS AND OUTPATIENTS IDENTIFYING AS HISPANIC HAS BEEN
TRENDING DOWN, WITH NO PATIENTS WHO SELF-IDENTIFIED AS HISPANIC IN 2020,
EVEN THOUGH THERE WERE HISPANIC PATIENTS IN 2020. THEREFORE, BY CONDUCTING
THE COMMUNITY HEALTH NEEDS ASSESSMENT, WE REALIZED THAT HISPANIC PATIENTS
HAD NOT BEEN SELF-IDENTIFYING, SO WE'VE REFINED OUR PROCESSES TO IMPROVE
SELF-IDENTIFICATION ACCURACY.

PART VI, LINE 5:

SHEPHERD CENTER PROMOTES HEALTH OF THE COMMUNITY THROUGH A PLANNED,
ORGANIZED AND MEASURED APPROACH TO SERVICES AND ACTIVITIES THAT
SPECIFICALLY ADDRESS THE HEALTHCARE NEEDS OF PEOPLE WITH SPINAL CORD AND
BRAIN INJURY, MULTIPLE SCLEROSIS, CHRONIC PAIN AND OTHER NEUROMUSCULAR
DISEASES, AS WELL AS THE FAMILY OR LOVED ONES AFFECTED. PATIENTS AT
SHEPHERD CENTER GET MORE THAN MEDICAL CARE THEY RECEIVE THE FULL
CONTINUUM OF CARE FROM EVALUATION AND MEDICAL TREATMENT TO REHABILITATION
AND LIFELONG SUPPORT PROGRAMS THAT EXTEND BACK TO THEIR COMMUNITIES. OUR
PATIENT POPULATION HAS UNIQUE NEEDS THAT ARE TYPICALLY UNDERSERVED, MAKING

Part VI Supplemental Information (Continuation)

SHEPHERD AN IMPORTANT LIFELINE AND RESOURCE FOR OUR PATIENTS THROUGHOUT
THEIR LIFE. SHEPHERD CENTER'S COMMUNITY INCLUDES CURRENT AND FORMER
PATIENTS, AS WELL AS THEIR FAMILIES AND LOVED ONES.

PART VI, LINE 6:

SHEPHERD IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM.

**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" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

SHEPHERD CENTER, INC.

Employer identification number

51-0141601

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a	X	
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2022

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 on 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 aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) SARAH MORRISON CEO	(i)	827,370.	451,463.	0.	13,500.	18,141.	1,310,474.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) MICHAEL R. YOCHELSON, M.D. CHIEF MEDICAL OFFICER	(i)	574,108.	199,092.	0.	7,581.	24,215.	804,996.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) ERIK SHAW PHYSICIAN	(i)	686,767.	10,000.	0.	10,250.	24,605.	731,622.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) STEPHEN B. HOLLEMAN CHIEF FINANCIAL OFFICER	(i)	477,940.	144,044.	0.	13,500.	24,615.	660,099.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) BEN W. THROWER PHYSICIAN	(i)	592,162.	10,000.	0.	12,500.	24,605.	639,267.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) SHERRILL LORING PHYSICIAN	(i)	610,563.	10,900.	0.	13,500.	45.	635,008.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) PHILIP WEXLER PHYSICIAN	(i)	565,966.	10,000.	0.	5,125.	24,205.	605,296.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) BROCK BOWMAN, M.D. ASSOCIATE MEDICAL DIRECTOR	(i)	555,820.	10,000.	0.	13,500.	23,555.	602,875.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) DAVID QUINTERO PHYSICIAN	(i)	568,200.	10,000.	0.	5,125.	965.	584,290.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) JAMES H. SHEPHERD, III PRESIDENT/COO	(i)	378,580.	159,201.	0.	7,175.	24,605.	569,561.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) BRIAN BARNETTE CHIEF INFORMATION OFFICER	(i)	364,659.	20,000.	0.	9,450.	17,606.	411,715.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) SARAH BATTS VICE PRESIDENT FOUNDATION	(i)	286,391.	25,000.	0.	7,175.	9,099.	327,665.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) DEBORAH BACKUS VP RESEARCH AND INNOVATION	(i)	257,793.	42,856.	0.	11,803.	14,555.	327,007.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) WILMA BUNCH VP PATIENT EXPERIENCE	(i)	258,923.	16,000.	0.	13,500.	9,072.	297,495.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) JOE NOWICKI VP FACILITY SERVICE	(i)	253,747.	20,000.	0.	2,550.	19,884.	296,181.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(16) KATHERINE CREEK VP OF HUMAN RESOURCES	(i)	259,435.	20,000.	0.	2,365.	8,819.	290,619.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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 on 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 aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(17) TAMARA KING CHIEF NURSE EXECUTIVE	(i)	244,752.	14,000.	0.	13,500.	17,429.	289,681.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(18) JO TAPPER VP MARKETING AND COMMUNICATIONS	(i)	266,878.	7,000.	0.	1,298.	975.	276,151.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(19) JOHN R. HAMILTON, III CHIEF COMPLIANCE OFFICER & GENERAL C	(i)	225,526.	12,000.	0.	4,397.	45.	241,968.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(20) DONALD P. LESLIE, M.D. MED DIR EMERITUS	(i)	151,751.	4,000.	0.	13,000.	16,085.	184,836.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

PART I, LINE 6:

THE SHEPHERD CENTER'S BOARD OF DIRECTORS APPROVED A "SHEPHERD SHARE" BONUS TO QUALIFIED EMPLOYEES FOR FY 2023, THAT WAS PAID IN FY 2024. THIS YEAR'S BONUS WAS BASED ON VARIOUS FACTORS INCLUDING PATIENT OUTCOMES, CUSTOMER SERVICE (INTERNAL AND EXTERNAL), AND FISCAL PERFORMANCE.

Supplemental Information on Tax-Exempt Bonds
Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions,
explanations, and any additional information in Part VI.
Attach to Form 990. Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization **SHEPHERD CENTER, INC.** Employer identification number **51-0141601**

Part I	Bond Issues	SEE PART VI FOR COLUMN (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
	A	DEVELOPMENT AUTHORITY OF FULTON COUNTY	58-1506878	359900ZT7	11/04/09	56000000.	PROVIDE FUNDS TO REFUND 4/20/05 IS		X		X		X
	B												
	C												
	D												

Part II	Proceeds								
		A		B		C		D	
1	Amount of bonds retired	12,600,000.							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	56,000,000.							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds								
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	56,000,000.							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2007							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X							
15	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?	X							
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?		X						
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? ...								
4 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 government00 %		%		%		%
5 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		1.40 %		%		%		%
6 Total of lines 4 and 5		1.40 %		%		%		%
7 Does the bond issue meet the private security or payment test?		X						
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X						
b Exception to rebate?		X						
c No rebate due?		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X						

Part IV Arbitrage (continued)

Table with 4 main sections (4a, 5a, 6, 7) and sub-questions (b, c, d, e). Columns A-D for Yes/No responses. Includes 'X' marks for 'No' answers.

Part V Procedures To Undertake Corrective Action

Table with 1 main question and 4 columns (A-D) for Yes/No responses. Includes 'X' mark for 'No' answer.

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: DEVELOPMENT AUTHORITY OF FULTON COUNTY

(F) DESCRIPTION OF PURPOSE:

PROVIDE FUNDS TO REFUND 4/20/05 ISSUE FOR HOSPITAL EXPANSION

SCHEDULE L
(Form 990)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open To Public
Inspection

Name of the organization **SHEPHERD CENTER, INC.** Employer identification number **51-0141601**

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
			Yes	No

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No

Total \$ _____

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
JULIE SHEPHERD	FAMILY MEMBER	113,981.	EMPLOYEE		X
CLARE HARTIGAN	FAMILY MEMBER	98,360.	EMPLOYEE		X
YATES INSURANCE AGENCY	FAMILY MEMBER	75,000.	INSURANCE B		X
KATHERINE CHOATE	FAMILY MEMBER	80,785.	EMPLOYEE		X
CHOATE CONSTRUCTION	FOUNDER AND CHAIRMA	513,090.	CONSTRUCTIO		X
BUCKHEAD EAR, NOSE AND THR	FOUNDATION BOARD ME	261,335.	MEDICAL TRE		X

Part V Supplemental Information.

