# REPORT
# ON THE
# HOME OFFICE AUDIT

## GOOD SHEPHERD LUTHERAN HOME OF THE WEST
## WATERTOWN, WISCONSIN

**FISCAL PERIOD ENDED**
**AUGUST 31, 2008**

**Audits Section - Fresno**
**Financial Audits Branch**
**Audits and Investigations**
**Department of Health Care Services**

**Section Chief: Michael Harrold**
**Audit Supervisor: Linda King**
**Auditor: Adrian Peña**

State of California—Health and Human Services Agency
Department of Health Care Services

DAVID MAXWELL-JOLLY
*Director*

ARNOLD SCHWARZENEGGER
*Governor*

January 13, 2010

Jack Tobias, CFO
Good Shepherd Lutheran Home of the West
600 Hoffmann Drive
Watertown, WI 53094

GOOD SHEPHERD LUTHERAN HOME OF THE WEST
FISCAL PERIOD ENDED AUGUST 31, 2008

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended August 31, 2008. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the Comparison of Reported and Audited Home Office Cost represents a proper determination of home office allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles. The audited home office cost will be incorporated, by separate adjustment, into each applicable facility audit report.

This audit report includes the:

1. Comparison of Reported and Audited Home Office Cost and supporting schedules

2. Audit Adjustments Schedule

If you disagree with the decision of the Department, the results of the home office audit may only be appealed through each individual facility's audit report. Please refer to the appeal instructions in each facility's audit report.

Financial Audits Branch / Audits Section – Fresno
1782 East Bullard Avenue, Suite 101, Fresno, CA 93710-5856
Telephone : (559) 446-2458 / Fax : (559) 446-2477
Internet Address: www.dhcs.ca.gov

If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed by

Michael A. Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

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**GOOD SHEPHERD LUTHERAN HOME OF THE WEST**
**SUMMARY OF METHODOLOGY**
**FISCAL PERIOD ENDED AUGUST 31, 2008**

## DIRECT COSTS

Costs that are incurred for the benefit of, or directly attributable to a specific facility or entity.

## REGIONAL COSTS

Costs that cannot be directly assigned to an individual facility or entity but are specific to a Region. These Regional costs are allocated to the individual facilities within the Region based on client days. Good Shepherd Lutheran Home of the West owns and manages facilities in two regions in California:

| REGION: | NO. OF FACILITIES |
|---|---|
| Southern California | 15 |
| Southern Sierra | 21 |
| Total | 36 |

The cost for each Region is detailed in Schedules 1A-6A and 1B-6B respectively.

## POOLED COSTS:

Costs that are incurred by the Corporate Home Office for general management or administrative services which cannot be directly assigned to a chain component (i.e., a specific region or facility). The audited Corporate Home Office pooled costs are shown on Schedule 5. The Corporate Home Office pooled costs are allocated to Program Services, Regional Offices, and Non-Program Services based on accumulated cost statistics. The pooled costs allocated to Program Services are allocated to individual chain components (the Good Shepherd facilities) based on patient days as shown in Schedule 3.

## FACILITY AUDITED COSTS

Good Shepherd Lutheran Home facilities audited costs consist of:

1.- Direct Costs (included in the individual facility's audit report)
2.- Allocation of Regional Home Office Costs shown on Schedules 1A and 1B.
3.- Allocation of Corporate Home Office Pooled Costs shown on Schedule 1.

STATE OF CALIFORNIA SCHEDULE 1

## SUMMARY OF AUDITED HOME OFFICE COSTS TO HEALTH FACILITIES

**PROVIDER NAME:**
**GOOD SHEPHERD LUTHERAN HOME OF THE WEST**
**CORPORATE OFFICE**

**FISCAL PERIOD ENDED:**
**AUGUST 31, 2008**

| | CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | REPORTED COST 4 | AUDITED COST 5 | VARIANCE 6 |
|---|---|---|---|---|---|---|
| | | | | | (From Sch 2, Col 6) | (Col 5 - Col 4) |
| 1. | Ashcroft | LTC60411F | 8/31/2008 | $24,571 | $19,902 | ($4,669) |
| 2. | Belmont | LTC60126F | 8/31/2008 | 22,691 | 18,380 | (4,311) |
| 3. | Belleview | LTC60666F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 4. | Bochee | LTC60790F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 5. | Browning | LTC60409F | 8/31/2008 | 19,268 | 15,607 | (3,661) |
| 6. | Canter Way | LTC60235F | 8/31/2008 | 16,593 | 13,441 | (3,152) |
| 7. | Charlemagne | LTC60145F | 8/31/2008 | 23,553 | 19,078 | (4,475) |
| 8. | Daphne | LTC60147F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 9. | Dewitt | LTC60868F | 8/31/2008 | 23,296 | 18,869 | (4,427) |
| 10. | Fairhaven | LTC60667F | 8/31/2008 | 23,150 | 18,751 | (4,399) |
| 11. | Falling Leaf | LTC60787F | 8/31/2008 | 24,403 | 19,767 | (4,636) |
| 12. | Filbert | LTC60412F | 8/31/2008 | 18,451 | 14,945 | (3,506) |
| 13. | Floradora | LTC60280F | 8/31/2008 | 23,016 | 18,643 | (4,373) |
| 14. | Gateway | LTC60672F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 15. | Hartog | LTC60102F | 8/31/2008 | 22,512 | 18,235 | (4,277) |
| 16. | Helm | LTC60410F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 17. | Velador | LTC60653F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 18. | Mathew | LTC60725F | 8/31/2008 | 23,005 | 18,634 | (4,371) |
| 19. | Mawson | LTC60537F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 20. | Mitchell | LTC60420F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 21. | Mithra | LTC60101F | 8/31/2008 | 23,553 | 19,078 | (4,475) |
| 22. | Mosquero | LTC60148F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 23. | Osprey | LTC60149F | 8/31/2008 | 21,987 | 17,809 | (4,178) |
| 24. | Papagayo | LTC60765F | 8/31/2008 | 23,799 | 19,277 | (4,522) |
| 25. | Parthenon | LTC60150F | 8/31/2008 | 24,023 | 19,458 | (4,565) |
| 26. | Perris Way | LTC60233F | 8/31/2008 | 23,531 | 19,060 | (4,471) |
| 27. | Charleville | LTC60234F | 8/31/2008 | 23,889 | 19,350 | (4,539) |
| 28. | Regina | LTC60144F | 8/31/2008 | 22,087 | 17,890 | (4,197) |
| 29. | Richert | LTC60421F | 8/31/2008 | 24,571 | 19,902 | (4,669) |
| 30. | Rogers | LTC60423F | 8/31/2008 | 21,808 | 17,664 | (4,144) |
| 31. | San Lucia | LTC60151F | 8/31/2008 | 24,045 | 19,477 | (4,568) |
| 32. | Twig | LTC60094F | 8/31/2008 | 24,538 | 19,875 | (4,663) |
| 33. | Westfield | LTC60675F | 8/31/2008 | 20,476 | 16,585 | (3,891) |
| 34. | Las Bolsas | LTC60493F | 8/31/2008 | 22,356 | 18,108 | (4,248) |
| 35. | Evergreen | LTC61080F | 8/31/2008 | 15,665 | 12,688 | (2,977) |
| 36. | Wren I | 1194876359 | 8/31/2008 | 9,567 | 7,749 | (1,818) |
| | **TOTALS** | | | $811,543 | $657,344 | ($154,199) |

