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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 10-01-2009 and ending 09-30-2010

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
SHELTERING ARMS HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 8254 ATLEE ROAD | Room/suite

City or town, state or country, and ZIP + 4
MECHANICSVILLE, VA 23116

D Employer identification number
54-0505955

E Telephone number
(804) 342-4340

G Gross receipts $ 56,499,262

F Name and address of principal officer
JAMES E SOK
8254 ATLEE ROAD
MECHANICSVILLE, VA 23116

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW SHELTERINGARMS COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1941 | **M** State of legal domicile VA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE COMPREHENSIVE PHYSICAL REHABILIATION OF THE HIGHEST CALIBER WITH COMPASSION AND RESPECT, TO ENHANCE THE QUALITY OF LIFE TO THOSE PERSONS EXPERIENCING DISABILITIES, AND TO OFFER FINANCIAL ASSISTANCE TO THOSE IN NEED

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	21
5	Total number of employees (Part V, line 2a)	**5**	718
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	**7a**	116,997
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-49,650

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	10,053,407	8,824,327
9	Program service revenue (Part VIII, line 2g)	46,523,444	46,771,750
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-994	-56,512
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	146,424	634,869
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	56,722,281	56,174,434
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	448,600	241,250
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	26,610,345	28,725,064
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 100,000		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	28,355,571	25,243,812
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	55,414,516	54,210,126
19	Revenue less expenses Subtract line 18 from line 12	1,307,765	1,964,308
Net Assets or Fund Balances		**Beginning of Current Year**	**End of Year**
20	Total assets (Part X, line 16)	22,458,941	24,500,064
21	Total liabilities (Part X, line 26)	3,405,214	3,482,021
22	Net assets or fund balances Subtract line 21 from line 20	19,053,727	21,018,043

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

****** | 2011-08-04
Signature of officer | Date

JAMES E SOK PRESIDENT/CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Samuel E Johnson	Date 2011-08-04	Check if self-empolyed ▶ ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Cherry Bekaert & Holland LLP P O Box 1119 Lynchburg, VA 245051119			EIN ▶ Phone no ▶ (434) 847-6643

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

THE MISSION OF SHELTERING ARMS HOSPITAL IS TO PROVIDE COMPREHENSIVE PHYSICAL REHABILITATION OF THE HIGHEST CALIBER WITH COMPASSION AND RESPECT, TO ENHANCE THE QUALITY OF LIFE TO THOSE PERSONS EXPERIENCING DISABILITIES, AND TO OFFER FINANCIAL ASSISTANCE TO THOSE IN NEED

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

If "Yes," describe these new services on Schedule O

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 45,181,624 including grants of $) (Revenue $ 46,309,712)

PHYSICAL REHABILITATION SERVICES INPATIENT PHYSICAL REHABILITATION SERVICES SHELTERING ARMS HOSPITAL OPERATES A 40 BED ACUTE PHYSICAL REHABILITATION INPATIENT HOSPITAL IN MECHANICSVILLE, VIRGINIA THE PRIMARY SERVICE AREA IS CENTRAL VIRGINIA ALTHOUGH PATIENTS ARE ADMITTED FROM VIRGINIA AND SURROUNDING STATES DURING FISCAL YEAR 2010, 992 PATIENTS WERE ADMITTED RESULTING IN 12,591 PATIENT DAYS OUTPATIENT PHYSICAL REHABILITATION SERVICES SHELTERING ARMS HOSPITAL PROVIDES OUTPATIENT PHYSICAL REHABILITATION SERVICES AT THE HOSPITAL CAMPUS AND EIGHT ADDITIONAL LOCATIONS IN THE RICHMOND AREA THE OUTPATIENT CONTINUUM OF SERVICES INCLUDES A DAY REHABILITATION PROGRAM, ORTHOPEDIC REHABILITATION SERVICES, NEUROLOGICAL REHABILITATION SERVICES, PHYSICIANS' REHABILITATION SERVICES, AND OUTPATIENT REHABILITATION THERAPIES DURING FISCAL YEAR 2010, SHELTERING ARMS HOSPITAL PROVIDED OUTPATIENT THERAPY AND PHYSICIAN SERVICES RESULTING IN 111,017 PATIENT VISITS

4b (Code) (Expenses $ 1,140,735 including grants of $) (Revenue $)

CHARITY CARE/FINANCIAL ASSISTANCE SHELTERING ARMS HOSPITAL ACCEPTS PATIENTS REGARDLESS OF THEIR ABILITY TO PAY AND PROVIDES FINANCIAL ASSISTANCE FOR MEDICAL BILLS TO QUALIFIED PATIENTS LACKING ADEQUATE FINANCIAL RESOURCES FINANCIAL ASSISTANCE IS ALSO OFFERED FOR THE PARTNERS FOR LIFE PROGRAM DURING FISCAL YEAR 2010, 709 PATIENTS BENEFITED FROM CHARITY CARE AND/OR FINANCIAL ASSISTANCE THE DISCOUNTED CHARGES FOREGONE BY SHELTERING ARMS HOSPITAL FOR THIS ASSISTANCE WAS $1,034,349 IN FY 2010, SHELTERING ARMS ALSO TRANSPORTED 126 PATIENTS PARTICIPATING IN THE OUTPATIENT THERAPHY DAY REGAB PROGRAM AT AN UNREIMBURSED COST OF $75,200 SHELTERING ARMS ALSO PROVIDED FREE MOBILITY AND THERAPY EQUIPMENT TO THOSE PATIENTS WHO QUALIFIED, FOR USE DURING THEIR RECOVERY AT HOME THE COST OF PROVIDING THIS EQUIPMENT WAS $31,186

4c (Code) (Expenses $ 1,350,815 including grants of $) (Revenue $ 462,038)