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: YATES INSURANCE AGENCY

(D) DESCRIPTION OF TRANSACTION: INSURANCE BROKERAGE SERVICES

(A) NAME OF PERSON: CHOATE CONSTRUCTION

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOUNDER AND CHAIRMAN OF CHOATE CONSTRUCTION IS TRUSTEE OF RELATED ENTITY

(D) DESCRIPTION OF TRANSACTION: CONSTRUCTION SERVICES

(A) NAME OF PERSON: BUCKHEAD EAR, NOSE AND THROAT

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOUNDATION BOARD MEMBER AND PHYSICIAN

(D) DESCRIPTION OF TRANSACTION: MEDICAL TREATMENT SERVICES

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE COMPENSATION

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2022

Open to Public Inspection

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

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization: **SHEPHERD CENTER, INC.**
Employer identification number: **51-0141601**

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	1	128,450.	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	57	27,626,580.	FAIR MARKET VALUE
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>VARIOUS GIFTS</u>)	X	2	2,500.	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 V, Donee Acknowledgement **29**

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least 3 years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a		X

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

Schedule M (Form 990) 2022

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

SCHEDULE M, LINE 33:

SHEPHERD CENTER USES THE ACCRUAL METHOD OF ACCOUNTING. SECURITY DONATIONS ARE RECEIVED BY SHEPHERD CENTER FOUNDATION AND PASSED THROUGH TO SHEPHERD CENTER. THESE SECURITIES ARE LIQUIDATED IMMEDIATELY AND THE PROCEEDS ARE RECORDED DIRECTLY TO THE TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS PORTION OF THE BALANCE SHEET. AS EXPENSES ARE INCURRED, THESE FUNDS ARE RELEASED FROM RESTRICTION AND ONLY THEN BECOME AN ELEMENT OF REVENUE. WE REPORT THE ENTIRE AMOUNT OF THESE DONATIONS ON SCHEDULE M FOR TRANSPARENCY SINCE THE AMOUNT ON THE STATEMENT OF REVENUE, LINE 1G DOES NOT FULLY REPRESENT THE NON-CASH DONATIONS RECEIVED.

**SCHEDULE O
(Form 990)**

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 Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

SHEPHERD CENTER, INC.

Employer identification number

51-0141601

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

SHEPHERD CENTER'S MISSION IS TO HELP PEOPLE WITH A TEMPORARY OR
PERMANENT DISABILITY CAUSED BY INJURY OR DISEASE REBUILD THEIR LIVES
WITH HOPE, INDEPENDENCE, AND DIGNITY, ADVOCATING FOR THEIR FULL
INCLUSION IN ALL ASPECTS OF COMMUNITY LIFE WHILE PROMOTING SAFETY AND
INJURY PREVENTION.

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

WE STRIVE TO BE THE MOST COMPREHENSIVE CATASTROPHIC CARE SPECIALTY
HOSPITAL IN THE WORLD, COMMITTED TO IMPROVING OUR PATIENTS' LIVES.

FORM 990, PART VI, SECTION A, LINE 2:

FAMILY RELATIONSHIP: ALANA SHEPHERD (CHAIRMAN OF THE BOARD AND TRUSTEE),
JAMES H. SHEPHERD, III (PRESIDENT/COO AND BOARD MEMBER), AND W. CLYDE
SHEPHERD, III (BOARD MEMBER).

FAMILY RELATIONSHIP: SHALER ALIAS (BOARD MEMBER), FRED ALIAS (BOARD
MEMBER), AND ANDREW ALIAS (BOARD MEMBER AND TRUSTEE).

FAMILY RELATIONSHIP: JUSTIN JONES (BOARD MEMBER) AND ELIZABETH ALLEN
(TRUSTEE).

FAMILY RELATIONSHIP: BERNIE MARCUS (BOARD MEMBER EMERITUS) AND BILLI MARCUS
(TRUSTEE EMERITUS).

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

Schedule O (Form 990) 2022

232211 10-28-22

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
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NOTE: THE BOARD'S EMERITI DO NOT VOTE AND THEY ARE NOT EXPECTED TO ATTEND MEETINGS.

FORM 990, PART VI, SECTION B, LINE 11B:

THE FORM 990 IS PREPARED BY CARR, RIGGS & INGRAM, LLC WITH THE ASSISTANCE OF THE ACCOUNTING STAFF AT THE SHEPHERD CENTER. THE RETURN IS THEN REVIEWED BY THE CHIEF FINANCIAL OFFICER WITH FURTHER CONSULTATION WITH CRI FOR ALL QUESTIONS THAT ARE UNCLEAR AS TO MEANING AND INTENT. THE CHIEF FINANCIAL OFFICER THEN REVIEWS THE FORM 990 WITH THE CHAIRMAN OF THE BOARD, THE CHIEF EXECUTIVE OFFICER, AND THE EXECUTIVE DIRECTOR OF THE SHEPHERD CENTER FOUNDATION FOR THEIR INPUT AND APPROVAL. THE SHEPHERD CENTER PROVIDES EACH MEMBER OF THE BOARD WITH A FINAL COPY OF THE FILED 990 UPON COMPLETION OF THE PROCESS.

FORM 990, PART VI, SECTION B, LINE 12C:

THE SHEPHERD CENTER'S BOARD OF DIRECTORS ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ON AN ANNUAL BASIS. ALL PAPERWORK IS KEPT ON FILE IN THE EXECUTIVE ADMINISTRATION OFFICE. THE EXECUTIVE ASSISTANT ALSO CROSS REFERENCES WITH THE DEVELOPMENT OFFICE FOR ANY ADDITIONAL INFORMATION REGARDING BOARD MEMBER AFFILIATIONS WITH OTHER ENTITIES WITH WHICH SHEPHERD CENTER DOES BUSINESS. ADDITIONALLY, FOR THE PURPOSE OF PROTECTING INTEGRITY AND OBJECTIVITY OF ITS STAFF IN THE PERFORMANCE OF THEIR HOSPITAL OBLIGATIONS, IT IS THE POLICY OF THE SHEPHERD CENTER THAT CONFLICTS OF INTERESTS SHOULD BE AVOIDED WHERE POSSIBLE, OR DISCLOSED AND MANAGED SO AS TO AVOID VIOLATION OF STATE AND FEDERAL LAWS AND THE HOSPITAL CODE OF CONDUCT POLICY. SINCE THE EXISTENCE OF A CONFLICT OF INTEREST IS NOT ALWAYS EASILY DETERMINED, STAFF IS REQUIRED TO DISCLOSE

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
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THOSE RELATIONSHIPS OR KNOWLEDGE OF A POTENTIAL CONFLICT, SO THAT A REASONABLE DETERMINATION CAN BE MADE REGARDING THE CONFLICT AND, IF NEEDED, THE APPROPRIATE MANAGEMENT OF SUCH CONFLICT. ALL SHEPHERD CENTER EMPLOYED HEALTH CARE PROVIDERS, SENIOR LEADERS AND OTHER IDENTIFIED INDIVIDUALS WHO HAVE SUBSTANTIAL PURCHASING AUTHORITY ARE REQUIRED TO COMPLETE AN ANNUAL CONFLICT OF INTERESTS QUESTIONNAIRE AND PROVIDE DOCUMENTATION OF OUTSIDE ACTIVITIES. ALL PAPERWORK IS KEPT ON FILE IN THE COMPLIANCE OFFICE. PROVIDERS ARE SCREENED VIA THE OPEN PAYMENTS DATABASE ANNUALLY.

FORM 990, PART VI, SECTION B, LINE 15:

THE SHEPHERD CENTER UTILIZES A BOARD COMPENSATION COMMITTEE TO DETERMINE COMPENSATION FOR THE CEO AND OTHER EXECUTIVE MANAGEMENT. THIS COMMITTEE UTILIZES OUTSIDE CONSULTANTS, INDUSTRY COMPENSATION SURVEYS, AND REVIEWS OF SIMILAR ORGANIZATIONS' FORM 990 TO DETERMINE APPROPRIATENESS OF COMPENSATION.

SHEPHERD CENTER UTILIZES PAYFACTORS COMPENSATION SURVEYS TO DETERMINE WHETHER OR NOT A COMPENSATION PACKAGE IS IN LINE WITH OUR REGION AND RELATIVE BED SIZE. THE HUMAN RESOURCES VICE PRESIDENT ANALYZES THE DATA AND GETS APPROVAL FROM THE CHIEF EXECUTIVE OFFICER.

SALARY INCREASES FOR THE CEO, MEDICAL DIRECTOR, COO, AND CFO ARE RECOMMENDED BY THE BOARD COMPENSATION COMMITTEE, WHICH IS DOCUMENTED IN THE COMMITTEE MINUTES. THE COMMITTEE MUST APPROVE RAISES AND THEY USE AN INDEPENDENT COMPENSATION CONSULTING FIRM (SULLIVAN COTTER) TO MAKE THEIR FINAL DECISION. THE FINAL RESULTS ARE SENT TO THE HUMAN RESOURCES VICE PRESIDENT FOR PROCESSING AND INSERTION INTO THEIR EMPLOYEE FILES.

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
---	--

FORM 990, PART VI, SECTION C, LINE 18:

SHEPHERD CENTER'S COMPLETED 990 RETURN IS AVAILABLE FOR INSPECTION ON THE CENTER'S WEBSITE: WWW.SHEPHERD.ORG. THE RETURN IS ALSO AVAILABLE UPON REQUEST AND IS LISTED FOR PUBLIC USE ON GUIDESTAR.ORG.