STATE OF CALIFORNIA SCHEDULE 2

## SUMMARY OF DIRECT AND ALLOCATED POOL COSTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
CORPORATE OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | DIRECT EXPENSES 4 | POOLED EXPENSES 5 | TOTAL DIRECT & POOLED FACILITY EXPENSE 6 |
|---|---|---|---|---|---|
| | | | (From Sch 4) | (From Sch 3) | (Col 4 + Col 5) |
| 1. Ashcroft | LTC60411F | 8/31/2008 | $0 | $19,902 | $19,902 |
| 2. Belmont | LTC60126F | 8/31/2008 | 0 | 18,380 | 18,380 |
| 3. Belleview | LTC60666F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 4. Bochee | LTC60790F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 5. Browning | LTC60409F | 8/31/2008 | 0 | 15,607 | 15,607 |
| 6. Canter Way | LTC60235F | 8/31/2008 | 0 | 13,441 | 13,441 |
| 7. Charlemagne | LTC60145F | 8/31/2008 | 0 | 19,078 | 19,078 |
| 8. Daphne | LTC60147F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 9. Dewitt | LTC60868F | 8/31/2008 | 0 | 18,869 | 18,869 |
| 10. Fairhaven | LTC60667F | 8/31/2008 | 0 | 18,751 | 18,751 |
| 11. Falling Leaf | LTC60787F | 8/31/2008 | 0 | 19,767 | 19,767 |
| 12. Filbert | LTC60412F | 8/31/2008 | 0 | 14,945 | 14,945 |
| 13. Floradora | LTC60280F | 8/31/2008 | 0 | 18,643 | 18,643 |
| 14. Gateway | LTC60672F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 15. Hartog | LTC60102F | 8/31/2008 | 0 | 18,235 | 18,235 |
| 16. Helm | LTC60410F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 17. Velador | LTC60653F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 18. Mathew | LTC60725F | 8/31/2008 | 0 | 18,634 | 18,634 |
| 19. Mawson | LTC60537F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 20. Mitchell | LTC60420F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 21. Mithra | LTC60101F | 8/31/2008 | 0 | 19,078 | 19,078 |
| 22. Mosquero | LTC60148F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 23. Osprey | LTC60149F | 8/31/2008 | 0 | 17,809 | 17,809 |
| 24. Papagayo | LTC60765F | 8/31/2008 | 0 | 19,277 | 19,277 |
| 25. Parthenon | LTC60150F | 8/31/2008 | 0 | 19,458 | 19,458 |
| 26. Perris Way | LTC60233F | 8/31/2008 | 0 | 19,060 | 19,060 |
| 27. Charleville | LTC60234F | 8/31/2008 | 0 | 19,350 | 19,350 |
| 28. Regina | LTC60144F | 8/31/2008 | 0 | 17,890 | 17,890 |
| 29. Richert | LTC60421F | 8/31/2008 | 0 | 19,902 | 19,902 |
| 30. Rogers | LTC60423F | 8/31/2008 | 0 | 17,664 | 17,664 |
| 31. San Lucia | LTC60151F | 8/31/2008 | 0 | 19,477 | 19,477 |
| 32. Twig | LTC60094F | 8/31/2008 | 0 | 19,875 | 19,875 |
| 33. Westfield | LTC60675F | 8/31/2008 | 0 | 16,585 | 16,585 |
| 34. Las Bolsas | LTC60493F | 8/31/2008 | 0 | 18,108 | 18,108 |
| 35. Evergreen | LTC61080F | 8/31/2008 | 0 | 12,688 | 12,688 |
| 36. Wren I | 1194876359 | 8/31/2008 | 0 | 7,749 | 7,749 |
| **TOTALS** | | | $0 | $657,344 | $657,344 |
| | | | | | (To Sch 1) |

STATE OF CALIFORNIA SCHEDULE 3

## ALLOCATION OF POOLED EXPENSES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
CORPORATE OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

### PART I - ALLOCATION BETWEEN PROVIDER AND NONPROVIDER COMPONENTS

| FACILITY 1 | Allocation Statistics Base: Accumulated Cost 2 | Percent 3 | Allocation Pool Expenses 4 | |
|---|---|---|---|---|
| 1. Program Services (Adj ) | $12,952,087 | 27.1054% | $657,344 | |
| 2. Southern Cal Regional Office (Adj 28) | 608,574 | 1.2736% | 30,886 | SCH 5A |
| 3. Southern Sierra Regional Office (Adj 28) | 890,326 | 1.8632% | 45,186 | SCH 5B |
| 5. Northern Sierra Regional Office (Adj ) | 0 | 0.0000% | 0 | |
| 6. Non-Program Services (Adj 28) | 33,333,087 | 69.7577% | 1,691,719 | |
| 7. TOTAL | $47,784,074 | 100.0000% | $2,425,135 | |

(From Sch 5)

### PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

| CHAIN COMPONENTS | MEDI-CAL NUMBER | Allocation Statistics ** (Adj. ) | Allocated Pool Expense (Col 3 * UCM) |
|---|---|---|---|
| 1. Ashcroft | LTC60411F | 2,196 | $19,902 |
| 2. Belmont | LTC60126F | 2,028 | 18,380 |
| 3. Belleview | LTC60666F | 2,196 | 19,902 |
| 4. Bochee | LTC60790F | 2,196 | 19,902 |
| 5. Browning | LTC60409F | 1,722 | 15,607 |
| 6. Canter Way | LTC60235F | 1,483 | 13,441 |
| 7. Charlemagne | LTC60145F | 2,105 | 19,078 |
| 8. Daphne | LTC60147F | 2,196 | 19,902 |
| 9. Dewitt | LTC60868F | 2,082 | 18,869 |
| 10. Fairhaven | LTC60667F | 2,069 | 18,751 |
| 11. Falling Leaf | LTC60787F | 2,181 | 19,767 |
| 12. Filbert | LTC60412F | 1,649 | 14,945 |
| 13. Floradora | LTC60280F | 2,057 | 18,643 |
| 14. Gateway | LTC60672F | 2,196 | 19,902 |
| 15. Hartog | LTC60102F | 2,012 | 18,235 |
| 16. Helm | LTC60410F | 2,196 | 19,902 |
| 17. Velador | LTC60653F | 2,196 | 19,902 |
| 18. Mathew | LTC60725F | 2,056 | 18,634 |
| 19. Mawson | LTC60537F | 2,196 | 19,902 |
| 20. Mitchell | LTC60420F | 2,196 | 19,902 |
| 21. Mithra | LTC60101F | 2,105 | 19,078 |
| 22. Mosquero | LTC60148F | 2,196 | 19,902 |
| 23. Osprey | LTC60149F | 1,965 | 17,809 |
| 24. Papagayo | LTC60765F | 2,127 | 19,277 |
| 25. Parthenon | LTC60150F | 2,147 | 19,458 |
| 26. Perris Way | LTC60233F | 2,103 | 19,060 |
| 27. Charleville | LTC60234F | 2,135 | 19,350 |
| 28. Regina | LTC60144F | 1,974 | 17,890 |
| 29. Richert | LTC60421F | 2,196 | 19,902 |
| 30. Rogers | LTC60423F | 1,949 | 17,664 |
| 31. San Lucia | LTC60151F | 2,149 | 19,477 |
| 32. Twig | LTC60094F | 2,193 | 19,875 |
| 33. Westfield | LTC60675F | 1,830 | 16,585 |
| 34. Las Bolsas | LTC60493F | 1,998 | 18,108 |
| 35. Evergreen | LTC61080F | 1,400 | 12,688 |
| 36. Wren I | 1194876359 | 855 | 7,749 |
| **TOTALS** | | 72,530 | $657,344 |

**(To Sch 2)**

| | |
|---|---|
| **UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Patient Days)** | **9.063059** |

**** Patient Days**

STATE OF CALIFORNIA SCHEDULE 4

DIRECT ALLOCATION OF EXPENSES TO CHAIN COMPONENTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
CORPORATE OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| | | | | Expense Directly Allocable to Chain Component | | | | |
|---|---|---|---|---|---|---|---|---|
| | CHAIN COMPONENTS 1 | MEDI-CAL NUMBER | REPORTED TOTAL 2 | 3 | 4 | 5 | 6 | AUDITED TOTAL 7 |
| | | | | ( Adj ) | ( Adj ) | ( Adj ) | ( Adj ) | |
| 1. | Ashcroft | LTC60411F | $0 | $0 | $0 | $0 | $0 | $0 |
| 2. | Belmont | LTC60126F | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Belleview | LTC60666F | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Bochee | LTC60790F | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. | Browning | LTC60409F | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Canter Way | LTC60235F | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. | Charlemagne | LTC60145F | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. | Daphne | LTC60147F | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | Dewitt | LTC60868F | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Fairhaven | LTC60667F | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. | Falling Leaf | LTC60787F | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. | Filbert | LTC60412F | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. | Floradora | LTC60280F | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. | Gateway | LTC60672F | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. | Hartog | LTC60102F | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. | Helm | LTC60410F | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. | Velador | LTC60653F | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. | Mathew | LTC60725F | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. | Mawson | LTC60537F | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. | Mitchell | LTC60420F | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. | Mithra | LTC60101F | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. | Mosquero | LTC60148F | 0 | 0 | 0 | 0 | 0 | 0 |
| 23. | Osprey | LTC60149F | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. | Papagayo | LTC60765F | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. | Parthenon | LTC60150F | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. | Perris Way | LTC60233F | 0 | 0 | 0 | 0 | 0 | 0 |
| 27. | Charleville | LTC60234F | 0 | 0 | 0 | 0 | 0 | 0 |
| 28. | Regina | LTC60144F | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. | Richert | LTC60421F | 0 | 0 | 0 | 0 | 0 | 0 |
| 30. | Rogers | LTC60423F | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. | San Lucia | LTC60151F | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. | Twig | LTC60094F | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. | Westfield | LTC60675F | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. | Las Bolsas | LTC60493F | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. | Evergreen | LTC61080F | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. | Wren I | 1194876359 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **TOTALS** | | $0 | $0 | $0 | $0 | $0 | $0 |