PARTNERS 4 LIFE/COMMUNITY REC PROGRAM SHELTERING ARMS HOSPITAL OPERATES A PARTNERS 4 LIFE PROGRAM WHICH ENCOMPASSES THE SPECIALIZED COMMUNITY RECREATIONAL PROGRAM TO ADDRESS THE LEISURE AND RECREATIONAL NEEDS OF INDIVIDUALS WITH DISABILITIES ON A DAILY BASIS THE COMMUNITY REC PROGRAM WAS DESIGNED AS AN EXTENSION OF THE REHABILITATION CONTINUUM OF SERVICES OFFERED BY SHELTERING ARMS HOSPITAL THE PROGRAM PROMOTES WELLNESS AND COMMUNITY INTEGRATION THAT DIRECTLY IMPACTS THE QUALITY OF LIFE FOR INDIVIDUALS WITH DISABILITIES SERVICES OFFERED ARE GROUP CLINICS, CLASSES, TOURNAMENTS, AND SEMINARS PROMOTING LEISURE SKILL DEVELOPMENT, COMMUNITY INTEGRATION, AND SOCIALIZATION ALL CLUB REC PROGRAMS ARE PLANNED AND IMPLEMENTED BY A CERTIFIED THERAPEUTIC RECREATION SPECIALIST WHO IS AVAILABLE TO PROVIDE AND ASSIST THE PARTICIPANTS WITH RESOURCES, INSTRUCTION ON THE USE OF ADAPTIVE LEISURE EQUIPMENT, INSTRUCTION ON MODIFICATIONS/ADAPTIVE TECHNIQUES TO PARTICIPATE IN THE ACTIVITY, PROVIDE ENCOURAGEMENT AND FOSTER SOCIALIZATION THE CLUB RECREATION PROGRAM OFFERS MEMBERS ACCESS TO VARIOUS RESOURCES INCLUDING A SPIRITUALITY GROUP, A COMPUTER LAB, LIBRARY RESOURCES AND A FITNESS CENTER THIS PROGRAM ENJOYED 7,204 VISITS IN FY 2010 FROM INDIVIDUALS WITH DISABILITIES PARTNERS 4 LIFE ALSO FOCUSES ON THERAPEUDIC RECOVERY AND MAINTAINING PHYSICAL WELLNESS AFTER DISCHARGE ON A BROADER SPECTRUM THIS PROGRAM HELD 1,517 SPECIAL EVENTS WHICH INCLUDED EXERCISE CLASSES, EDUCATIONAL PROGRAMS, AND SPECIAL RECREATION WITH A TOTAL OF 7 594 PARTICIPANTS THERE ARE TWO WARM WATER THERAPEUTIC POOLS FOR THERAPHY AND THERAPEUTIC CLASSES THESE POOLS ALLOW PATIENTS WITH DISABILITIES TO PERFORM THERAPEUTIC EXERCISE AND IMPROVE AND MAINTAIN THEIR MOBILITY INDIVIDUALS MAY PURCHASE POOL MEMBERSHIPS THAT ALLOW THEM TO UTILIZE THE POOL FACILITITIES TO CONTINUE THEIR FITNESS PROGRAMS AFTER DISCHARGE FROM THE HOSPITAL OR OUTPATIENT CLINICS DURING FISCAL YEAR 2010, THERE WERE 32,499 VISITS TO THE POOL AND FITNESS CENTERS SHELTERING ARMS HOSPITAL PROVIDES THESE PROGRAMS TO THE COMMUNITY FOR FEES AND UNDERWRITES THE REMAINING COST FOR FY 2010 THE COST UNDERWRITTEN WAS $1,032,633 WHICH INCLUDED $142,951 IN FINANCIAL ASSISTANCE

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 47,673,174

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)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		No
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.*	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*			
	• 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? *If "Yes," complete Schedule D, Part VII.*			
	• 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? *If "Yes," complete Schedule D, Part VIII.*			
	• 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? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• 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? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — Yes / No: **12A** Yes			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III*	16		No
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? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
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? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
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?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
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? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
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? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	53		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	718		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	2b			No
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .	7g			No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			No
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a	21		
b	Enter the number of voting members that are independent	1b	21		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		No
6	Does the organization have members or stockholders?		6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a	Yes	
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	Yes	
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
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	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
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?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ VA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☑ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

MICHAEL A BOEMMEL VP OF FINANCE AND CFO
8254 ATLEE RD
MECHANICSVILLE, VA 23226
(804) 342-4340

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

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 Use Schedule J-2 if additional space is needed

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

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

☐ Check this box if the organization did not compensate any current or former officer, director, trustee or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See add'l data										

1b Total . . . . . ▶	3,070,137	0	243,536

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 19

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
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**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
BON SECOURS MEMORIAL REGIONAL MEDICAL CE 8260 ATLEE ROAD MECHANICSVILLE, VA 23116	HOSPITAL ANCILLARY & SUPPORT	1,327,959
LAWSON SOFTWARE AMERICAS C/O CITIBANK PO BOX 2395 CAROL STREAM, IL 60132	PAYROLL SYSTEM & SUPPORT	620,795
FREE AGENTS MARKETING LLC 10124 WEST BROAD STREET SUITE N GLEN ALLEN, VA 23059	ADVERTISING & MARKETING	465,364
CROTHALL 955 CHESTERBROOK BLVD SUITE 800 WAYNE, PA 19087	HOUSEKEEPING	373,421
TROUTMAN SANDERS LLP 1001 HAXALL POINT RICHMOND, VA 23219	LEGAL COUNCIL	257,203
2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 13		