FORM 990, PART VI, SECTION C, LINE 19:

AVAILABLE UPON REQUEST.

FORM 990, PART IX:

SHEPHERD CENTER HAS ALLOCATED A PORTION OF THE EXPENSES OF THESE INDIRECT COST CENTERS TO PROGRAM SERVICE EXPENSE: APPLICATION SUPPORT, COMMUNICATIONS, FOOD SERVICES, INFORMATION SYSTEMS, ENGINEERING, DEPRECIATION EXPENSE, HUMAN RESOURCES, SECURITY, RENOVATIONS AND LANDSCAPING, FACILITIES, AMORTIZATION, RISK MANAGEMENT, AND INFORMATION SECURITY.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	19,343,423.
CHANGES IN INTERCOMPANY ACCOUNTS	-4,593,180.
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	2,545,145.
TOTAL TO FORM 990, PART XI, LINE 9	17,295,388.

FORM 990, PART XII, LINE 2C

NO CHANGE HAS OCCURRED FROM PRIOR YEAR.

FORM 990, SCHEDULE M SUPPLEMENTAL INFORMATION:

Name of the organization SHEPHERD CENTER, INC.	Employer identification number 51-0141601
---	--

SHEPHERD CENTER USES THE ACCRUAL METHOD OF ACCOUNTING. SECURITY DONATIONS ARE RECEIVED BY SHEPHERD CENTER FOUNDATION AND SHEPHERD CENTER. THESE SECURITIES ARE LIQUIDATED IMMEDIATELY AND THE PROCEEDS ARE RECORDED DIRECTLY TO THE TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS PORTION OF THE BALANCE SHEET. AS EXPENSES ARE INCURRED, THESE FUNDS ARE RELEASED FROM RESTRICTION AND ONLY THEN BECOME AN ELEMENT OF REVENUE. WE REPORT THE ENTIRE AMOUNT OF THESE DONATIONS ON SCHEDULE M FOR TRANSPARENCY SINCE THE AMOUNT ON THE STATEMENT OF REVENUE, LINE 1G DOES NOT FULLY REPRESENT THE NON-CASH DONATIONS RECEIVED.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization **SHEPHERD CENTER, INC.** Employer identification number **51-0141601**

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
SHEPHERD CENTER FOUNDATION - 20-1238224 2020 PEACHTREE ROAD, NW ATLANTA, GA 30309	FUNDRAISING FOR SHEPHERD CENTER EXCLUSIVELY	GEORGIA	501(C)(3)	509(A)(1)	N/A		X

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
SSC AFFILIATES, INC. - 58-1921355 2020 PEACHTREE ROAD, NW ATLANTA, GA 30309	RETAIL PHARMACY, MEDICAL SUPPLY, AND GIFT SHOP	GA	SHEPHERD CENTER, INC.	C CORP	-137,930.	1,240,125.	100%		X

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

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

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
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	X	
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related 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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SSC AFFILIATES, INC.	A	64,800.	FMV
(2) SSC AFFILIATES, INC.	L	72,221.	FMV
(3) SHEPHERD CENTER FOUNDATION, INC.	M	1,719,938.	FMV
(4) SHEPHERD CENTER FOUNDATION, INC.	N	92,757.	FMV
(5) SSC AFFILIATES, INC.	O	855,904.	FMV
(6) SHEPHERD CENTER FOUNDATION, INC.	O	3,934,871.	FMV

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(7) SSC AFFILIATES, INC.	Q	860,074.	FMV
(8) SHEPHERD CENTER FOUNDATION, INC.	R	114,733.	FMV
(9) SHEPHERD CENTER FOUNDATION, INC.	S	79,704,460.	FMV
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec. 501(c)(3) orgs.?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

Multiple horizontal lines for providing supplemental information.

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2. With regard to the electronic dissemination of consolidated financial statements, including financial statements published electronically on your (or any other) Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.
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Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Financial Statements

March 31, 2023 and 2022



Shepherd Center, Inc. and Subsidiaries

(A Not-for-Profit Organization)

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Independent Auditor's Report

To the Members of
Shepherd Center, Inc. and Subsidiaries

Opinion

We have audited the accompanying consolidated financial statements of Shepherd Center, Inc. and Subsidiaries (collectively, the Center), which comprise the consolidated balance sheets as of March 31, 2023 and 2022, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Shepherd Center, Inc. and Subsidiaries as of March 31, 2023 and 2022, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Shepherd Center, Inc. and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Shepherd Center, Inc. and Subsidiaries ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Shepherd Center, Inc. and Subsidiaries internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Shepherd Center, Inc. and Subsidiaries ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended March 31, 2023, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023 on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Bennett Thrasher LLP

June 22, 2023

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Statements of Financial Position
March 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 77,778,392	\$ 99,116,755
Patient accounts receivable, less allowance for doubtful accounts of \$2,051,589 in 2023 and \$1,864,902 in 2022	80,641,062	70,995,320
Current portion of contributions receivable	66,448,718	49,327,766
Other current assets	<u>13,486,268</u>	<u>13,513,746</u>
Total current assets	238,354,440	232,953,587
Investments	424,024,569	408,981,980
Assets limited as to use	4,155,668	4,145,681
Property and equipment, at cost less accumulated depreciation	150,615,546	129,947,249
Contributions receivable, less current portion and discount of \$17,469,400 in 2023 and \$13,320,627 in 2022	79,759,393	87,177,672
Other assets	<u>13,913,881</u>	<u>15,505,061</u>
Total assets	<u>\$ 910,823,497</u>	<u>\$ 878,711,230</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt	\$ 2,600,000	\$ 2,500,000
Accounts payable	14,839,189	8,608,757
Accrued compensation and expenses	24,024,983	26,032,468
Deferred revenue and other liabilities	<u>826,434</u>	<u>7,226,399</u>
Total current liabilities	<u>42,290,606</u>	<u>44,367,624</u>
Annuities payable	5,695,099	5,769,952
Long-term debt, less current portion and unamortized bond issuance costs	<u>40,700,294</u>	<u>43,237,710</u>
Total liabilities	<u>88,685,999</u>	<u>93,375,286</u>
Net assets:		
Without donor restrictions	463,181,046	457,936,021
With donor restrictions	<u>358,956,452</u>	<u>327,399,923</u>
Total net assets	<u>822,137,498</u>	<u>785,335,944</u>
Total liabilities and net assets	<u>\$ 910,823,497</u>	<u>\$ 878,711,230</u>

See accompanying notes to consolidated financial statements.

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Statements of Operations
For the Years Ended March 31, 2023 and 2022

	2023	2022
Revenues, gains and other support without donor restrictions:		
Patient service revenue, net of contractual allowances and discounts	\$ 254,927,377	\$ 243,854,729
Other revenue	38,732,776	63,861,696
Investment income including realized gain on investments	4,218,090	2,551,458
Unrealized (loss) gain on investments	<u>(19,602,368)</u>	<u>8,092,777</u>
Total revenues, gains and other support without donor restrictions, net	<u>278,275,875</u>	<u>318,360,660</u>
Expenses:		
Salaries	131,615,646	128,932,082
Payroll taxes and employee benefits	34,185,290	36,721,105
Patient, pharmacy and office supplies	76,558,225	76,020,694
Purchased services	32,127,249	29,885,900
Depreciation and amortization	11,638,469	12,123,494
Interest	1,258,427	448,866
Other	<u>11,843,064</u>	<u>11,922,973</u>
Total expenses	<u>299,226,370</u>	<u>296,055,114</u>
(Deficit) excess of revenues, gains and other support over expenses	(20,950,495)	22,305,546
Contributions of property and equipment	130,950	61,440
Net assets released from restrictions, used for purchase of property and equipment	<u>26,064,570</u>	<u>4,121,664</u>
Increase in net assets without donor restrictions	<u>\$ 5,245,025</u>	<u>\$ 26,488,650</u>

See accompanying notes to consolidated financial statements.

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Statements of Changes in Net Assets
For the Years Ended March 31, 2023 and 2022

	2023	2022
Net assets without donor restrictions:		
(Deficit) excess of revenues, gains and other support over expenses	\$ (20,950,495)	\$ 22,305,546
Contributions of property and equipment	130,950	61,440
Net assets released from restrictions, used for purchase of property and equipment	<u>26,064,570</u>	<u>4,121,664</u>
Increase in net assets without donor restrictions	<u>5,245,025</u>	<u>26,488,650</u>
Net assets with donor restrictions:		
Contributions	80,007,376	87,389,811
Investment income including realized gain on investments	2,715,123	2,762,766
Unrealized (loss) gain on investments	(13,674,639)	3,722,488
Change in charitable gift annuities	(393,519)	(1,118,890)
Net assets released from restrictions, used for operations	(11,033,242)	(11,052,788)
Net assets released from restrictions, used for purchase of property and equipment	<u>(26,064,570)</u>	<u>(4,121,664)</u>
Increase in net assets with donor restrictions	<u>31,556,529</u>	<u>77,581,723</u>
Increase in net assets	36,801,554	104,070,373
Net assets, beginning of year	<u>785,335,944</u>	<u>681,265,571</u>
Net assets, end of year	<u>\$ 822,137,498</u>	<u>\$ 785,335,944</u>

See accompanying notes to consolidated financial statements.