(To Sch 2)

STATE OF CALIFORNIA SCHEDULE 5

STATEMENT OF REIMBURSABLE COSTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
CORPORATE OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| ACCOUNT DESCRIPTION 1 | REPORTED POOLED COST 2 | MEDI-CAL ADJUSTMENTS 3 | POOLED COSTS SUBTOTAL 4 | DIRECT COST 5 | AUDITED POOLED COST 6 |
|---|---|---|---|---|---|
| | | (From Sch 6) | | (Adj ) | (Col 4 - Col 5) |
| 1 Salaries-Officers | $0 | | $0 | $0 | $0 |
| 2 Salaries-Other | 1,276,136 | (213,064) | 1,063,072 | 0 | 1,063,072 |
| 3 Payroll Taxes | 117,995 | (10,424) | 107,571 | 0 | 107,571 |
| 4 Employee Benefits | 579,162 | (33,917) | 545,245 | 0 | 545,245 |
| 5 Travel | 87,637 | (19,773) | 67,864 | 0 | 67,864 |
| 6 Entertainment | 0 | 0 | 0 | 0 | 0 |
| 7 Automobile | 0 | 0 | 0 | 0 | 0 |
| 8 Depreciation-Building | 7,626 | 0 | 7,626 | 0 | 7,626 |
| 9 Depreciation-Equipment | 601,897 | (64,454) | 537,443 | 0 | 537,443 |
| 10 Other Depreciation and Amortization | (543,265) | 68,292 | (474,973) | 0 | (474,973) |
| 11 Leases and Rentals | 0 | 0 | 0 | 0 | 0 |
| 12 Interest-Mortgages | 0 | 0 | 0 | 0 | 0 |
| 13 Interest-Other | 25,771 | 0 | 25,771 | 0 | 25,771 |
| 14 Taxes and Licenses | 44 | 0 | 44 | 0 | 44 |
| 15 Legal and Accounting | 128,065 | (52,462) | 75,603 | 0 | 75,603 |
| 16 Insurance | 13,673 | 0 | 13,673 | 0 | 13,673 |
| 17 Telephone | 69,926 | (8,133) | 61,793 | 0 | 61,793 |
| 18 Utilities | 4,240 | 0 | 4,240 | 0 | 4,240 |
| 19 Office Supplies | 27,720 | (3,743) | 23,977 | 0 | 23,977 |
| 20 Non-Program | 0 | 0 | 0 | 0 | 0 |
| 21 Employee Related Cost | 7,196 | (859) | 6,337 | 0 | 6,337 |
| 22 Purchase Services | 249,769 | (30,040) | 219,729 | 0 | 219,729 |
| 23 Bank Service Fees | 27,810 | (1,877) | 25,933 | 0 | 25,933 |
| 24 Postage | 5,395 | 0 | 5,395 | 0 | 5,395 |
| 25 Professional Fees | 30,685 | (3,861) | 26,824 | 0 | 26,824 |
| 26 Membership Service | 5,536 | (860) | 4,676 | 0 | 4,676 |
| 27 Subscription | 4,234 | (476) | 3,758 | 0 | 3,758 |
| 28 Advertising Expense | 8,516 | (1,071) | 7,445 | 0 | 7,445 |
| 29 Minor Equipment | 178,820 | (123,954) | 54,866 | 0 | 54,866 |
| 30 Miscellaneous Expense | 3,707 | (633) | 3,074 | 0 | 3,074 |
| 31 Repairs and Supplies | 316 | (23) | 293 | 0 | 293 |
| 32 Equipment Rental | 56 | 0 | 56 | 0 | 56 |
| 33 Conventions and Meetings | 11,065 | (3,265) | 7,800 | 0 | 7,800 |
| 34 Equipment Rental | 0 | 0 | 0 | 0 | 0 |
| 35 General Admin Expense | 0 | 0 | 0 | 0 | 0 |
| 36 Sales Tax Expenses | 0 | 0 | 0 | 0 | 0 |
| 36 Bank Charges/Finance Char | 0 | 0 | 0 | 0 | 0 |
| **TOTAL EXPENSES** | $2,929,732 | ($504,597) | $2,425,135 | $0 | $2,425,135 |
| | | | | (To Sch 4) | (To Sch 3) |

STATE OF CALIFORNIA SCHEDULE 6

## MEDI-CAL ADJUSTMENTS TO EXPENSES

**PROVIDER NAME:**
**GOOD SHEPHERD LUTHERAN HOME OF THE WEST**
**CORPORATE OFFICE**

**FISCAL PERIOD ENDED:**
**AUGUST 31, 2008**

| ADJUSTMENT DESCRIPTION 1 | (*) BASIS OF ADJUSTMENT 2 | ADJUSTMENT AMOUNT 3 | LINE No. 4 | ACCOUNT DESCRIPTION 5 |
|---|---|---|---|---|
| 1 To reconcile reported expense | A | (189,073) | 2 | Salaries - Other |
| 1 To reconcile reported expense | A | (10,336) | 3 | Payroll Taxes |
| 1 To reconcile reported expense | A | (10,380) | 4 | Employee Benefits |
| 1 To reconcile reported expense | A | (8,992) | 5 | Travel |
| 1 To reconcile reported expense | A | (64,454) | 9 | Depreciation - Equipment |
| 1 To reconcile reported expense | A | 68,292 | 10 | Other Depreciation and Amortizat |
| 1 To reconcile reported expense | A | (16,099) | 15 | Legal and Accounting |
| 1 To reconcile reported expense | A | (7,573) | 17 | Telephone |
| 1 To reconcile reported expense | A | (3,024) | 19 | Office Supplies |
| 1 To reconcile reported expense | A | (859) | 21 | Employee Related Cost |
| 1 To reconcile reported expense | A | (30,040) | 22 | Purchased Services |
| 1 To reconcile reported expense | A | (1,877) | 23 | Bank Service Fees |
| 1 To reconcile reported expense | A | (3,861) | 25 | Professional Fees |
| 1 To reconcile reported expense | A | (696) | 26 | Membership Services |
| 1 To reconcile reported expense | A | (438) | 27 | Subscriptions |
| 1 To reconcile reported expense | A | (1,071) | 28 | Advertising Expense |
| 1 To reconcile reported expense | A | (22,480) | 29 | Minor Equipment |
| 1 To reconcile reported expense | A | (436) | 30 | Miscellaneous Expense |
| 1 To reconcile reported expense | A | (23) | 31 | Repairs and Supplies |
| 1 To reconcile reported expense | A | (1,357) | 33 | Conventions and Meetings |
| 2 To eliminate religious life services expense | A | (23,991) | 2 | Salaries - Other |
| 2 To eliminate religious life services expense | A | (88) | 3 | Payroll Taxes |
| 2 To eliminate religious life services expense | A | (23,537) | 4 | Employee Benefits |
| 2 To eliminate religious life services expense | A | (9,596) | 5 | Travel |
| 2 To eliminate religious life services expense | A | (560) | 17 | Telephone |
| 2 To eliminate religious life services expense | A | (719) | 19 | Office Supplies |
| 2 To eliminate religious life services expense | A | (164) | 26 | Membership Services |
| 2 To eliminate religious life services expense | A | (38) | 27 | Subscription |
| 2 To eliminate religious life services expense | A | (197) | 30 | Miscellaneous Expense |
| 2 To eliminate religious life services expense | A | (1,908) | 33 | Conventions and Meetings |
| 3 To adjust corporate travel | A | (1,185) | 5 | Travel |
| 4 To eliminate prior period expense | A | (2,179) | 15 | Legal and Accounting |
| 5 To eliminate directly assignable expense | A | (26,838) | 15 | Legal and Accounting |
| 6 To eliminate undocumented fees | A | (7,346) | 15 | Legal and Accounting |
| 7 To adjust minor equipment expense | A | (2,967) | 29 | Minor Equipment |
| 8 To adjust minor equipment expense | A | (98,507) | 29 | Minor Equipment |
| | | ($504,597) | | |
| | | (To Sch 5) | | |