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b	3,250			
	c	Fundraising events	1c				
	d	Related organizations	1d	8,394,238			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	426,839			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f			8,824,327		
Program Service Revenue			Business Code				
	2a	PROGRAM SERVICE REVENU	621,400	39,881,955	39,881,955		
	b	THERAPY SERVICE - CONT	621,400	6,427,757	6,427,757		
	c	THERAPEUTIC RECREATION	621,400	462,038	462,038		
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		46,771,750			
	3	Investment income (including dividends, interest and other similar amounts)		5,707			5,707
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross Rents	72,022				
	b	Less rental expenses					
	c	Rental income or (loss)	72,022				
	d	Net rental income or (loss)			72,022	72,022	
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory					
	b	Less cost or other basis and sales expenses	62,219				
	c	Gain or (loss)	-62,219				
	d	Net gain or (loss)			-62,219	-62,219	
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a 379,571				
	b	Less direct expenses	b 262,609				
	c	Net income or (loss) from fundraising events			116,962		116,962
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	MISC REAL ESTATE INCOM	621,400	226,563	226,563		
	b	SPORTS ACCELERATION PR	713,940	116,997		116,997	
	c	MISCELLANEOUS	621,400	102,325	102,325		
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		445,885			
	12	**Total revenue.** See Instructions		56,174,434	47,110,441	116,997	122,669

Part IX Statement of Functional Expenses

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	241,250	241,250		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,805,164	750,441	1,054,723	
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	22,508,069	20,677,296	1,830,773	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	791,544	712,205	79,339	
9	Other employee benefits	1,583,311	1,270,102	313,209	
10	Payroll taxes	2,036,976	1,794,576	242,400	
11	Fees for services (non-employees)				
a	Management				
b	Legal	205,712	444	205,268	
c	Accounting	53,585		53,585	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees				
g	Other	959,912	428,161	531,751	
12	Advertising and promotion	578,139	10,742	567,397	
13	Office expenses	1,757,900	1,414,667	243,233	100,000
14	Information technology	438,029		438,029	
15	Royalties				
16	Occupancy	1,854,735	1,733,913	120,822	
17	Travel	117,933	64,750	53,183	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	106,425	67,042	39,383	
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,653,196	1,419,829	233,367	
23	Insurance	244,572	220,115	24,457	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	CONTRACTUAL ADJUSTMENTS	14,644,155	14,644,155		
b	PURCHASED SERVICES	2,196,835	2,189,453	7,382	
c	BAD DEBT	272,952		272,952	
d	MEMBERSHIPS	159,732	34,033	125,699	
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	54,210,126	47,673,174	6,436,952	100,000
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		268,451	1	1,830,957
	2	Savings and temporary cash investments		2,193,574	2	1,582,173
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		4,769,831	4	5,586,539
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		36,343	8	48,074
	9	Prepaid expenses and deferred charges		480,087	9	390,727
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 30,245,254			
	b	Less accumulated depreciation	10b 16,793,779	13,435,372	10c	13,451,475
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,275,283	15	1,610,119
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		22,458,941	16	24,500,064
Liabilities	17	Accounts payable and accrued expenses		3,405,214	17	3,462,021
	18	Grants payable			18	
	19	Deferred revenue			19	20,000
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			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 Complete Part X of Schedule D			25	
	26	**Total liabilities.** Add lines 17 through 25		3,405,214	26	3,482,021
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		18,936,644	27	20,900,960
	28	Temporarily restricted net assets		17,083	28	17,083
	29	Permanently restricted net assets		100,000	29	100,000
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		19,053,727	33	21,018,043
	34	Total liabilities and net assets/fund balances		22,458,941	34	24,500,064

Part XI Financial Statements and Reporting

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

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

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

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

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

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

Part II **Support Schedule for Organizations Described in IRC 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.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2008 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2008.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2009.** 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 IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2008.** 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 IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

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

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 in 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 IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

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

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15
16	Public support percentage from 2008 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f))	17
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18

19a **33 1/3% support tests—2009.** 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—2008.** 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 **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Additional Data

Software ID:
Software Version:
EIN: 54-0505955
Name: SHELTERING ARMS HOSPITAL

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

(A) Name and Title	(B) Average hours per week	(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			
JOHN L MCELROY III DIRECTOR	4 00	X						0	0	0
CHARLES M CARAVATI III CHAIRMAN/DIRECTOR	4 00	X						0	0	0
LISA T POWELL DIRECTOR	4 00	X						0	0	0
WILLIAM T CLARKE JR DIRECTOR	4 00	X						0	0	0
LAWRENCE E GIBSON DIRECTOR	4 00	X						0	0	0
JOYCE F NASH DIRECTOR	4 00	X						0	0	0
EVANS B BRASFIELD DIRECTOR	4 00	X						0	0	0
BARBARA H DUNN DIRECTOR	4 00	X						0	0	0
dianNE V JEWELL DIRECTOR	4 00	X						0	0	0
theoDORE W PRICE DIRECTOR	4 00	X						0	0	0
susAN J RAWLES DIRECTOR	4 00	X						0	0	0
ameS RUSSELL DIRECTOR	4 00	X						0	0	0
james a sLABAUGH DIRECTOR	4 00	X						0	0	0
kathRYN M BARLEY DIRECTOR	4 00	X						0	0	0
annE H BENNETT DIRECTOR	4 00	X						0	0	0
peteR BOWLES DIRECTOR	4 00	X						0	0	0
david CONSTINE DIRECTOR	4 00	X						0	0	0
william E HARDY dIRECTOR	4 00	X						0	0	0
corBIN K RANKIN dirECTOR	4 00	X						0	0	0
JAMES E SOK PRESIDENT/CEO	40 00			X		X		382,823	0	38,060
MICHAEL A BOEMMEL TREASURER/VP OF FINANCE/CFO	40 00			X		X		253,924	0	1,384
JAMES A BRAITH SECRETARY	40 00			X		X		149,525	0	12,237
TIMOTHY M SILVER MEDICAL DIRECTOR	40 00			X		X		355,178	0	36,371
HILLARY S HAWKINS MEDICAL DIRECTOR	40 00			X		X		332,842	0	26,052
michael j MCDONNELL vp/COO	40 00			X		X		186,336	0	30,433