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Statements of Cash Flows
For the Years Ended March 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 36,801,554	\$ 104,070,373
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Net unrealized loss (gain) on investments	33,277,007	(11,815,265)
Non-operating restricted contributions	(80,007,376)	(87,389,811)
Net realized gains on investments	(1,457,105)	(951,353)
Bad debt expense	1,991,444	2,641,688
Depreciation and amortization	11,638,469	12,123,494
Non-operating interest expense	62,584	12,484
Changes in operating assets and liabilities:		
Patient accounts receivable, net of bad debt expense	(11,637,186)	8,313,821
Other assets	(644,874)	(2,608,625)
Accounts payable and other liabilities	6,623,950	2,767,015
Accrued compensation and expenses	(2,007,485)	(106,373)
Deferred revenue	(6,399,965)	(959,257)
Net cash (used in) provided by operating activities	<u>(11,758,983)</u>	<u>26,098,191</u>
Cash flows from investing activities:		
Purchases of property and equipment	(30,043,234)	(7,123,423)
Purchases of investments	(117,147,257)	(46,249,995)
Proceeds from sale of investments	<u>70,274,779</u>	<u>41,963,870</u>
Net cash used in investing activities	<u>(76,915,712)</u>	<u>(11,409,548)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	70,304,703	33,433,602
Payment of long-term debt	(2,500,000)	(2,400,000)
New annuities and payments on annuities, net	<u>(468,371)</u>	<u>854,487</u>
Net cash provided by financing activities	<u>67,336,332</u>	<u>31,888,089</u>
Net (decrease) increase in cash and cash equivalents	(21,338,363)	46,576,732
Cash and cash equivalents at beginning of year	<u>99,116,755</u>	<u>52,540,023</u>
Cash and cash equivalents at end of year	<u>\$ 77,778,392</u>	<u>\$ 99,116,755</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	<u>\$ 1,076,318</u>	<u>\$ 422,976</u>

See accompanying notes to consolidated financial statements.

Shepherd Center, Inc. and Subsidiaries

(A Not-for-Profit Organization)

Notes to Consolidated Financial Statements

March 31, 2023 and 2022

Note 1: Description of Organization and Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Shepherd Center, Inc. (Shepherd) and its wholly owned subsidiaries, SSC Affiliates, Inc. (SSC) and Shepherd Center Foundation, Inc. (Foundation) (collectively, the Center). All significant intercompany accounts and transactions have been eliminated.

Description of Organization

Shepherd is a private not-for-profit hospital in Atlanta providing acute and rehabilitative care primarily to patients with traumatic spinal cord injuries and disease, acquired brain injury, multiple sclerosis and other neuromuscular disease. Shepherd was incorporated under the laws of the state of Georgia on April 21, 1975. SSC conducts a pharmacy and medical supply sales practice at the Center's premises. SSC was incorporated under the laws of the state of Georgia on November 16, 1990. Foundation raises funding for Shepherd by seeking potential donors and conducting fundraising activities in the community. Foundation was incorporated under the laws of the state of Georgia on May 26, 2004 and remained dormant until April 1, 2005.

Use of Estimates in Consolidated Financial Statements

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

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, after contractual adjustments. Patient accounts receivable include charges for amounts due from Medicare, Medicaid, pending Medicaid benefits, other third-party payors and patients (see Note 15). Contractual adjustments represent the differences between amounts billed as patient service revenue and amounts contracted with third-party payors and are accrued on an estimated basis in the period in which the related services are rendered and adjusted in future periods as final settlements are determined. Contractual adjustments are included in the determination of net patient service revenue as reported in the accompanying consolidated statements of operations before the provision for doubtful accounts. Deferred revenue represents amounts invoiced or collected prior to having completed performance of service obligations.

Services ordered by a healthcare provider in an episode of care are not separately identifiable and, therefore, have been combined into a single performance obligation for each contract. The Center recognizes revenue as its performance obligations are completed. The performance obligation is satisfied over time as the patient simultaneously receives and consumes the benefits of the healthcare services provided. For inpatient treatment, the Center recognizes revenue equally over the patient stay on a daily basis. For outpatient treatment, the Center recognizes revenue equally over the number of treatments provided in a single episode of care. The Center has minimal unsatisfied performance obligations at the end of the reporting period as patients are typically under no obligation to remain admitted to a facility or program.

Patients and third-party payors are billed within several days of the service being performed or the patient being discharged. Payments are due based on contract terms. As the period between the time of service and time of payment is typically one year or less, the Center elected the practical expedient and did not adjust for the effects of a significant financing component.

The Center grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. Patient accounts receivable are reported at their net realizable value from third-party payors, patients and others for services rendered. Allowances are provided for third-party payors based on estimated reimbursement rates. Allowances are also provided for doubtful accounts based on an estimate of uncollectible accounts. Write-off of uncollectible accounts is determined on a case-by-case basis after a review of the circumstances surrounding the individual patient accounts.

Charity Care

The Center provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Center does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as patient service revenue or patient accounts receivable (see Note 12).

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in banks and highly liquid temporary investments with initial maturities of ninety days or less. The Center routinely invests its surplus operating funds in money market accounts and highly liquid U.S. government and agency obligations. The Center believes it mitigates any risks by depositing cash and investing in cash equivalents with major financial institutions.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. Investment income or loss (including realized gains and losses on investments, interest and dividends and unrealized gains (losses) on marketable equity securities) is reported net of external and direct internal investment expenses and is included in the excess of revenues, gains and other support over expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on all other investments are excluded from the excess of revenues, gains and other support over expenses and are included in the changes in net assets with donor restrictions.

Property and Equipment

Property and equipment acquisitions are recorded at cost, net of accumulated depreciation. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of the costs of acquiring those assets. A summary of the estimated useful lives of the various asset classes is as follows:

Land improvements	5 to 15 years
Building	5 to 40 years
Building services equipment	5 to 27 years
Fixed equipment	5 to 20 years
Major movable equipment	3 to 20 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, management evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets or underlying operations. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of assets will be impacted if estimated future operating cash flows are not achieved. In the opinion of management, no long-lived assets were impaired as of March 31, 2023 or 2022.

Inventory

Inventories of pharmaceuticals, supplies and equipment are valued at the lower of cost (as principally determined on the first-in, first-out method) or market.

Other Assets

Other assets primarily consist of costs incurred related to the development and integration of internal use software pursuant to a right of use contract with an unrelated healthcare provider. The costs are amortized over the related contract period. The amortizable life is continually monitored for any situation where the estimated useful life of the capitalized costs would be shorter than the amortization period.

Deferred Certificate and Bond Issuance Costs

Certificate and bond issuance costs were paid to a financial institution for structuring financing arrangements (see Note 8). These issuance costs are being amortized over the related debt term of 30 years. Interest expense includes amortization of certificate and bond issuance costs of \$58,136 and \$12,484 in 2023 and 2022, respectively.

The unamortized portions of the certificate and bond issuance costs are presented as other assets and a reduction to long-term debt in the accompanying consolidated statements of financial position. The unamortized bond issuance costs totaled \$933,636 and \$162,290 at March 31, 2023 and 2022, respectively.

Fair Value of Financial Instruments

The following methods and assumptions were used by the Center in estimating the fair value of its financial instruments:

Cash and cash equivalents: The carrying amount reported in the consolidated statements of financial position for cash and cash equivalents approximates its fair value.

Investments: Fair value, which are the amounts reported in the consolidated statements of financial position, are based on quoted market prices, if available, or estimated using quoted market prices for similar securities.

Long-term debt: The fair value of the Center's long-term debt is estimated to approximate its carrying value as a result of the debt's variable interest rate.

Net Assets

To ensure observance of limitations and restrictions placed on the use of resources available to the Center, the resources are classified for accounting and reporting purposes into categories established according to their nature and purpose. The assets, liabilities, and net assets of the Center are reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor-imposed restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Endowment Funds

The Center's endowment funds consist of funds established for a variety of purposes (see Note 9). The endowment funds include only donor-restricted endowments. As required by GAAP, net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law Related to Endowment Funds

The Center's Board of Directors has interpreted Georgia's adoption of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the purchasing power of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Because of this, the Center classifies the original value of gifts (initial or subsequent) donated, as well as any gains or other net income generated and potentially available for expenditure, as net assets with donor restrictions in accordance with the purpose established by the donor or until appropriated by the Board of Directors for endowments whose use is without donor restrictions.