**(*) Basis of Adjustment**
**A = Cost**
**B = Revenue**

STATE OF CALIFORNIA SCHEDULE 1A

## SUMMARY OF AUDITED HOME OFFICE COSTS TO HEALTH FACILITIES

**PROVIDER NAME:**
**GOOD SHEPHERD LUTHERAN HOME OF THE WEST**
**SOUTHERN CALIFORNIA REGIONAL OFFICE**

**FISCAL PERIOD ENDED:**
**AUGUST 31, 2008**

| | CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | REPORTED COST 4 | AUDITED COST 5 | VARIANCE 6 |
|---|---|---|---|---|---|---|
| | | | | | (From Sch 2A, Col 6) | (Col 5 - Col 4) |
| 1. | Bochee | LTC60790F | 8/31/2008 | $47,667 | $40,168 | ($7,499) |
| 2. | Charlemagne | LTC60145F | 8/31/2008 | 45,692 | 38,504 | (7,189) |
| 3. | Daphne | LTC60147F | 8/31/2008 | 47,667 | 40,168 | (7,499) |
| 4. | Hartog | LTC60102F | 8/31/2008 | 43,673 | 36,803 | (6,870) |
| 5. | Falling Leaf | LTC60787F | 8/31/2008 | 47,341 | 39,894 | (7,447) |
| 6. | Las Bolsas | LTC60493F | 8/31/2008 | 43,369 | 36,547 | (6,822) |
| 7. | Mawson | LTC60537F | 8/31/2008 | 47,667 | 40,168 | (7,499) |
| 8. | Mithra | LTC60101F | 8/31/2008 | 45,692 | 38,504 | (7,188) |
| 9. | Mosquero | LTC60148F | 8/31/2008 | 47,667 | 40,168 | (7,499) |
| 10. | Osprey | LTC60149F | 8/31/2008 | 42,653 | 35,943 | (6,710) |
| 11. | Papagayo | LTC60765F | 8/31/2008 | 46,169 | 38,906 | (7,263) |
| 12. | Parthenon | LTC60150F | 8/31/2008 | 46,603 | 39,272 | (7,331) |
| 13. | Regina | LTC60144F | 8/31/2008 | 42,848 | 36,108 | (6,740) |
| 14. | Twig | LTC60094F | 8/31/2008 | 47,602 | 40,113 | (7,489) |
| 15. | Velador | LTC60653F | 8/31/2008 | 47,667 | 40,168 | (7,499) |
| | **TOTALS** | | | $689,978 | $581,435 | ($108,543) |

STATE OF CALIFORNIA SCHEDULE 2A

## SUMMARY OF DIRECT AND ALLOCATED POOL COSTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN CALIFORNIA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | DIRECT EXPENSES 4 | POOLED EXPENSES 5 | TOTAL DIRECT & POOLED FACILITY EXPENSE 6 |
|---|---|---|---|---|---|
| | | | (From Sch 4A) | (From Sch 3A) | (Col 4 + Col 5) |
| 1. Bochee | LTC60790F | 8/31/2008 | $0 | $40,168 | $40,168 |
| 2. Charlemagne | LTC60145F | 8/31/2008 | 0 | 38,504 | 38,504 |
| 3. Daphne | LTC60147F | 8/31/2008 | 0 | 40,168 | 40,168 |
| 4. Hartog | LTC60102F | 8/31/2008 | 0 | 36,803 | 36,803 |
| 5. Falling Leaf | LTC60787F | 8/31/2008 | 0 | 39,894 | 39,894 |
| 6. Las Bolsas | LTC60493F | 8/31/2008 | 0 | 36,547 | 36,547 |
| 7. Mawson | LTC60537F | 8/31/2008 | 0 | 40,168 | 40,168 |
| 8. Mithra | LTC60101F | 8/31/2008 | 0 | 38,504 | 38,504 |
| 9. Mosquero | LTC60148F | 8/31/2008 | 0 | 40,168 | 40,168 |
| 10. Osprey | LTC60149F | 8/31/2008 | 0 | 35,943 | 35,943 |
| 11. Papagayo | LTC60765F | 8/31/2008 | 0 | 38,906 | 38,906 |
| 12. Parthenon | LTC60150F | 8/31/2008 | 0 | 39,272 | 39,272 |
| 13. Regina | LTC60144F | 8/31/2008 | 0 | 36,108 | 36,108 |
| 14. Twig | LTC60094F | 8/31/2008 | 0 | 40,113 | 40,113 |
| 15. Velador | LTC60653F | 8/31/2008 | 0 | 40,168 | 40,168 |
| **TOTALS** | | | $0 | $581,435 | $581,435 |
| | | | | | (To Sch 1A) |

STATE OF CALIFORNIA SCHEDULE 3A

## ALLOCATION OF POOLED EXPENSES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN CALIFORNIA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

### PART I - ALLOCATION BETWEEN PROVIDER AND NONPROVIDER COMPONENTS

| FACILITY<br>1 | Allocation Statistics Base: Accumulated Cost<br>2 | Percent<br>3 | Allocation Pool Expenses<br>4 |
|---|---|---|---|
| Program Services (Adj ) | $5,466,906 | 90.4360% | $581,435 |
| Nonprogram Services (Adj ) | 578,149 | 9.5640% | 61,489 |
| TOTAL | $6,045,055 | 100.0000% | $642,924 |

(From Sch 5A)

### PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

| CHAIN COMPONENTS | MEDI-CAL NUMBER | Allocation Statistics ** (Adj. ) | Allocated Pool Expense (Col 3 * UCM) |
|---|---|---|---|
| 1. Bochee | LTC60790F | 2,196 | 40,168 |
| 2. Charlemagne | LTC60145F | 2,105 | 38,504 |
| 3. Daphne | LTC60147F | 2,196 | 40,168 |
| 4. Hartog | LTC60102F | 2,012 | 36,803 |
| 5. Falling Leaf | LTC60787F | 2,181 | 39,894 |
| 6. Las Bolsas | LTC60493F | 1,998 | 36,547 |
| 7. Mawson | LTC60537F | 2,196 | 40,168 |
| 8. Mithra | LTC60101F | 2,105 | 38,504 |
| 9. Mosquero | LTC60148F | 2,196 | 40,168 |
| 10. Osprey | LTC60149F | 1,965 | 35,943 |
| 11. Papagayo | LTC60765F | 2,127 | 38,906 |
| 12. Parthenon | LTC60150F | 2,147 | 39,272 |
| 13. Regina | LTC60144F | 1,974 | 36,108 |
| 14. Twig | LTC60094F | 2,193 | 40,113 |
| 15. Velador | LTC60653F | 2,196 | 40,168 |
| **TOTALS** | | 31,787 | $581,435 |

**(To Sch 2A)**

| | |
|---|---|
| **UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Patient Days)** | **18.291589** |

**** Patient Days**

STATE OF CALIFORNIA

SCHEDULE 4A

## DIRECT ALLOCATION OF EXPENSES TO CHAIN COMPONENTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN CALIFORNIA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| | | | | Expense Directly Allocable to Chain Component | | | | |
|---|---|---|---|---|---|---|---|---|
| | CHAIN COMPONENTS 1 | MEDI-CAL NUMBER | REPORTED TOTAL 2 | REGIONAL OFFICE 3 | 4 | 5 | 6 | AUDITED TOTAL 7 |
| | | | | ( Adj ) | ( Adj ) | ( Adj ) | ( Adj ) | |
| 1. | Bochee | LTC60790F | $0 | $0 | $0 | $0 | $0 | $0 |
| 2. | Charlemagne | LTC60145F | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Daphne | LTC60147F | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Hartog | LTC60102F | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. | Falling Leaf | LTC60787F | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Las Bolsas | LTC60493F | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. | Mawson | LTC60537F | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. | Mithra | LTC60101F | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | Mosquero | LTC60148F | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Osprey | LTC60149F | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. | Papagayo | LTC60765F | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. | Parthenon | LTC60150F | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. | Regina | LTC60144F | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. | Twig | LTC60094F | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. | Velador | LTC60653F | 0 | 0 | 0 | 0 | 0 | 0 |
| | **TOTALS** | | $0 | $0 | $0 | $0 | $0 | $0 |

(To Sch 2A)