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

(A) Name and Title	(B) Average hours per week	(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			
ALBERT M JONES PHYSICIAN	40 00					X		287,876	0	22,254
GREGORY LEGHART PHYSICIAN	40 00					X		292,514	0	21,156
SCOTT N SCHIMPFF PHYSICIAN	40 00					X		344,510	0	23,581
john e GIBBS II phySICIAN	40 00					X		266,397	0	19,044
charles m giBELLATO phySICIAN	40 00					X		218,212	0	12,964

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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 ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–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 Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

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

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

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

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

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

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

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

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

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

		Amount
c Beginning balance	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? ☐ Yes ☐ No

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		416,370		416,370
b Buildings		11,394,200	5,326,889	6,067,311
c Leasehold improvements		1,962,395	166,983	1,795,412
d Equipment		15,707,539	11,299,907	4,407,632
e Other		764,750		764,750
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				13,451,475

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
INVESTMENT IN CENTRAL VIRGINIA HEALTH NETWORK	188,545
INVESTMENT IN IRONBRIDGE MEDICAL OFFICE BUILDING	44,444
INVESTMENT IN ST FRANCES MOB I	634,470
INVESTMENT IN ST MARY'S MOB IV	342,660
INVESTMENT IN PT WORKS	400,000
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	1,610,119

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
See Additional Data Table	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

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

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

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

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 XIV)	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 XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Part X	Description of Uncertain Tax Positions Under FIN 48	In July of 2006, the Financial Accounting Standards Board (FASB) issued certain interpretive guidance with respect to accounting for uncertainty in income taxes (the "Guidance") The Guidance clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with the FASB Accounting Standards Codification (ASC) Income Taxes Topic and prescribes a minimum threshold that a tax position is required to meet before being recognized Furthermore, the Guidance addresses measurement, classification, and interest and penalties As used in the Guidance, the term tax position is defined as a position taken in a previously filed tax return or a position expected to be taken in a future tax return that is reflected in measuring an entity's current or deferred income tax assets and liabilities The Guidance also defines an income tax position to include a decision not to file an income tax return The Corporation adopted the Guidance on October 1, 2009, as required, and the adoption did not have any impact on the Corporation's financial position or results of operations The Corporation is no longer subject to U S federal, state, or local tax examinations by tax authorities for tax years prior to the fiscal year ended September 30, 2007

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SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

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

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

a ☐ Mail solicitations
b ☐ Internet and e-mail solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
Total . . . . . ▶						

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

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 BAL-DU-BOIS (event type)	(b) Event #2 (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	379,571			379,571
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)	379,571			379,571
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs	170,410			170,410
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	92,199			92,199
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				262,609
	11 Net income summary Combine lines 3, column d, and line 10 ▶				116,962

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Combine lines 1, column d, and line 7 ▶				

			Yes	No
9	Enter the state(s) in which the organization operates gaming activities ____			
a	Is the organization licensed to operate gaming activities in each of these states?	9a		
b	If "No," Explain			
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		
b	If "Yes," Explain			
11	Does the organization operate gaming activities with nonmembers?	11		
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12		

			Yes	No
13	Indicate the percentage of gaming activity operated in			
a	The organization's facility	**13a**		
b	An outside facility	**13b**		
14	Enter the name and address of the person who prepares the organization's gaming/special events books and records			
	Name ▶			
	Address ▶			
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?	**15a**		
b	If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____			
c	If "Yes," enter name and address			
	Name ▶			
	Address ▶			
16	Gaming manager information			
	Name ▶			
	Gaming manager compensation ▶ $ _____			
	Description of services provided ▶			
	☐ Director/officer ☐ Employee ☐ Independent contractor			
17	Mandatory distributions			
a	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	**17a**		
b	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $			

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☑ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
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 eligibile for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			1,158,463		1,158,463	2 140 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			217,387		217,387	0 400 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			1,375,850		1,375,850	2 540 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	3	7,594	1,350,813	461,131	889,682	1 640 %
f Health professions education (from Worksheet 5)		2	96,436		96,436	0 180 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)	11		205,000		205,000	0 380 %
j **Total** Other Benefits	14	7,596	1,652,249	461,131	1,191,118	2 200 %
k **Total.** Add lines 7d and 7j	14	7,596	3,028,099	461,131	2,566,968	4 740 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building	7		850		850	0 %
7	Community health improvement advocacy	14		3,850		3,850	0 010 %
8	Workforce development						
9	Other						
10	**Total**	21		4,700		4,700	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	220,986		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	44,197		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	9,601,675		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	7,834,416		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	1,767,259		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?		9a	Yes	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI		9b	Yes	