Investment and Spending Policies of Endowment Funds

The Center has established prudent investment and spending policies related to the management of endowment funds and related amounts available for expenditure. These policies have been established and are continually reviewed and updated by the Center's Finance & Investment Committee and Board of Directors. With regard to investments, the Committee takes into account the need to preserve the donor principal, the purposes for which the fund was established, overall economic conditions (to include the effects of inflation and deflation), the expected total return from income as well as possible appreciation from investments, and other resources of the Center. The Center from time to time may also employ an outside investment consultant who assists with the overall asset allocation, investment manager selection, and monitoring and reporting of investment results. The Center's policies are set to achieve a return of at least 5% over inflation in an appropriately diversified portfolio over the long-term, and further allows for spending up to 10% of available earnings in a given year if the endowment earnings are greater than 10% of the principal balance. In so doing, the goal is to carefully manage the endowment funds such that the principal is preserved and earnings are available in most years for the appropriate purpose. Other goals of spending less than anticipated earnings are allowing for reasonable inflationary growth and helping to cushion against reasonable downturns in the economy. It is also understood that these assumptions and allocations may be revised from time to time as circumstances dictate, so that the Center may continually manage these assets in a prudent manner in accordance with UPMIFA.

Excess of Revenues over Expenses

The consolidated statements of operations include (deficit) excess of revenues, gains and other support over expenses. Changes in net assets with donor restrictions, which are excluded from (deficit) excess of revenues, gains and other support over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, marketable equity securities, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

Donor-Restricted Contributions

Contributions (including unconditional promises to give, i.e., pledges) are recorded in the year they are received or pledged, with allowances provided for pledges estimated to be uncollectible. Unconditional pledges are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using prevailing interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions in the accompanying consolidated statements of changes in net assets. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations or time restrictions that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restrictions are accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations as net assets released from restrictions.

Contributed Services

A substantial number of volunteers have donated significant amounts of their time to the Center and its various programs; however, these donated services are not reflected in the consolidated financial statements since these services do not meet the criteria for recognition as contributed services.

Income Taxes

Shepherd and Foundation have both been granted tax-exempt status under Section 501(a) of the Internal Revenue Code (the Code) as organizations described in Section 501(c)(3) whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to federal income tax. Shepherd and Foundation had no significant unrelated business taxable income during 2023 and 2022; accordingly, no provision or benefit for income taxes has been included in the accompanying consolidated financial statements.

SSC is subject to federal and state income taxes, the balances of which were not material for the years ended March 31, 2023 and 2022.

The provisions of accounting standards for income taxes require that a tax position be recognized or derecognized based on a 'more-likely-than-not' threshold. This applies to positions taken or expected to be taken in a tax return. The Center does not believe its consolidated financial statements include any material uncertain tax positions. The Center is no longer subject to federal or state income tax examinations by tax authorities for calendar years before 2019.

Vacation and Earned Time Off

Vacation and earned time off benefits are accrued as earned by employees. At March 31, 2023 and 2022, the accrual for vacation and earned time off benefits was approximately \$8,860,000 and \$8,954,000, respectively, and is included as a component of accrued compensation and expenses in the accompanying consolidated statements of financial position.

Self-Insurance

The Center has a self-insured health plan for medical coverage provided to employees. The Center has purchased stop-loss insurance in order to limit its exposure for large claims that exceed a certain threshold. This coverage will reimburse the Center for claims incurred in excess of \$250,000 per covered person in calendar year 2023 and 2022. In addition, the Center has a self-insured worker's compensation plan, with losses accrued based on estimates of the aggregate liability for uninsured claims incurred using certain actuarial assumptions followed in the insurance industry. At March 31, 2023 and 2022, the accrual for self-insured plans was approximately \$4,298,000 and \$4,092,000, respectively, and is included as a component of accrued compensation and expenses in the accompanying consolidated statements of financial position.

The Center has a self-insured health plan for dental and short-term disability coverage provided to employees. At March 31, 2023 and 2022, the accrual for the self-insured plans totaled approximately \$408,000 and \$399,000, respectively, and is included as a component of accrued compensation and expenses in the accompanying consolidated statements of financial position.

Insurance Claims and Related Insurance Recoveries

The Center evaluates its exposure to losses arising from claims and, if necessary, recognizes a liability separate from any related anticipated insurance recoveries. The liability, if any, is not presented net of anticipated insurance recoveries. There were no material claims liabilities or related insurance recoveries recorded as of March 31, 2023 and 2022.

Note 2: Liquidity and Availability

Unrestricted financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, are comprised of the following as of March 31, 2023 and 2022:

	2023	2022
Unrestricted cash, cash equivalents and investments	\$ 283,109,521	\$ 311,184,298
Patient accounts receivable, net	<u>80,641,062</u>	<u>70,995,320</u>
	<u>\$ 363,750,583</u>	<u>\$ 382,179,618</u>

The Center's investments are highly liquid, typically invested in mutual funds and thus available in a very short timeframe. Given this, the amounts shown above are not limited to simply cash, cash equivalents, or investments with a maturity less than one year. In addition, the Center anticipates collecting sufficient patient service revenue to cover general expenditures not covered by donor-restricted resources.

The Center receives significant contributions both with and without donor restrictions to be used in accordance with the associated donor-imposed restrictions. The Center also receives gifts to establish donor-restricted endowments that will exist in perpetuity. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Finally, as part of the Center's liquidity management, the Center invests cash in excess of daily requirements in short-term investments and money market funds.

Note 3: Assets Limited as to Use

Assets limited as to use are comprised of a supplemental deferred compensation plan and consisted of mutual funds stated at fair value of \$4,155,668 and \$4,145,681 at March 31, 2023 and 2022, respectively.

Note 4: Cash and Investments

Fair Value Measurement

The Center defines fair value as the price that would be received from selling an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date.

When determining fair value, the Center uses various valuation approaches. The accounting standards establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Center.

Unobservable inputs reflect the Center's assumptions about the inputs that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Center has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Center in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined by the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Center's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Center uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the ability to observe prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

Valuation Techniques

Investments in exchange traded funds, U.S. Government securities, corporate bonds, and mutual funds are valued at quoted market prices.

The Center's investments recorded at fair value have been categorized based upon a fair value hierarchy. The measurements of the fair values of the Center's investments in marketable securities are based on Level 1 inputs as of March 31, 2023 and 2022.

Investments at fair value at March 31, 2023 and 2022 are comprised of the following:

	2023	2022
Fair value investments:		
Exchange traded funds	\$ 5,217,523	\$ 6,055,719
U.S. Government securities	61,083,503	1,639,091
Corporate bonds	64,332,599	55,187,520
Mutual funds:		
Equity funds	284,443,270	336,625,669
Fixed income funds	<u>8,947,674</u>	<u>9,473,981</u>
	424,024,569	408,981,980
Total cash and cash equivalents:	<u>77,778,392</u>	<u>99,116,755</u>
	<u>\$ 501,802,961</u>	<u>\$ 508,098,735</u>

There were no assets classified as Level 2 or 3 at March 31, 2023 and 2022. Additionally, there were no assets transferred in or out of Level 2 or 3 classifications.

Note 5: Contributions Receivable

Contributions receivable, net of discounts, at March 31, 2023 and 2022 are comprised of the following:

	2023	2022
Unconditional promises expected to be collected in:		
Less than one year	\$ 66,448,718	\$ 49,327,766
One to five years	<u>79,759,393</u>	<u>87,177,672</u>
	<u>\$ 146,208,111</u>	<u>\$ 136,505,438</u>

There was no allowance for unconditional pledges as of March 31, 2023 and 2022.

Certain pledges receivable with due dates extending beyond one year are discounted using 5% as of March 31, 2023 and 2022.

At March 31, 2023 and 2022, two and four donors accounted for 76% and 83%, respectively, of total contributions receivable.

Note 6: Property and Equipment

A summary of property and equipment at March 31, 2023 and 2022, is as follows:

	2023	2022
Land	\$ 44,910,980	\$ 43,650,579
Land improvements	1,487,223	1,461,355
Building	121,711,295	121,389,314
Building services equipment	59,764,317	59,529,368
Fixed equipment	3,392,759	3,307,912
Major movable equipment	<u>97,415,603</u>	<u>95,052,237</u>
	328,682,177	324,390,765
Less: accumulated depreciation	<u>(205,814,432)</u>	<u>(196,556,337)</u>
	122,867,745	127,834,428
Construction in progress	<u>27,747,801</u>	<u>2,112,821</u>
	<u>\$ 150,615,546</u>	<u>\$ 129,947,249</u>

Construction in progress at March 31, 2023, is primarily related to various Center facility expansion and renovation projects. These projects have an estimated total remaining cost to complete of approximately \$278,300,000 and will be funded by the Pursuing Possible campaign funds and bonds. Capitalized interest is not significant in either 2023 or 2022.