STATE OF CALIFORNIA SCHEDULE 5A

STATEMENT OF REIMBURSABLE COSTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN CALIFORNIA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| | ACCOUNT DESCRIPTION 1 | REPORTED POOLED COST 2 | MEDI-CAL ADJUSTMENTS 3 | POOLED COSTS SUBTOTAL 4 | DIRECT COST 5 | AUDITED POOLED COST 6 |
|---|---|---|---|---|---|---|
| | | | (From Sch 6A) | | (Adj ) | (Col 4 - Col 5) |
| 1 | Salaries-Officers | $0 | | $0 | $0 | $0 |
| 2 | Salaries-Other | 314,322 | (40,485) | 273,837 | 0 | 273,837 |
| 3 | Payroll Taxes | 56,955 | (23,683) | 33,272 | 0 | 33,272 |
| 4 | Employee Benefits | 65,562 | (10,454) | 55,108 | 0 | 55,108 |
| 5 | Travel | 31,149 | (11,988) | 19,161 | 0 | 19,161 |
| 6 | Entertainment | 0 | | 0 | 0 | 0 |
| 7 | Automobile | 0 | | 0 | 0 | 0 |
| 8 | Depreciation-Building | 50,022 | | 50,022 | 0 | 50,022 |
| 9 | Depreciation-Equipment | 48,784 | | 48,784 | 0 | 48,784 |
| 10 | Other Dep. and Amortization | 4,476 | (13) | 4,463 | 0 | 4,463 |
| 11 | Leases and Rentals | 0 | | 0 | 0 | 0 |
| 12 | Interest-Mortgages | 0 | | 0 | 0 | 0 |
| 13 | Interest-Other | 0 | | 0 | 0 | 0 |
| 14 | Taxes and Licenses | 3,119 | | 3,119 | 0 | 3,119 |
| 15 | Legal and Accounting | 0 | | 0 | 0 | 0 |
| 16 | Insurance | 13,065 | | 13,065 | 0 | 13,065 |
| 17 | Telephone | 25,579 | (582) | 24,997 | 0 | 24,997 |
| 18 | Utilities | 12,027 | | 12,027 | 0 | 12,027 |
| 19 | Office Supplies | 11,105 | (1,197) | 9,908 | 0 | 9,908 |
| 20 | Non-Program | 0 | | 0 | 0 | 0 |
| 21 | Employee Related Cost | 3,070 | | 3,070 | 0 | 3,070 |
| 22 | Purchased Services | 21,647 | (720) | 20,927 | 0 | 20,927 |
| 23 | Food | 3,420 | | 3,420 | 0 | 3,420 |
| 24 | Postage | 7,083 | | 7,083 | 0 | 7,083 |
| 25 | Professional Fees | 0 | | 0 | 0 | 0 |
| 26 | Membership Service | 2,635 | | 2,635 | 0 | 2,635 |
| 27 | Subscription | 97 | (15) | 82 | 0 | 82 |
| 28 | Advertising Expense | 13,490 | | 13,490 | 0 | 13,490 |
| 29 | Equipment Repair | 0 | | 0 | 0 | 0 |
| 30 | Minor Equipment | 8,178 | (3,163) | 5,015 | 0 | 5,015 |
| 31 | Repairs & Supplies | 5,592 | | 5,592 | 0 | 5,592 |
| 32 | Equipment Rental | 1,751 | | 1,751 | 0 | 1,751 |
| 33 | Client Activities | 14,361 | (14,361) | 0 | 0 | 0 |
| 34 | Conventions and Meetings | 1,068 | (850) | 218 | 0 | 218 |
| 35 | General Admin Expense | 43,079 | (12,193) | 30,886 | 0 | 30,886 |
| 36 | Miscellaneous Expense | 1,310 | (318) | 992 | 0 | 992 |
| 36 | Bank Charge/Finanace Char | 0 | | 0 | 0 | 0 |
| | **TOTAL EXPENSES** | $762,946 | ($120,022) | $642,924 | $0 | $642,924 |
| | | | | | (To Sch 4A) | (To Sch 3A) |

STATE OF CALIFORNIA SCHEDULE 6A

MEDI-CAL ADJUSTMENTS TO EXPENSES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN CALIFORNIA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| ADJUSTMENT DESCRIPTION 1 | (*) BASIS OF ADJUSTMENT 2 | ADJUSTMENT AMOUNT 3 | LINE NUMBER 4 | ACCOUNT DESCRIPTION 5 |
|---|---|---|---|---|
| 9 To reconcile the reported expense | A | (2,841) | 2 | Salaries - Other |
| 9 To reconcile the reported expense | A | (23,610) | 3 | Payroll Taxes |
| 9 To reconcile the reported expense | A | 22,551 | 4 | Employee Benefits |
| 9 To reconcile the reported expense | A | (961) | 5 | Travel |
| 9 To reconcile the reported expense | A | (13) | 10 | Other Depreciation and Amortization |
| 9 To reconcile the reported expense | A | (20) | 17 | Telephone |
| 9 To reconcile the reported expense | A | (11) | 19 | Office Supplies |
| 9 To reconcile the reported expense | A | (15) | 27 | Subscription |
| 9 To reconcile the reported expense | A | (42) | 30 | Minor Equipment |
| 9 To reconcile the reported expense | A | (112) | 34 | Conventions and Meetings |
| 10 To eliminate religious life expense | A | (37,644) | 2 | Salaries - Other |
| 10 To eliminate religious life expense | A | (73) | 3 | Payroll Taxes |
| 10 To eliminate religious life expense | A | (33,005) | 4 | Employee Benefits |
| 10 To eliminate religious life expense | A | (5,936) | 5 | Travel |
| 10 To eliminate religious life expense | A | (562) | 17 | Telephone |
| 10 To eliminate religious life expense | A | (1,186) | 19 | Office Supplies |
| 10 To eliminate religious life expense | A | (235) | 34 | Conventions and Meetings |
| 10 To eliminate religious life expense | A | (318) | 36 | Miscellaneous Expense |
| 11 To eliminate travel expense | A | (3,516) | 5 | Travel |
| 12 To eliminate travel expense | A | (774) | 5 | Travel |
| 13 To eliminate travel expense | A | (801) | 5 | Travel |
| 14 To eliminate purchased services | A | (720) | 22 | Purchased Services |
| 15 To eliminate recreation fees | A | (3,556) | 33 | Recreation Fees |
| 16 To eliminate recreation fees | A | (10,805) | 33 | Recreation Fees |
| 17 To eliminate minor equipment expense | A | (3,121) | 30 | Minor Equipment |
| 18 To eliminate conventions expense | A | (503) | 34 | Conventions and Meetings |
| 19 To adjust corporate office allocation | A | (12,193) | 35 | General Administrative Expense |
| | | ($120,022) | | |
| | | (To Sch 5A) | | |

**(*) Basis of Adjustment**
**A = Cost**
**B = Revenue**

STATE OF CALIFORNIA SCHEDULE 1B

## SUMMARY OF AUDITED HOME OFFICE COSTS TO HEALTH FACILITIES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN SIERRA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| | CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | REPORTED COST 4 | AUDITED COST 5 | VARIANCE 6 |
|---|---|---|---|---|---|---|
| | | | | | (From Sch 2B, Col 6) | (Col 5 - Col 4) |
| | | | | * | | |
| 1. | Ashcroft | LTC60411F | 8/31/2008 | $50,227 | $46,216 | ($4,011) |
| 2. | Belleview | LTC60666F | 8/31/2008 | 50,227 | 46,216 | (4,011) |
| 3. | Belmont | LTC60126F | 8/31/2008 | 46,384 | 42,680 | (3,703) |
| 4. | Browning | LTC60409F | 8/31/2008 | 39,385 | 36,240 | (3,144) |
| 5. | Canter Way | LTC60235F | 8/31/2008 | 33,919 | 31,210 | (2,708) |
| 6. | Charleville | LTC60234F | 8/31/2008 | 48,832 | 44,932 | (3,900) |
| 7. | Dewitt | LTC60868F | 8/31/2008 | 47,619 | 43,817 | (3,802) |
| 8. | Evergreen | LTC61080F | 8/31/2008 | 32,021 | 29,464 | (2,557) |
| 9. | Fairhaven | LTC60667F | 8/31/2008 | 47,322 | 43,543 | (3,779) |
| 10. | Filbert | LTC60412F | 8/31/2008 | 37,716 | 34,704 | (3,012) |
| 11. | Floradora | LTC60280F | 8/31/2008 | 47,048 | 43,291 | (3,757) |
| 12. | Gateway | LTC60672F | 8/31/2008 | 50,227 | 46,216 | (4,011) |
| 13. | Helm | LTC60410F | 8/31/2008 | 50,227 | 46,216 | (4,011) |
| 14. | Mathew | LTC60725F | 8/31/2008 | 47,025 | 43,269 | (3,756) |
| 15. | Mitchell | LTC60420F | 8/31/2008 | 50,227 | 46,216 | (4,011) |
| 16. | Perris Way | LTC60233F | 8/31/2008 | 48,100 | 44,259 | (3,841) |
| 17. | Richert | LTC60421F | 8/31/2008 | 50,227 | 46,216 | (4,011) |
| 18. | Rogers | LTC60423F | 8/31/2008 | 44,577 | 41,018 | (3,559) |
| 19. | San Lucia | LTC60151F | 8/31/2008 | 49,152 | 45,227 | (3,925) |
| 20. | Westfield | LTC60675F | 8/31/2008 | 41,856 | 38,513 | (3,343) |
| 21. | Wren I | 1194876359 | 8/31/2008 | 19,555 | 17,994 | (1,561) |
| | **TOTALS** | | | $931,871 | $857,455 | ($74,416) |