Part IV Management Companies and Joint Ventures

	(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 %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
SHELTERING ARMS HOSPITAL 8254 ATLEE ROAD MECHANICSVILLE,VA 23116	X								PHYSICAL REHABILITATION HOSPITAL
SHELTERING ARMS HANOVER REHABILITATION C 8226 MEADOWBRIDGE ROAD MECHANICSVILLE,VA 23116									OUTPATIENT THERAPY AND PHYSICIANS CLINIC
SHELTERING ARMS SOUTH PHYSICANS CLINIC 13700 ST FRANCES BLVD SUITE 300 MIDLOTHIAN,VA 23114									OUTPATIENT THERAPY AND PHYSICIANS CLINIC
SHLETERING ARMS BON AIR CENTER 206 TWINRIDGE LANE RICHMOND,VA 23235									OUTPATIENT THERAPY, DAY REHAB, PHYSICIANS CLINIC
SHELTERING ARMS CHESTER CENTER 11601 IRONBRIDGE ROAD SUITE 110 CHESTER,VA 23831									OUTPATIENT THERAPY CENTER
SHELTERING ARMS LABURNUM CENTER 4730 S LABURNUM AVENUE RICHMOND,VA 23231									OUTPATIENT THERAPY CENTER
SHELTERING ARMS MAPLE CENTER 1501 MAPLE AVENUE SUITE 100 RICHMOND,VA 23226									OUTPATIENT THERAPY AND PHYSICIANS CLINIC
SHELTERING ARMS MIDTOWN CLUB REC 2805 WEST BROAD STREET RICHMOND,VA 23230									OUTPATIENT DAY PROGRAM AND FITNESS CENTER
SHELTERING ARMS HANOVER NEURO CTR 8254 ATLEE ROAD MECHANICSVILLE,VA 23116									OUTPATIENT REHABILITATION HOSPITAL

Part VI Supplemental Information

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

PART 1, LINE 6A SHELTERING ARMS PRODUCES AN ANNUAL REPORT SUMMARIZING THE ACCOMPLISHMNETS OF THE ORGANIZATION OVER THE CURRENT FISCAL YEAR IT IS MAILED TO THE BOARD OF DIRECTORS, AND ALL EMPLOYEES AND COPIES ARE LEFT IN THE WAITING ROOMS OF ALL INPATIENT AND OUTPATIENT FACILITIES HIGHLIGHTS INCLUDE OUR COMMUNITY INVOLVEMENT WITH ASSOCIATIONS DEDICATED TO COMMUNITY HEALTH AND FITNESS AWARENESS, ADVANCED CERTIFICATIONS OF OUR STAFF TO PROVIDE OUR SERVICE AREA WITH THE MOST ADVANCED PHYSICAL THERAPY BEST PRACTICES, INFORMATION REGARDING OUR EXPANSION THROUGHOUT THE AREA TO SERVE MORE PEOPLE, REPORTING THE NUMBER OF LIVES TOUCHED THROUGHOUT THE YEAR THROUGH INPATIENT AND OUTPATIENT REHABILITATION SERVICES, AND TO ACKNOWLEDGE THE COMMUNITY PUBLIC SUPPORT SO IMPORTANT TO OUR MISSION IT ALSO DISCLOSES THE OUTREACH EFFORTS WHICH INCLUDE STROKE RECOVERY SEMINARS, HEALTH SCREENINGS, PARTICIPATION IN HEALTH FAIRS, AND PARTICIPATION AND SPONSORSHIP IN LOCAL FUNDRAISING EVENTS SUCH AS THE MS WALK, ARTHRITIS FOUNDATION, AND THE VIRGINIA HOME PART 1, LINE 7, COLUMN F COLUMN F REFLECTS THE CHARITY AND OTHER COMMUNITY BENEFITS AS A PERCENTAGE OF THE TOTAL FUNCTIONAL EXPENSES IN COLUMN A, LINE 25 OF PART IX OF THE FORM 990 PART III, LINE 4 DOUBTFUL ACCOUNTS GENERALLY ARISE BASED UPON A PATIENT'S INABILITY TO PAY THEIR PORTION OF THE AMOUNT BILLED FOR SERVICES MANAGEMENT'S ESTIMATES ARE BASED UPON AN ANALYSIS OF HISTORICAL COLLECTION TRENDS, CURRENT PAYER MIX, INDUSTRY FACTORS, CURRENT ANTICIPATED ECONOMIC CONDITIONS AND OTHER RISKS INHERENT IN THE ACCOUNTS RECEIVABLE BALANCE PART III, LINE 8 THE MEDICARE GAIN WAS OBTAINED FROM THE MEDICARE COST REPORT PART III, LINE 9B ANY PATIENT WHO QUALIFIES FOR CHARITY CARE AND/OR FINANCIAL ASSISTANCE MUST FOLLOW THE GUIDELINES INCORPORATED IN THE CHARITY CARE AND FINANCIAL ASSISTANCE SIGNED DOCUMENTS LEGAL ACTION MAY ONLY BE PURSUED IF IT IS DETERMINED THAT THE PATIENT HAS ASSETS OR INCOME NOT REPORTED ON THE APPLICATION FOR CHARITY AND FINANCIAL ASSISTANCE, HAS FAILED TO COMPLETE THE REQUIRED FINANCIAL ASSISTANCE OR CHARITY APPLICATION, OR IF THE PATIENT FAILS TO COMPLY WITH THE PREVIOUS AGREED UPON TERMS AND HAS FAILED TO NOTIFY SHELTERING ARMS OF A CHANGE IN THEIR FINANCIAL STATUS ALL PATIENTS MAY RE-APPLY FOR FINANCIAL ASSISTANCE OR CHARITY IF THEIR FINANCIAL CONDITION WORSENS AT WHICH TIME NEW PAYMENT ARRANGEMENTS OR FULL CHARITY OR FINANCIAL ASSISTANCE MAY BE GRANTED ONLY WHEN THE PATIENT FAILS TO NOTIFY SHELTERING ARMS OF THE HARDSHIP OR REFUSES TO COOPERATE WITH THE WRITTEN AGREEMENTS WILL SHELTERING ARMS TURN UNPAID PATIENT BALANCES OVER TO A COLLECTION AGENCY