Depreciation expense for the years ended March 31, 2023 and 2022 amounted to \$9,365,237 and \$10,049,275, respectively.

Note 7: COVID-19 Relief

In response to the COVID-19 Pandemic, medical facilities that accepted Medicare patients received Provider Relief Funds (PRF) from the Department of Health and Human Services (HHS). The Center received PRFs of \$6,478,481 during 2022. Usage of PRFs provided to organizations are reportable to the HHS under a predefined schedule released by the HHS based on when organizations receive the funds. The funds received in 2022 were recognized as other income during 2023 when reported to the HHS and are included as a component of other revenue within the accompanying consolidated statements of operations.

During 2022, the Center received \$392,424 Medicare advance payments through the Center for Medicare & Medicaid Services (CMS) Accelerated and Advance Payments Program (AAP) in response to the COVID-19 Pandemic. Under the AAP, repayments will commence one year after payment was issued and will be paid over an 18-month period. The funds received in 2022 were repaid during 2023.

Note 8: Long-Term Debt and Line of Credit

Bonds Payable – Series 2009

Under a Trust Indenture, dated February 1, 2005, between Development Authority of Fulton County (Issuer) and a commercial bank (Trustee), Development Authority of Fulton County Revenue Bonds (Shepherd Center, Inc. Project), Series 2005 (2005 Bonds) totaling \$56,000,000 were issued on April 19, 2005. The Issuer loaned the net proceeds of the sale of the Bonds to the Center, pursuant to a Loan Agreement, dated February 1, 2005 between the Issuer and the Center to enable the Center to finance the acquisition, construction and equipping of improvements to the Center.

Under a Trust Indenture, dated November 4, 2009, between Development Authority of Fulton County (Issuer) and a commercial bank (Trustee), Development Authority of Fulton County Refunding Revenue Bonds (Shepherd Center, Inc. Project), Series 2009 (2009 Bonds) totaling \$56,000,000 were issued on November 4, 2009. The Issuer loaned the net proceeds of the sale of the 2009 Bonds to the Center, pursuant to a Loan Agreement, dated November 1, 2009, between the Issuer and the Center to enable the Center to use the proceeds of the sale of the 2009 Bonds for the purpose of refunding the 2005 Bonds.

Outstanding borrowings totaled \$43,400,000 and \$45,900,000 at March 31, 2023 and 2022, respectively, which are presented net of unamortized bond issuance costs of \$149,806 and \$162,290, respectively.

The Bonds bear interest at a variable rate set not to exceed 12% per annum (4.53% at March 31, 2023) as determined by the remarketing agent (see below) and interest is paid monthly. The average interest rate during 2023 and 2022 was 1.99% and 0.14%, respectively. Interest expense, which included remarketing fees, letter of credit fees, and amortization of bond issuance costs, totaled \$1,173,515 and \$368,123 for 2023 and 2022, respectively.

The Bonds are redeemable at the option of the Center, in whole or in part, at various redemption prices on any interest payment date and have required escalating principal payments due annually beginning in December 2019 and maturing in September 2035. Fiscal year contractual maturities of the Bonds payable at March 31, 2023, are as follows:

Year Ending March 31,	
2024	\$ 2,600,000
2025	2,700,000
2026	2,800,000
2027	2,900,000
2028	3,100,000
2029	3,200,000
2030	3,300,000
2031	3,400,000
2032	3,600,000
2033	3,700,000
2034	3,900,000
2035	4,000,000
2036	4,200,000
	<u>\$ 43,400,000</u>

In connection with the issuance of the 2009 Bonds, the Center obtained an irrevocable letter of credit in the initial amount of \$56,736,439 from a financial institution (Credit Provider). The letter of credit served as a credit enhancement and as security for the bonds. The letter of credit, which is secured by the Center's revenues, was issued on November 4, 2009. On September 2, 2015, the Center obtained a new letter of credit with another financial institution in the initial amount of \$51,873,315 and simultaneously terminated the existing letter of credit. For the years ended March 31, 2023 and 2022, the Center was subject to an annual fee of 0.50% of the letter of credit amount, payable semi-annually in advance. The letter of credit was scheduled to expire on September 2, 2020. In April 2020, the letter of credit was extended effective September 2, 2020 and expires on September 2, 2025. The balance at March 31, 2023 and 2022 was \$43,400,000 and \$45,900,000, respectively.

In addition, the Center entered into a remarketing agent agreement with a financial institution. The remarketing agent determines the weekly variable interest rate and remarkets all Bonds redeemed at the option of the Bond holders for an annual fee of 0.08% of the weighted average daily principal amount of Bonds outstanding.

Bonds Payable – Series 2022

Under a Bond Purchase and Loan Agreement (the Loan Agreement), dated December 22, 2022, between Development Authority of Fulton County (Issuer) and a commercial bank (Lender), Development Authority of Fulton County Revenue Bonds (Shepherd Center, Inc. Project), Series 2022 (2022 Bonds) up to \$175,000,000 may be issued pursuant to the Loan Agreement. The Loan Agreement will support the Center in financing the construction and equipping of improvements to the Center.

Outstanding borrowings totaled \$50,100 at March 31, 2023. The related unamortized bond issuance costs of \$783,830 are included as a component of other assets within the accompanying consolidated statements of financial position.

The Bonds bear interest at a variable rate set at the Securities Industry and Financial Markets Association (SIFMA) index rate plus 0.711% (4.68% at March 31, 2023) as determined by the remarketing agent (see below) and interest is paid monthly. The average interest rate during 2023 was 3.69%. Interest expense, which included remarketing fees, letter of credit fees, and amortization of bond issuance costs, totaled \$45,652 for 2023.

The Bonds are redeemable at the option of the Center, in whole or in part, at various redemption prices on any interest payment date and mature in December 2027, at which time the Center would be required to either refinance or repay the bonds in full.

Line of Credit

During October 2015, the Center entered into an unsecured revolving loan agreement with a financial institution that allows for borrowings up to \$15,000,000, which matured on October 1, 2016. On May 7, 2021, the line was extended and the maximum borrowing capacity was changed to \$20,000,000.

The line was amended on August 31, 2022 and the maturity date was extended to August 31, 2025, at which time the balance, if any, plus accrued interest is due. Outstanding borrowings bear interest at Adjusted Term Secured Overnight Financing Rate (SOFR), which is defined as the sum of the Term SOFR for the period plus a margin of 0.64%. As of March 31, 2023, and 2022, there was no outstanding balance on the line of credit. Interest expense, which included certain legal and commitment fees, totaled \$39,260 and \$80,743 for 2023 and 2022, respectively.

The Center is subject to certain financial and nonfinancial covenants under the various Bond and line of credit agreements. At March 31, 2023, the Center was in compliance with these covenants.

Note 9: Net Assets With Donor Restrictions

Net assets with donor restrictions, not included in endowment net assets, are restricted for the following purposes at March 31, 2023 and 2022:

	2023	2022
Net Assets With Donor Restrictions - Non-Endowment:		
Pursuing Possible	\$ 205,603,412	\$ 166,611,850
Share Initiative	17,588,724	17,761,138
Research	5,749,801	227,992
Jesse Crawford Research Fund	5,019,391	5,520,578
Other Miscellaneous Funds	4,112,104	5,426,962
MS General Fund	3,639,986	2,413,401
Shepherd Center Fund	3,498,255	3,692,229
Housing/Transportation Fund	3,105,594	3,817,927
Charitable Gift Annuity Program	2,775,778	3,838,220
Andee's Army	1,694,393	1,796,374
Capital Projects and Maintenance	1,584,080	4,649,824
MS Rehab and Wellness Fund	1,452,435	1,630,971
Animal Therapy Fund	1,290,658	1,353,646
Assistive Technology Fund	954,626	1,084,733
SCI Research Program	837,344	1,075,623
Chaplaincy Fund	837,082	1,047,647
Transition Support	832,703	886,526
Patient Assistance	820,697	688,747
Vocational Services	775,916	-
Recreation Therapy	479,733	1,796,881
SCI Program	285,042	251,139
Acquired Brain Injury Fund	228,105	208,741
Prevention Fund	40,937	45,017
Patient Equipment	16,141	17,046
MS Research	-	5,185
	<u>\$ 263,222,937</u>	<u>\$ 225,848,397</u>

Endowment net assets with donor restrictions are restricted for the following purposes at March 31, 2023:

	<u>Endowment Principal</u>	<u>Endowment Earnings</u>	<u>Total Endowment</u>
Charity Care	\$ 8,064,309	\$ 7,562,763	\$ 15,627,072
Anniversary Fund	5,258,875	6,955,390	12,214,265
Patient Equipment	4,650,721	7,713,790	12,364,511
Recreation Therapy	6,508,800	4,750,831	11,259,631
Assistive Technology	5,954,940	3,574,606	9,529,546
Research	3,503,430	2,094,684	5,598,114
Professional Development	2,160,517	3,242,428	5,402,945
Capital Projects and Maintenance	1,684,084	2,859,596	4,543,680
Housing/Transportation	2,380,937	1,764,807	4,145,744
Other Miscellaneous Funds	1,539,269	1,791,688	3,330,957
Vocational Services	1,374,207	1,074,951	2,449,158
MS Research	1,260,111	1,110,619	2,370,730
Noble Learning Resource Center	1,208,704	951,300	2,160,004
MS Rehab and Wellness Program	700,000	691,577	1,391,577
Injury Prevention Program	709,161	588,217	1,297,378
Advocacy	512,509	401,897	914,406
Animal Therapy Fund	308,076	201,819	509,895
Chaplaincy	198,110	166,681	364,791
Wishing Wall	106,016	153,095	259,111
	<u>\$ 48,082,776</u>	<u>\$ 47,650,739</u>	<u>\$ 95,733,515</u>

Endowment net assets with donor restrictions are restricted for the following purposes at March 31, 2022:

	<u>Endowment Principal</u>	<u>Endowment Earnings</u>	<u>Total Endowment</u>
Charity Care	\$ 8,063,309	\$ 9,119,851	\$ 17,183,160
Patient Equipment	4,650,721	8,802,491	13,453,212
Anniversary Fund	5,258,876	8,172,195	13,431,071
Recreation Therapy	6,985,024	6,320,038	13,305,062
Assistive Technology	3,460,475	3,913,461	7,373,936
Research	3,503,430	2,639,104	6,142,534
Professional Development	2,160,517	3,658,668	5,819,185
Capital Projects and Maintenance	1,684,084	3,114,400	4,798,484
Housing/Transportation	2,380,937	2,177,894	4,558,831
Vocational Services	1,374,207	1,319,021	2,693,228
Other Miscellaneous Funds	1,052,319	1,573,943	2,626,262
MS Research	1,260,111	1,347,434	2,607,545
Noble Learning Resource Center	1,208,704	1,166,556	2,375,260
MS Rehab and Wellness Program	700,000	830,583	1,530,583
Injury Prevention Program	709,161	717,504	1,426,665
Advocacy	512,509	493,078	1,005,587
Animal Therapy Fund	294,576	249,811	544,387
Chaplaincy	198,110	203,033	401,143
Wishing Wall	106,016	169,375	275,391
	<u>\$ 45,563,086</u>	<u>\$ 55,988,440</u>	<u>\$ 101,551,526</u>

Changes in endowment net assets with donor restrictions for the years ended March 31, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Beginning of the year	\$ 101,551,526	\$ 100,415,439
Contributions	2,525,145	989,604
Investment income	1,241,615	1,135,536
Unrealized (loss) gain	(6,482,062)	3,414,516
Expenditures	<u>(3,102,709)</u>	<u>(4,403,569)</u>
End of the year	<u>\$ 95,733,515</u>	<u>\$ 101,551,526</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level of the donor’s original gift. In accordance with GAAP, deficiencies of this nature, should they occur, would be reported as net assets with donor restrictions.

During 2023 and 2022, net assets were released from donor restrictions by incurring expenses, purchasing equipment or completing other capital projects satisfying the restricted purposes in the amounts of \$37,097,812 and \$15,174,452, respectively. The releases generally related to the purposes listed above.

Note 10: Net Patient Service Revenue

The Center has agreements with third-party payors that provide for payments to the Center at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Services rendered to Medicare program beneficiaries are paid based on prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors.

Medicaid inpatient services are paid on a prospective payment system and outpatient services are reimbursed under a cost reimbursement methodology. The Center is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Center and audits thereof by the Medicaid fiscal intermediary.

Patients identified as low-income and that have not been approved for Medicaid benefits are classified as “Medicaid Pending.” The Center assists the patients in obtaining these benefits from the Georgia Department of Medical Assistance.

The Center also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Center under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates. With respect to reserves for these agreements, the Center typically reserves a percentage of relevant revenues. The Center has historically provided such reserves in recognition of the complexity of relevant reimbursement regulations, the volatility of related settlement processes, and an increasingly provocative healthcare regulatory environment and believes that such policy provides the Center’s routine exposures in this area consistent with industry-specific accounting principles and practices. In any event, the Center’s estimates in this area may differ from actual experience, and those differences may be material.

Note 11: Functional Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on what management believes are reasonable methodologies, such as headcount and estimations of time spent within various departments. Expenses that are allocated include food service expense, Shepherd Share bonus, and payroll taxes and benefits. Food service expense is allocated based on the number of patient meals versus employee meals served. The Shepherd Share bonus and payroll taxes and benefits are allocated in each functional area based on salary expense.

Expenses related to providing these services for the year ended March 31, 2023 are as follows:

	Program Expenses		Management & General Expenses			Total
	Health Care Services	Research	Administrative Services	Facilities and Other Expenses	Fundraising	
Salaries	\$ 95,670,497	\$ 4,059,828	\$ 25,432,518	\$ 3,262,525	\$ 3,190,278	\$ 131,615,646
Payroll taxes and employee benefits	25,150,799	1,039,198	6,288,069	863,169	844,055	34,185,290
Patient, pharmacy and office supplies	73,409,976	44,039	2,318,877	590,134	195,199	76,558,225
Purchased services	11,765,962	1,517,325	14,510,397	3,362,154	971,411	32,127,249
Depreciation and amortization	-	-	2,273,232	9,365,237	-	11,638,469
Interest	-	-	-	1,258,427	-	1,258,427
Other	<u>3,537,597</u>	<u>187,087</u>	<u>6,776,264</u>	<u>706,883</u>	<u>635,233</u>	<u>11,843,064</u>
Total expenses	<u>\$ 209,534,831</u>	<u>\$ 6,847,477</u>	<u>\$ 57,599,357</u>	<u>\$ 19,408,529</u>	<u>\$ 5,836,176</u>	<u>\$ 299,226,370</u>

Expenses related to providing these services for the year ended March 31, 2022 are as follows:

	Program Expenses		Management & General Expenses			Total
	Health Care Services	Research	Administrative Services	Facilities and Other Expenses	Fundraising	
Salaries	\$ 94,963,474	\$ 3,655,484	\$ 24,196,601	\$ 3,181,295	\$ 2,935,228	\$ 128,932,082
Payroll taxes and employee benefits	27,082,032	1,064,155	6,805,708	914,431	854,779	36,721,105
Patient, pharmacy and office supplies	73,387,013	42,163	1,835,224	619,528	136,766	76,020,694
Purchased services	11,231,537	1,772,467	11,814,480	3,526,729	1,540,687	29,885,900
Depreciation and amortization	-	-	2,074,219	10,049,275	-	12,123,494
Interest	-	-	-	448,866	-	448,866
Other	<u>4,226,090</u>	<u>186,837</u>	<u>6,600,767</u>	<u>647,697</u>	<u>261,582</u>	<u>11,922,973</u>
Total expenses	<u>\$ 210,890,146</u>	<u>\$ 6,721,106</u>	<u>\$ 53,326,999</u>	<u>\$ 19,387,821</u>	<u>\$ 5,729,042</u>	<u>\$ 296,055,114</u>

Note 12: Charity Care

The Center maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy and the estimated cost of those services and supplies. The following information measures the Center's charity care provided during the years ended March 31, 2023 and 2022:

	2023	2022
Charges foregone, based on established rates	<u>\$ 14,216,750</u>	<u>\$ 20,262,634</u>
Estimated costs and expenses incurred to provide charity care	<u>\$ 5,964,075</u>	<u>\$ 8,358,356</u>

The Center determined estimated costs and expenses incurred to provide charity care by applying the Medicare and Medicaid ratio of costs to charges percentages to charges foregone related to identified charity patients.

In addition to charity care, the Center provides many other services not typically paid for by insurance or government payors. During the years ended March 31, 2023 and 2022, the Center incurred \$14,404,758 and \$13,285,370, respectively, in expenses supporting programs including, but not limited to, recreation therapy, patient equipment, assistive technology, housing, vocational services, research, transition support, the Noble Learning Resource Center, professional development, injury prevention and advocacy.

Note 13: Benefit Plan

The Center provides a defined contribution plan for substantially all employees. The amount of employer contribution is determined by the Board of Directors annually. Employees are one hundred percent vested in employer contributions after three full years of service. Amounts charged to expense for the plan were \$4,057,223 and \$3,796,257 in 2023 and 2022, respectively.

Note 14: Commitments and Contingencies

Industry

The health care industry is subject to laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Over the past several years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Center is in compliance with fraud and abuse statutes as well as other applicable government laws and regulations. The Center has established an Ethics in Business program and has a dedicated compliance officer in order to help ensure compliance with applicable laws and regulations.

Litigation

The Center, at times, is involved in litigation arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Center's financial position, change in net assets or cash flows.