*** Column does not foot due to rounding.**

STATE OF CALIFORNIA SCHEDULE 2B

## SUMMARY OF DIRECT AND ALLOCATED POOL COSTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN SIERRA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| CHAIN COMPONENTS 1 | MEDI-CAL NUMBER 2 | FISCAL YEAR END 3 | DIRECT EXPENSES 4 | POOLED EXPENSES 5 | TOTAL DIRECT & POOLED FACILITY EXPENSE 6 |
|---|---|---|---|---|---|
| | | | (From Sch 4B) | (From Sch 3B) | (Col 4 + Col 5) |
| 1. Ashcroft | LTC60411F | 8/31/2008 | $0 | $46,216 | $46,216 |
| 2. Belleview | LTC60666F | 8/31/2008 | 0 | 46,216 | 46,216 |
| 3. Belmont | LTC60126F | 8/31/2008 | 0 | 42,680 | 42,680 |
| 4. Browning | LTC60409F | 8/31/2008 | 0 | 36,240 | 36,240 |
| 5. Canter Way | LTC60235F | 8/31/2008 | 0 | 31,210 | 31,210 |
| 6. Charleville | LTC60234F | 8/31/2008 | 0 | 44,932 | 44,932 |
| 7. Dewitt | LTC60868F | 8/31/2008 | 0 | 43,817 | 43,817 |
| 8. Evergreen | LTC61080F | 8/31/2008 | 0 | 29,464 | 29,464 |
| 9. Fairhaven | LTC60667F | 8/31/2008 | 0 | 43,543 | 43,543 |
| 10. Filbert | LTC60412F | 8/31/2008 | 0 | 34,704 | 34,704 |
| 11. Floradora | LTC60280F | 8/31/2008 | 0 | 43,291 | 43,291 |
| 12. Gateway | LTC60672F | 8/31/2008 | 0 | 46,216 | 46,216 |
| 13. Helm | LTC60410F | 8/31/2008 | 0 | 46,216 | 46,216 |
| 14. Mathew | LTC60725F | 8/31/2008 | 0 | 43,269 | 43,269 |
| 15. Mitchell | LTC60420F | 8/31/2008 | 0 | 46,216 | 46,216 |
| 16. Perris Way | LTC60233F | 8/31/2008 | 0 | 44,259 | 44,259 |
| 17. Richert | LTC60421F | 8/31/2008 | 0 | 46,216 | 46,216 |
| 18. Rogers | LTC60423F | 8/31/2008 | 0 | 41,018 | 41,018 |
| 19. San Lucia | LTC60151F | 8/31/2008 | 0 | 45,227 | 45,227 |
| 20. Westfield | LTC60675F | 8/31/2008 | 0 | 38,513 | 38,513 |
| 21. Wren I | 1194876359 | 8/31/2008 | 0 | 17,994 | 17,994 |
| TOTALS | | | $0 | $857,455 | $857,455 |
| | | | | | (To Sch 1B) |

STATE OF CALIFORNIA SCHEDULE 3B

## ALLOCATION OF POOLED EXPENSES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN SIERRA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

### PART I - ALLOCATION BETWEEN PROVIDER AND NONPROVIDER COMPONENTS

| FACILITY 1 | Allocation Statistics Base: Accumulated Cost 2 | Percent 3 | Allocation Pool Expenses 4 |
|---|---|---|---|
| Program Services (Adj ) | $7,485,181 | 88.9724% | $857,455 |
| Nonprogram Services (Adj ) | 927,740 | 11.0276% | 106,276 |
| TOTAL | $8,412,921 | 100.0000% | $963,731 |

(From Sch 5B)

### PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

| CHAIN COMPONENTS | MEDI-CAL NUMBER | Allocation Statistics ** (Adj. ) | Allocated Pool Expense (Col 3 * UCM) |
|---|---|---|---|
| 1. Ashcroft | LTC60411F | 2,196 | $46,216 |
| 2. Belleview | LTC60666F | 2,196 | 46,216 |
| 3. Belmont | LTC60126F | 2,028 | 42,680 |
| 4. Browning | LTC60409F | 1,722 | 36,240 |
| 5. Canter Way | LTC60235F | 1,483 | 31,210 |
| 6. Charleville | LTC60234F | 2,135 | 44,932 |
| 7. Dewitt | LTC60868F | 2,082 | 43,817 |
| 8. Evergreen | LTC61080F | 1,400 | 29,464 |
| 9. Fairhaven | LTC60667F | 2,069 | 43,543 |
| 10. Filbert | LTC60412F | 1,649 | 34,704 |
| 11. Floradora | LTC60280F | 2,057 | 43,291 |
| 12. Gateway | LTC60672F | 2,196 | 46,216 |
| 13. Helm | LTC60410F | 2,196 | 46,216 |
| 14. Mathew | LTC60725F | 2,056 | 43,269 |
| 15. Mitchell | LTC60420F | 2,196 | 46,216 |
| 16. Perris Way | LTC60233F | 2,103 | 44,259 |
| 17. Richert | LTC60421F | 2,196 | 46,216 |
| 18. Rogers | LTC60423F | 1,949 | 41,018 |
| 19. San Lucia | LTC60151F | 2,149 | 45,227 |
| 20. Westfield | LTC60675F | 1,830 | 38,513 |
| 21. Wren I | 1194876359 | 855 | 17,994 |
| **TOTALS** | | 40,743 | $857,455 |

**(To Sch 2B)**

| | |
|---|---|
| **UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Patient Days)** | **21.045455** |

**** Patient Days**

STATE OF CALIFORNIA SCHEDULE 4B

## DIRECT ALLOCATION OF EXPENSES TO CHAIN COMPONENTS

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN SIERRA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| | | | | Expense Directly Allocable to Chain Component | | | | |
|---|---|---|---|---|---|---|---|---|
| CHAIN COMPONENTS 1 | | MEDI-CAL NUMBER | REPORTED TOTAL 2 | REGIONAL OFFICE 3 | 4 | 5 | 6 | AUDITED TOTAL 7 |
| | | | | ( Adj ) | ( Adj ) | ( Adj ) | ( Adj ) | |
| 1. | Ashcroft | LTC60411F | $0 | $0 | $0 | $0 | $0 | $0 |
| 2. | Belleview | LTC60666F | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Belmont | LTC60126F | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Browning | LTC60409F | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. | Canter Way | LTC60235F | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Charleville | LTC60234F | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. | Dewitt | LTC60868F | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. | Evergreen | LTC61080F | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | Fairhaven | LTC60667F | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Filbert | LTC60412F | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. | Floradora | LTC60280F | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. | Gateway | LTC60672F | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. | Helm | LTC60410F | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. | Mathew | LTC60725F | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. | Mitchell | LTC60420F | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. | Perris Way | LTC60233F | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. | Richert | LTC60421F | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. | Rogers | LTC60423F | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. | San Lucia | LTC60151F | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. | Westfield | LTC60675F | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. | Wren I | 1194876359 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **TOTALS** | | $0 | $0 | $0 | $0 | $0 | $0 |

(To Sch 2B)