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves

See additional data

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 charity care policy

Part VI, Line 3 NEW INPATIENT ADMISSIONS RECEIVE A FORM UPON ARRIVAL DISCLOSING THE FINANCIAL AGREEMENT TO PAY WHICH INCLUDES OFFERING MONTHLY PAYMENT ARRANGEMENTS OR APPLICATION FOR FINANCIAL ASSISTANCE THE FORM REQUIRES SIGNATURE OUTPATIENT AND PHYSICIANS SERVICES APPOINTMENT VERIFICATION LETTERS FOR NEW PATIENTS DISCLOSES AVAILABLITY OF FINANCIAL ASSISTANCE IF THE PATIENT WISHES TO APPLY PATIENT ACCESS STAFF VERBALLY DISCLOSE THIS INFORMATION TO PATIENTS IN PERSON AND/OR OVER THE PHONE, AND IT IS ALSO DISCLOSED ON OUR WEBSITE

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

See additional data

5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

See additional data

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

Part VI, Line 6 SHELTERING ARMS REPRESENTATIVES HAVE BEEN APPOINTED TO THE AMERICAN PHYSICAL THERAPY ASSOCIATION, THE RICHMOND ACADEMY OF MEDICINE, THE MULTIPLE SCLEROSIS SOCIETY AS WELL AS FACULTY APPOINTMENTS TO THE VCU PHYSICAL THERAPY AND MEDICAL SCHOOLS WE ALSO HAVE MADE PRESENTATIONS AND SPEAKING ENGAGEMENTS TO THE AMERICAN PHYSICAL THERAPY ASSOCIATION, THE AMERICAN OCCUPATIONAL THERAPY ASSOCIATION, AND THE VIRGINIA OCCUPATIONAL THERAPY ASSOCIATION

7 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 communites served

Part VI, Line 7 N/A

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Additional Data

Software ID:
Software Version:
EIN: 54-0505955
Name: SHELTERING ARMS HOSPITAL

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

PART 1, LINE 6A SHELTERING ARMS PRODUCES AN ANNUAL REPORT SUMMARIZING THE ACCOMPLISHMNETS OF THE ORGANIZATION OVER THE CURRENT FISCAL YEAR IT IS MAILED TO THE BOARD OF DIRECTORS, AND ALL EMPLOYEES AND COPIES ARE LEFT IN THE WAITING ROOMS OF ALL INPATIENT AND OUTPATIENT FACILITIES HIGHLIGHTS INCLUDE OUR COMMUNITY INVOLVEMENT WITH ASSOCIATIONS DEDICATED TO COMMUNITY HEALTH AND FITNESS AWARENESS, ADVANCED CERTIFICATIONS OF OUR STAFF TO PROVIDE OUR SERVICE AREA WITH THE MOST ADVANCED PHYSICAL THERAPY BEST PRACTICES, INFORMATION REGARDING OUR EXPANSION THROUGHOUT THE AREA TO SERVE MORE PEOPLE, REPORTING THE NUMBER OF LIVES TOUCHED THROUGHOUT THE YEAR THROUGH INPATIENT AND OUTPATIENT REHABILITATION SERVICES, AND TO ACKNOWLEDGE THE COMMUNITY PUBLIC SUPPORT SO IMPORTANT TO OUR MISSION IT ALSO DISCLOSES THE OUTREACH EFFORTS WHICH INCLUDE STROKE RECOVERY SEMINARS, HEALTH SCREENINGS, PARTICIPATION IN HEALTH FAIRS, AND PARTICIPATION AND SPONSORSHIP IN LOCAL FUNDRAISING EVENTS SUCH AS THE MS WALK, ARTHRITIS FOUNDATION, AND THE VIRGINIA HOME PART 1, LINE 7, COLUMN F COLUMN F REFLECTS THE CHARITY AND OTHER COMMUNITY BENEFITS AS A PERCENTAGE OF THE TOTAL FUNCTIONAL EXPENSES IN COLUMN A, LINE 25 OF PART IX OF THE FORM 990 PART III, LINE 4 DOUBTFUL ACCOUNTS GENERALLY ARISE BASED UPON A PATIENT'S INABILITY TO PAY THEIR PORTION OF THE AMOUNT BILLED FOR SERVICES MANAGEMENT'S ESTIMATES ARE BASED UPON AN ANALYSIS OF HISTORICAL COLLECTION TRENDS, CURRENT PAYER MIX, INDUSTRY FACTORS, CURRENT ANTICIPATED ECONOMIC CONDITIONS AND OTHER RISKS INHERENT IN THE ACCOUNTS RECEIVABLE BALANCE PART III, LINE 8 THE MEDICARE GAIN WAS OBTAINED FROM THE MEDICARE COST REPORT PART III, LINE 9B ANY PATIENT WHO QUALIFIES FOR CHARITY CARE AND/OR FINANCIAL ASSISTANCE MUST FOLLOW THE GUIDELINES INCORPORATED IN THE CHARITY CARE AND FINANCIAL ASSISTANCE SIGNED DOCUMENTS LEGAL ACTION MAY ONLY BE PURSUED IF IT IS DETERMINED THAT THE PATIENT HAS ASSETS OR INCOME NOT REPORTED ON THE APPLICATION FOR CHARITY AND FINANCIAL ASSISTANCE, HAS FAILED TO COMPLETE THE REQUIRED FINANCIAL ASSISTANCE OR CHARITY APPLICATION, OR IF THE PATIENT FAILS TO COMPLY WITH THE PREVIOUS AGREED UPON TERMS AND HAS FAILED TO NOTIFY SHELTERING ARMS OF A CHANGE IN THEIR FINANCIAL STATUS ALL PATIENTS MAY RE-APPLY FOR FINANCIAL ASSISTANCE OR CHARITY IF THEIR FINANCIAL CONDITION WORSENS AT WHICH TIME NEW PAYMENT ARRANGEMENTS OR FULL CHARITY OR FINANCIAL ASSISTANCE MAY BE GRANTED ONLY WHEN THE PATIENT FAILS TO NOTIFY SHELTERING ARMS OF THE HARDSHIP OR REFUSES TO COOPERATE WITH THE WRITTEN AGREEMENTS WILL SHELTERING ARMS TURN UNPAID PATIENT BALANCES OVER TO A COLLECTION AGENCY