Note 15: Concentrations of Credit Risk

The Center grants credit without collateral to its patients, most of whom participate under third-party payor agreements (see Note 10). The mix of receivables from patients and third-party payors at March 31, 2023 and 2022, is as follows:

	2023	2022
Medicare	6%	6%
Medicaid	3%	4%
Commercial	70%	73%
Workers' compensation	21%	17%
Other	0%	0%
	<u>100%</u>	<u>100%</u>

The mix of gross charges for the years ended March 31, 2023 and 2022 is as follows:

	2023	2022
Medicare	16%	17%
Medicaid	5%	5%
Commercial	62%	62%
Workers' compensation	12%	11%
Other	5%	5%
	<u>100%</u>	<u>100%</u>

At March 31, 2023 and 2022, the Center has cash and cash equivalent balances in major financial institutions which exceed federal depository insurance limits. Management believes that credit risk related to these deposits is minimal. Investment securities are exposed to various risks such as interest rate, market and credit. Market values of securities fluctuate based on the magnitude of changing market conditions; significant changes in market conditions could materially affect portfolio value in the near term.

Note 16: Related Party Transactions

Contributions from Shepherd board members totaled approximately \$5,673,000 and \$3,439,000 in 2023 and 2022, respectively. Contributions from Foundation board members totaled approximately \$2,408,000 and \$4,461,000 in 2023 and 2022, respectively.

Note 17: Gift Annuities

The Center enters into agreements with donors in which the donors contribute Annuity Gifts to the Center in exchange for an annuity to be paid to the donor or their designee for a specified period of time. The assets received for an annuity are recorded at fair value at the date of the gift. The liability associated with Annuity Gifts is recorded at present value based on Internal Revenue Service mortality tables and prevailing interest rates. The difference constitutes an increase to net assets with donor restrictions. At March 31, 2023 and 2022, the liability associated with received Annuity Gifts was estimated to be \$5,695,099 and \$5,769,952, respectively.

Note 18: Other Current Assets

Other current assets as of March 31, 2023 and 2022 consists of the following:

	2023	2022
Inventory (see Note 1)	\$ 5,688,963	\$ 6,079,318
Prepaid expenses	5,046,676	4,848,852
Grant and research receivables	2,254,139	2,131,258
Other receivables	<u>496,490</u>	<u>454,318</u>
	<u>\$ 13,486,268</u>	<u>\$ 13,513,746</u>

Note 19: Other Revenue

Other revenue for the years ended March 31, 2023 and 2022 consists of the following:

	2023	2022
Net assets released from restrictions, used for operations (see Note 1)	\$ 11,033,242	\$ 11,052,788
Contributions without donor restrictions	8,579,368	34,607,608
Provider relief funds	6,478,481	4,834,531
Grant income	3,991,743	4,113,069
Retail sales, net	3,821,626	4,139,095
Other	2,593,468	2,933,718
Cafeteria sales	1,352,121	1,138,060
Clinical trials	<u>882,727</u>	<u>1,042,827</u>
	<u>\$ 38,732,776</u>	<u>\$ 63,861,696</u>

Note 20: Subsequent Events

The Center has evaluated subsequent events between the consolidated statement of financial position date of March 31, 2023 and the report date, the date the consolidated financial statements were issued, and has concluded all subsequent events requiring recognition or disclosure have been reflected in these consolidated financial statements.

* * * * *

Supplemental Information

Shepherd Center, Inc. and Subsidiaries
(A Not-For-Profit Organization)

Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
Research and Development Cluster				
Department of Health and Human Services				
Administration for Community Living				
Program - ACL National Institute on Disability, Independent Living, and Rehabilitation Research				
Direct Awards:				
Research Spinal Cord Injury Model Systems	93.433		\$ 9,208	\$ 39,215
Disability and Rehab Research Projects Health and Function	93.433		279,017	461,301
Field Initiated Projects Research	93.433		3,296	121,189
Rehab Rehabilitation Engineering Research Centers	93.433		503,308	826,357
LiveWell Rehabilitation Engineering Research Centers	93.433		3,555	92,465
Georgia Model Brain Injury System (GAMBIS)	93.433		1,698	140,312
Southeastern Regional Spinal Cord Injury Model Systems	93.433		10,148	433,509
Total Direct Awards			<u>810,230</u>	<u>2,114,348</u>
Pass-through Awards from:				
<i>Kessler Foundation</i>				
Improving Quality of Personal Care Assistance Services for People with SCI Through Online Education	93.433	489-01	-	557
<i>Craig Hospital</i>				
Scale Up Trial of Project WOWii to Increase Exercise Among People with Spinal Cord Injury	93.433	2801-Shepherd	-	42,211
Total Pass-through Awards			<u>-</u>	<u>42,768</u>
Total ACL National Institute on Disability, Independent Living, and Rehabilitation Research			<u>810,230</u>	<u>2,157,116</u>
National Institutes of Health				
Program - Child Health and Human Development Extramural Research				
Direct Awards:				
Child Health and Human Development Extramural Research	93.865		-	41,466
Intensive Rehabilitation Research Grant Writing Workshop in the US	93.865		-	24,061
Calibrating Transcutaneous Spinal Stimulation for Spasticity, Pain, an Motor Function of SCI	93.865		16,382	374,424
Total Direct Awards			<u>16,382</u>	<u>439,951</u>
Pass-through Award from:				
<i>Medical University of South Carolina</i>				
Child Health & Human Development Extramural Research	93.865	MUSC18-031-8D222	-	24,458
<i>Emory University</i>				
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	A588427	-	96,119
Total Pass-through Awards			<u>-</u>	<u>120,577</u>
Total Child Health and Human Development Extramural Research			<u>16,382</u>	<u>560,528</u>
Total Department of Health and Human Services			<u>826,612</u>	<u>2,717,644</u>
Total Research & Development Cluster			<u>\$ 826,612</u>	<u>\$ 2,717,644</u>

Shepherd Center, Inc. and Subsidiaries
(A Not-For-Profit Organization)

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended March 31, 2023

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
Department of Health and Human Services				
Health Resources and Services Administration				
Program - Provider Relief Fund and American Resource Plan Rural Distribution				
Direct Award:				
COVID-19 Provider Relief Funds	93.498		\$ -	\$ 6,482,125
<i>Total Department of Health and Human Services</i>			-	6,482,125
Department of Agriculture				
National Institute of Food and Agriculture				
Program - Cooperative Extension Service				
Pass-through Award from:				
<i>University of Georgia</i>				
AgrAbility in Georgia	10.500	SUB00002913	-	2,188
AgrAbility in Georgia	10.500	SUB00001818	-	218
<i>Total Department of Agriculture</i>			-	2,406
<i>Total Expenditures of Federal Awards</i>			\$ 826,612	\$ 9,202,175

See independent auditor's report and accompanying notes to schedule of expenditures of federal awards.

Shepherd Center, Inc. and Subsidiaries **(A Not-for-Profit Organization)**

Notes to Schedule of Expenditures of Federal Awards **For the Year Ended March 31, 2023**

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Shepherd Center, Inc. and Subsidiaries (the Center) under programs of the Federal Government for the year ended March 31, 2023. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C: Federal Pass-through Funds

The Center is the subrecipient of federal funds, which have been subject to testing and are reported as expenditures and listed as federal pass-through funds in the accompanying schedule. Federal awards other than these are considered direct.

Note D: Provider Relief Funds

During the year ended March 31, 2022, the Center was the recipient of funds under the CARES Act Provider Relief Fund program. In accordance with guidance provided in the OMB 2 CFR Part 200 Compliance Supplement (the Compliance Supplement), amounts received prior to December 31, 2021 are reflected, to the extent utilized, in the Schedule for the year ended March 31, 2023.

Note E: Indirect Cost Rate

The Center has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of
Shepherd Center, Inc. and Subsidiaries

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Shepherd Center, Inc. and Subsidiaries (the Center), which comprise the consolidated statement of financial position as of March 31, 2023, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated June 22, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bennett Thrasher LLP

June 22, 2023

Independent Auditor’s Report on Compliance for the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors of
Shepherd Center, Inc. and Subsidiaries

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Shepherd Center, Inc. and Subsidiaries’ (the Center) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Center’s major federal program for the year ended March 31, 2023. The Center’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended March 31, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Center’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Center’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Shepherd Center Inc., and Subsidiaries' compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance Section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bennett Thrasher LLP

June 22, 2023

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified.

Internal control over financial reporting:

Material weaknesses identified? No.

Significant deficiencies identified? None reported.

Noncompliance material to financial statements noted? No.

Federal Awards

Internal control over major programs:

Material weaknesses identified? No.

Significant deficiencies identified? None reported.

Type of auditor’s report issued on compliance for all major programs: Unmodified.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? No.

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.498	COVID-19 Provider Relief Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000.

Auditee qualified as low-risk auditee? Yes.

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Schedule of Prior Audit Findings
For the Year Ended March 31, 2023

Findings from the year ended March 31, 2022:

None.