**STATE OF CALIFORNIA** **SCHEDULE 5B**

**STATEMENT OF REIMBURSABLE COSTS**

**PROVIDER NAME:**
**GOOD SHEPHERD LUTHERAN HOME OF THE WEST**
**SOUTHERN SIERRA REGIONAL OFFICE**

**FISCAL PERIOD ENDED:**
**AUGUST 31, 2008**

| | ACCOUNT DESCRIPTION 1 | REPORTED POOLED COST 2 | MEDI-CAL ADJUSTMENTS 3 | POOLED COSTS SUBTOTAL 4 | DIRECT COST 5 | AUDITED POOLED COST 6 |
|---|---|---|---|---|---|---|
| | | | (From Sch 6B) | | (Adj ) | (Col 4 - Col 5) |
| 1 | Salaries-Officers | $0 | | $0 | $0 | $0 |
| 2 | Salaries-Other | 500,153 | (41,975) | 458,178 | 0 | 458,178 |
| 3 | Payroll Taxes | 79,890 | (20,956) | 58,934 | 0 | 58,934 |
| 4 | Employee Benefits | 114,453 | 14,237 | 128,690 | 0 | 128,690 |
| 5 | Travel | 47,956 | (5,196) | 42,760 | 0 | 42,760 |
| 6 | Entertainment | 0 | | 0 | 0 | 0 |
| 7 | Automobile | 2,686 | (1,098) | 1,588 | 0 | 1,588 |
| 8 | Depreciation-Building | 28,979 | 0 | 28,979 | 0 | 28,979 |
| 9 | Depreciation-Equipment | 8,991 | (321) | 8,670 | 0 | 8,670 |
| 10 | Other Depreciation and Amortization | 4,713 | (11) | 4,702 | 0 | 4,702 |
| 11 | Leases and Rentals | 34,291 | 0 | 34,291 | 0 | 34,291 |
| 12 | Interest-Mortgages | 0 | 0 | 0 | 0 | 0 |
| 13 | Interest-Other | 687 | 0 | 687 | 0 | 687 |
| 14 | Taxes and Licenses | 0 | 0 | 0 | 0 | 0 |
| 15 | Legal and Accounting | 0 | 0 | 0 | 0 | 0 |
| 16 | Insurance | 4,351 | 0 | 4,351 | 0 | 4,351 |
| 17 | Telephone | 20,335 | (999) | 19,336 | 0 | 19,336 |
| 18 | Utilities | 5,615 | 0 | 5,615 | 0 | 5,615 |
| 19 | Office Supplies | 15,811 | (1,042) | 14,769 | 0 | 14,769 |
| 20 | Non-Program | 0 | 0 | 0 | 0 | 0 |
| 21 | Employee Related Costs | 63,409 | (8,113) | 55,296 | 0 | 55,296 |
| 22 | Purchase Service | 15,409 | 0 | 15,409 | 0 | 15,409 |
| 23 | Minor Equipment | 423 | (34) | 389 | 0 | 389 |
| 24 | Postage | 6,417 | (20) | 6,397 | 0 | 6,397 |
| 25 | Professional Fees | 0 | 0 | 0 | 0 | 0 |
| 26 | Membership Service | 3,652 | 0 | 3,652 | 0 | 3,652 |
| 27 | Subscription | 578 | (435) | 143 | 0 | 143 |
| 28 | Advertising Expense | 10,398 | 0 | 10,398 | 0 | 10,398 |
| 29 | Equipment Repair | 0 | 0 | 0 | 0 | 0 |
| 30 | License Expenses | 511 | 0 | 511 | 0 | 511 |
| 31 | Repairs and Supplies | 517 | 0 | 517 | 0 | 517 |
| 32 | Equipment Rental | 8,659 | 0 | 8,659 | 0 | 8,659 |
| 33 | Recreation Fees | 7,499 | (2,700) | 4,799 | 0 | 4,799 |
| 34 | Conventions and Meetings | 1,805 | (991) | 814 | 0 | 814 |
| 35 | General Admin Expense | 59,106 | (13,920) | 45,186 | 0 | 45,186 |
| 36 | Miscellaneous Expense | 76 | (65) | 11 | 0 | 11 |
| 36 | Bank Charge/Finance Charge | 0 | | 0 | 0 | 0 |
| | **TOTAL EXPENSES** | $1,047,370 | ($83,639) | $963,731 | $0 | $963,731 |

(To Sch 3B)

STATE OF CALIFORNIA SCHEDULE 6B

MEDI-CAL ADJUSTMENTS TO EXPENSES

PROVIDER NAME:
GOOD SHEPHERD LUTHERAN HOME OF THE WEST
SOUTHERN SIERRA REGIONAL OFFICE

FISCAL PERIOD ENDED:
AUGUST 31, 2008

| ADJUSTMENT DESCRIPTION 1 | (*) BASIS OF ADJUSTMENT 2 | ADJUSTMENT AMOUNT 3 | LINE NUMBER 4 | ACCOUNT DESCRIPTION 5 |
|---|---|---|---|---|
| 20 To reconcile reported expenses | A | ($2,268) | 2 | Salaries - Other |
| 20 To reconcile reported expenses | A | (17,646) | 3 | Payroll Taxes |
| 20 To reconcile reported expenses | A | 16,799 | 4 | Employee Benefits |
| 20 To reconcile reported expenses | A | (767) | 5 | Travel |
| 20 To reconcile reported expenses | A | (11) | 10 | Other Depreciation and Amortization |
| 20 To reconcile reported expenses | A | (17) | 17 | Telephone |
| 20 To reconcile reported expenses | A | (10) | 19 | Office Supplies |
| 20 To reconcile reported expenses | A | (34) | 23 | Minor Equipment |
| 20 To reconcile reported expenses | A | (12) | 27 | Subscription |
| 20 To reconcile reported expenses | A | (89) | 34 | Conventions and Meetings |
| 21 To eliminate religious life expenses | A | (39,707) | 2 | Salaries - Other |
| 21 To eliminate religious life expenses | A | (3,310) | 3 | Payroll Taxes |
| 21 To eliminate religious life expenses | A | (2,562) | 4 | Employee Benefits |
| 21 To eliminate religious life expenses | A | (4,429) | 5 | Travel |
| 21 To eliminate religious life expenses | A | (321) | 9 | Depreciation - Equipment |
| 21 To eliminate religious life expenses | A | (982) | 17 | Telephone |
| 21 To eliminate religious life expenses | A | (1,032) | 19 | Office Supplies |
| 21 To eliminate religious life expenses | A | (20) | 24 | Postage |
| 21 To eliminate religious life expenses | A | (423) | 27 | Subscription |
| 21 To eliminate religious life expenses | A | (147) | 34 | Conventions and Meetings |
| 21 To eliminate religious life expenses | A | (65) | 36 | Miscellaneous Expense |
| 22 To eliminate automobile expense | A | (1,098) | 7 | Automobile |
| 23 To eliminate employee recognition expense | A | (7,471) | 21 | Employee Related Cost |
| 24 To eliminate employee recognition expense | A | (642) | 21 | Employee Related Cost |
| 25 To adjust recreation fees expense | A | (2,700) | 33 | Recreation Fees |
| 26 To adjust conventions and meetins expense | A | (755) | 34 | Meetings and Conventions |
| 27 To adjust corporate office allocation | A | (13,920) | 35 | General Administrative Expense |
| | | ($83,639) | | |
| | | (To Sch 5B) | | |