Form 990 Schedule H, Part VI - Supplemental Information, Line 2

Part VI, Line 2 SHELTERING ARMS,THROUGH THE RESEARCH OF THE COMMUNITY FOUNDATION AND RECOMMENDED ASSISTANCE TO THOSE COMMUNITY PROGRAMS IN NEED OF SUPPORT, OUR INVOLVEMENT WITH THE VIRGINIA INJURY COMMUNITY PLANNING GROUP, THE AMERICAN HEART ASSOCIATION, THE DISABILITY TASKFORCE, THE VIRGINIA ARTHRITIS ACTION COALITION, THE SPINAL CORD INJURY ASSOCIATION OF VIRGINIA, AND THE VARIOUS SPEAKING ENGAGEMENTS WE PARTICIPATE IN SUCH AS THE AMERICAN PHYSICAL THERAPY ASSOCIATION, AND THE AMERICAN OCCUPATIONAL ASSOCIATION, AND THROUGH OUR STRATEGIC PARTNERSHIPS FOR RESEARCH, WE STRIVE TO PROVIDE THE MOST INNOVATIVE AND BROAD SPECTRUM OF SERVICES AND SUPPORT POSSIBLE TO OUR COMMUNITY

Form 990 Schedule H, Part VI - Supplemental Information, Line 4

Part VI, Line 4 SHELTERING ARMS SERVES THE RICHMOND METROPLITAN AREA AND SURROUNDING COUNTIES THE REGION IS ALSO KNOWN AS REGION IV OF CENTRAL VIRGINIA AND SOME POINTS IN OTHER ADJOINING REGIONS OVER THE LAST 10 YEARS THE POPULATION HAS GROWN IN THIS AREA AN AVERAGE OF 12% SHELTERING ARMS SERVES THE CITY OF RICHMOND WITH A POPULATION OF 204,214, CHESTERFIELD COUNTY WITH A POPULATION OF 316, 236, HENRICO COUNTY WITH A POPULATION OF 306, 935, HANOVER COUNTY WITH A POPULATION OF 99,863, PETERSBURG CITY WITH A POPULATION OF 32,420 AND 7-10 OTHER SURROUNDING COUNTIES WITH A MORE RURAL GEOGRAPHIC REGION IV HAS A POPULATION ESTIMATE OVER AGE 65 OF 167,972

Form 990 Schedule H, Part VI - Supplemental Information, Line 5

Part VI, Line 5 THE COMMUNITY BUILDING ACTIVITIES INCLUDE COALITION BUILDING THROUGH PARTICIPATION IN TASK FORCES SUCH AS THE VIRGINIA ARTHRITIS ACTION COALITION AND THE HEALTH PROMOTIONS FOR PEOPLE WITH DISABILITIES PROJECT RUN THROUGH THE VIRGINIA COMMONWEALTH UNIVERSITY PARTNERSHIP FOR PEOPLE WITH DISABILITIES THESE TASK FORCES WORKS WITH AGENCIES AND ORGANIZATIONS ACROSS THE STATE TO PROMOTE HEALTHY LIFESTYLES, EDUCATIONAL OPPORTUNITIES, AND TRAINING PROGRAMS IN AN EFFORT TO DECREASE FUTURE LONG TERM DISABILITIES BY OFFERING WORKSHOPS AND TRAINING COURSES THE COMMUNITY HEALTH IMPROVEMENT ADVOCACY IS ACCOMPLISHED BY PARTICIPATION IN CENTRALLY ACCESSIBLE LOCATION TO PROVIDE STROKE SCREENINGS, SEMINARS ON LIVING WITH FIBROMYALGA, DIABETES EDUCATION,AS WELL AS HEALTH FAIRS SPONSORED BY OTHER LOCAL HOSPITALS THIS EDUCATION AND SEMINAR PARTICIPATION FOLLOWS THE GOAL OF PROVIDING THE GREATER PUBLIC WITH THE INFORMATION THEY NEED TO IMPROVE THEIR FITNESS AND AWARENESS OF DEBILITATING ILLNESSES

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☐ Yes ☑ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . ▶ ☑

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations . . . . ▶

3 Enter total number of other organizations . . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
JAMES E SOK	(i)	312,823	70,000	0	7,360	30,700	420,883	0
	(ii)	0	0	0	0	0	0	0
MICHAEL A BOEMMEL	(i)	238,924	15,000	0	0	1,384	255,308	0
	(ii)	0	0	0	0	0	0	0
JAMES A BRAITH	(i)	149,525	0	0	7,029	5,208	161,762	0
	(ii)	0	0	0	0	0	0	0
TIMOTHY M SILVER	(i)	274,594	80,584	0	7,522	28,849	391,549	0
	(ii)	0	0	0	0	0	0	0
HILLARY S HAWKINS	(i)	244,003	88,839	0	5,002	21,050	358,894	0
	(ii)	0	0	0	0	0	0	0
michael j MCDONNELL	(i)	186,336	0	0	4,164	26,269	216,769	0
	(ii)	0	0	0	0	0	0	0
ALBERT M JONES	(i)	278,026	9,850	0	5,102	17,152	310,130	0
	(ii)	0	0	0	0	0	0	0
GREGORY LEGHART	(i)	215,468	77,046	0	6,835	14,321	313,670	0
	(ii)	0	0	0	0	0	0	0
SCOTT N SCHIMPFF	(i)	275,249	69,261	0	7,210	16,371	368,091	0
	(ii)	0	0	0	0	0	0	0
john e GIBBS II	(i)	175,065	91,332	0	2,880	16,164	285,441	0
	(ii)	0	0	0	0	0	0	0
charles m giBELLATO	(i)	200,154	18,058	0	4,566	8,398	231,176	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) 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) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting 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 grant or type 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
JOHN L MCELROY III	DIRECTOR, BOARD OF DIRECTORS	108,278	INSURANCE BROKERAGE SERVICES PROVIDED BY RIGGS, COUNSELMAN, MICHAELS & DOWNES, INC		No
DAVID CONSTINE	DIRECTOR, BOARD OF DIRECTORS	257,203	LEGAL SERVICES PROVIDED BY TROUTMAN SANDERS, LLP		No

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SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		Form 990 and applicable attachments were provided to the finance committee of the board of directors of sheltering arms hospital and to all other board members, either in electronic format or by mail An open comment and question period was welcomed to direct any questions or comments before filing the Form 990 and its related attachments

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		BOARD MEMBERS ARE REQUIRED TO REVIEW AND SIGN THE CONFLICT OF INTEREST POLICY ANNUALLY, AND DISCLOSE ANY CONFLICTS AT THAT TIME THE SIGNED STATEMENTS AND DISCLOSURES ARE KEPT ON FILE BY THE ORGANIZATION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		SHELTERING ARMS HOSPITAL UTILIZED THE SERVICES OF AN INDEPENDENT, EXTERNAL COMPENSATION FIRM TO CONDUCT A REVIEW OF ITS EXECUTIVE COMPENSATION PROGRAM TO ENSURE THE EXECUTIVE COMPENSATION LEVELS ARE COMPETITIVE AND REASONABLE SHELTERING ARMS' COMPENSATION WAS MEASURED AGAINST HEALTHCARE ORGANIZATIONS SIMILAR IN SCOPE AND SCALE USING DATA FROM SIX EXTERNAL MARKET SURVEY SOURCES AS THE COMPARATIVE BASIS, BOTH BASE SALARY AND TOTAL CASH COMPENSATION WERE EVALUATED THE COMPETITIVE ANALYSIS FINDINGS WERE PRESENTED TO THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS WHO EXAMINED AND APPROVED THEM

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		UPON REQUEST, SHELTERING ARMS HOSPITAL WILL MAKE AVAILABLE FOR PUBLIC INSPECTION GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICIES, AND FINANCIAL STATEMENTS SUCH REQUESTS MUST BE PRESENTED TO EITHER THE PRESIDENT/CEO AND/OR THE VICE PRESIDENT OF FINANCE/CFO

Identifier	Return Reference	Explanation
FORM 990, PART XI, LINE 2C	AUDIT COMMITTEE'S PROCEDURES FOR OVERSEEING ANNUAL AUDIT	THERE WERE NO CHANGES TO THE AUDIT COMMITTEE'S PROCESSES AND PROCEDURES USED TO OVERSEE THE ORGANIZATION'S ANNUAL AUDIT DURING THE FISCAL YEAR

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
SHELTERING ARMS HOSPITAL

Employer identification number
54-0505955

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
SHELTERING ARMS PHYSICAL REHABILITATION ASSOCIATES LLC 8254 ATLEE ROAD MECHANICSVILLE, VA 23116 26-0402064	PHYSICAL REHABILITATION	VA	-3,217,754	2,144,837	SHELTERING ARMS HOSPITAL

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
SHELTERING ARMS FOUNDATION 8254 ATLEE ROAD MECHANICSVILLE, VA 23116 54-1615599	PHYSICAL REHABILITATION	VA	501(C)(3)	509(A)(2)	SHELTERING ARMS CORPORATION
SHELTERING ARMS HOSPITAL SOUTH 8254 ATLEE ROAD MECHANICSVILLE, VA 23116 35-2258075	PHYSICAL REHABILITATION	VA	501(C)(3)	170(B)(1)(A)(III)	SHELTERING ARMS CORPORATION
PALMYRA REHABILITATION CORPORATION 8254 ATLEE ROAD MECHANICSVILLE, VA 23116 54-1615601	PHYSICAL REHABILITATION	VA	501(C)(3)	509(A)(3)	SHELTERING ARMS CORPORATION
SHELTERING ARMS CORPORATION 8254 ATLEE ROAD MECHANICSVILLE, VA 23116 54-1615598	PHYSICAL REHABILITATION	VA	501(C)(3)	170(B)(1)(A)(III)	

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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) 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

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

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

		Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	No
b	Gift, grant, or capital contribution to other organization(s)	1b	No
c	Gift, grant, or capital contribution from other organization(s)	1c	Yes
d	Loans or loan guarantees to or for other organization(s)	1d	No
e	Loans or loan guarantees by other organization(s)	1e	No
f	Sale of assets to other organization(s)	1f	No
g	Purchase of assets from other organization(s)	1g	No
h	Exchange of assets	1h	No
i	Lease of facilities, equipment, or other assets to other organization(s)	1i	No
j	Lease of facilities, equipment, or other assets from other organization(s)	1j	No
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	No
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l	No
m	Sharing of facilities, equipment, mailing lists, or other assets	1m	No
n	Sharing of paid employees	1n	No
o	Reimbursement paid to other organization for expenses	1o	No
p	Reimbursement paid by other organization for expenses	1p	No
q	Other transfer of cash or property to other organization(s)	1q	No
r	Other transfer of cash or property from other organization(s)	1r	No

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	SHELTERING ARMS FOUNDATION	C	7,765,000
(2)	SHELTERING ARMS HOSPITAL SOUTH	C	1,437,415
(3)	PALMYRA REHABILITATION CORPORATION	C	-808,176
(4)			
(5)			
(6)			

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) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproprtionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No