**(*) Basis of Adjustment**
**A = Cost**
**B = Revenue**

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - CORPORATE OFFICE | | | |
| 1 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other | $1,276,136 | ($189,073) | $1,087,063 * |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes | 117,995 | (10,336) | 107,659 * |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits | 579,162 | (10,380) | 568,782 * |
| | 2 | 5 | 6 | 6 | 5.00 | Travel | 87,637 | (8,992) | 78,645 * |
| | 2 | 9 | 6 | 6 | 9.00 | Depreciation - Equipment | 601,897 | (64,454) | 537,443 |
| | 2 | 10 | 6 | 6 | 10.00 | Other Depreciation and Amortization | (543,265) | 68,292 | (474,973) |
| | 2 | 15 | 6 | 6 | 15.00 | Legal and Accounting | 128,065 | (16,099) | 111,966 * |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone | 69,926 | (7,573) | 62,353 * |
| | 2 | 19 | 6 | 6 | 19.00 | Office Supplies | 27,720 | (3,024) | 24,696 * |
| | 2 | 21 | 6 | 6 | 21.00 | Employee Related Cost | 7,196 | (859) | 6,337 |
| | 2 | 22 | 6 | 6 | 22.00 | Purchase Services | 249,769 | (30,040) | 219,729 |
| | 2 | 23 | 6 | 6 | 23.00 | Bank Service Fees | 27,810 | (1,877) | 25,933 |
| | 2 | 25 | 6 | 6 | 25.00 | Professional Fees | 30,685 | (3,861) | 26,824 |
| | 2 | 26 | 6 | 6 | 26.00 | Membership Services | 5,536 | (696) | 4,840 * |
| | 2 | 27 | 6 | 6 | 27.00 | Subscriptions | 4,234 | (438) | 3,796 * |
| | 2 | 28 | 6 | 6 | 28.00 | Advertising Expense | 8,516 | (1,071) | 7,445 |
| | 2 | 29 | 6 | 6 | 29.00 | Minor Equipment | 178,820 | (22,480) | 156,340 * |
| | 2 | 30 | 6 | 6 | 30.00 | Miscellaneous Expense | 3,707 | (436) | 3,271 * |
| | 2 | 31 | 6 | 6 | 31.00 | Repairs and Supplies | 316 | (23) | 293 |
| | 2 | 33 | 6 | 6 | 33.00 | Conventions and Meetings | 11,065 | (1,357) | 9,708 * |
| | | | | | | To reconcile reported expenses to agree with the provider's general ledger and allocation schedules. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 | | | |
| 2 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other * | $1,087,063 | ($23,991) | $1,063,072 |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes * | 107,659 | (88) | 107,571 |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits * | 568,782 | (23,537) | 545,245 |
| | 2 | 5 | 6 | 6 | 5.00 | Travel * | 78,645 | (9,596) | 69,049 * |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone * | 62,353 | (560) | 61,793 |

-Continued on next page-

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - CORPORATE OFFICE | | | | |
| -Continued from previous page- | | | | | | | | | | |
| 2 | 2 | 19 | 6 | 6 | 19.00 | Office Supplies | * | $24,696 | ($719) | $23,977 |
| | 2 | 26 | 6 | 6 | 26.00 | Membership Services | * | 4,840 | (164) | 4,676 |
| | 2 | 27 | 6 | 6 | 27.00 | Subscription | * | 3,796 | (38) | 3,758 |
| | 2 | 30 | 6 | 6 | 30.00 | Miscellaneous Expense | * | 3,271 | (197) | 3,074 |
| | 2 | 33 | 6 | 6 | 33.00 | Conventions and Meetings | * | 9,708 | (1,908) | 7,800 |
| | | | | | | To eliminate corporate religious life costs that are not related to patient care. 42 CFR 413.9(b)(2) CMS Pub. 15-1, Sections 2102.3 and 2136 | | | | |
| 3 | 2 | 5 | 6 | 6 | 5.00 | Travel | * | $69,049 | ($1,185) | $67,864 |
| | | | | | | To eliminate corporate travel expenses that are not prudent and are not related to patient care. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.1 and 2102.3 | | | | |
| | 2 | 15 | 6 | 6 | 15.00 | Legal and Accounting | * | $111,966 | | |
| 4 | | | | | | To eliminate prior period legal fees. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300 and 2302.1 | | | ($2,179) | |
| 5 | | | | | | To eliminate legal fees that should have been directly assigned to a specific provider entity. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.3B and 2300 | | | (26,838) | |
| 6 | | | | | | To eliminate legal fees due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 | | | (7,346) | |
| | | | | | | | | | ($36,363) | $75,603 |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - CORPORATE OFFICE | | | |
| | 2 | 29 | 6 | 6 | 29.00 | Minor Equipment | * $156,340 | | |
| 7 | | | | | | To eliminate minor equipment expenses due to lack of documentation.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2300 and 2304 | | ($2,967) | |
| 8 | | | | | | To eliminate computer systems upgrade project costs that should have been capitalized.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 108 and 2304 | | (98,507)<br>($101,474) | $54,866 |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - SOUTHERN CALIFORNIA REGIONAL OFFICE | | | | |
| 9 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other | | $314,322 | ($2,841) | $311,481 * |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes | | 56,955 | (23,610) | 33,345 * |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits | | 65,562 | 22,551 | 88,113 * |
| | 2 | 5 | 6 | 6 | 5.00 | Travel | | 31,149 | (961) | 30,188 * |
| | 2 | 10 | 6 | 6 | 10.00 | Other Depreciation and Amortization | | 4,476 | (13) | 4,463 |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone | | 25,579 | (20) | 25,559 * |
| | 2 | 19 | 6 | 6 | 19.00 | Office Supplies | | 11,105 | (11) | 11,094 * |
| | 2 | 27 | 6 | 6 | 27.00 | Subscription | | 97 | (15) | 82 |
| | 2 | 30 | 6 | 6 | 30.00 | Minor Equipment | | 8,178 | (42) | 8,136 * |
| | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings | | 1,068 | (112) | 956 * |
| | | | | | | To reconcile reported expenses to agree with the provider's general ledger and allocation work papers. 42 CFR 413.20 and 413.24 CMS Pub.15-1, Sections 2300 and 2304 | | | | |
| 10 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other | * | $311,481 | ($37,644) | $273,837 |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes | * | 33,345 | (73) | 33,272 |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits | * | 88,113 | (33,005) | 55,108 |
| | 2 | 5 | 6 | 6 | 5.00 | Travel | * | 30,188 | (5,936) | 24,252 * |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone | * | 25,559 | (562) | 24,997 |
| | 2 | 19 | 6 | 6 | 19.00 | Office Supplies | * | 11,094 | (1,186) | 9,908 |
| | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings | * | 956 | (235) | 721 * |
| | 2 | 36 | 6 | 6 | 36.00 | Miscellaneous Expense | | 1,310 | (318) | 992 |
| | | | | | | To eliminate religious life costs that are not related to patient care. 42 CFR 413.9(b)(2) CMS Pub. 15-1, Section 2102.3 | | | | |
| 11 | 2 | 5 | 6 | 6 | 5.00 | Travel | * | $24,252 | ($3,516) | $20,736 * |
| | | | | | | To eliminate travel expenses reported due to lack of or insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 | | | | |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - SOUTHERN CALIFORNIA REGIONAL OFFICE | | | |
| | 2 | 5 | 6 | 6 | 5.00 | Travel * | $20,736 | | |
| 12 | | | | | | To eliminate duplicate travel expenses reported that are not related to patient care.<br>42 CFR 413.9(b)(2), 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2102.1, 2102.3 and 2103 | | ($774) | |
| 13 | | | | | | To eliminate travel expenses reported that are not reasonable due to the prudent buyer principle.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2102.1 and 2103 | | (801)<br>($1,575) | $19,161 |
| 14 | 2 | 22 | 6 | 6 | 22.00 | Purchase Services<br>To eliminate purchased services expenses that are not prudent and due to lack of documentation.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Section 2102.1, 2103 and 2304 | $21,647 | ($720) | $20,927 |
| | 2 | 33 | 6 | 6 | 33.00 | Client Activities | $14,361 | | |
| 15 | | | | | | To eliminate client bowling expenses that are not related to patient care.<br>42 CFR 413.9(c)(3)<br>CMS Pub. 15-1, Sections 2102.1 and 2102.3<br>CCR, Title 22, Section 51510.3 | | ($3,556) | |
| 16 | | | | | | To eliminate client activities expenses that are personal in nature and are not related to patient care.<br>42 CFR 413.9(c)(3)<br>CMS Pub. 15-1, Sections 2102.1 and 2102.3<br>CCR, Title 22, Section 51510.3 | | (10,805)<br>($14,361) | $0 |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - SOUTHERN CALIFORNIA REGIONAL OFFICE | | | |
| 17 | 2 | 30 | 6 | 6 | 30.00 | Minor Equipment * | $8,136 | ($3,121) | $5,015 |
| | | | | | | To eliminate regional minor equipment expense due to lack of documentation.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2300 and 2304 | | | |
| 18 | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings * | $721 | ($503) | $218 |
| | | | | | | To eliminate regional convention expenses that are not reasonable or related to patient care.<br>42 CFR 413.9(c)(3)<br>CMS Pub. 15-1, Sections 2102.1 and 2102.3 | | | |
| 19 | 2 | 35 | 6 | 6 | 35.00 | General Administrative Expense | $43,079 | ($12,193) | $30,886 |
| | | | | | | To adjust the provider's reported allocation of corporate office expense to agree with the audited allocation of corporate office expenses.<br>42 CFR 413.17<br>CMS Pub. 15-1, Sections 2150 and 2304 | | | |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - SOUTHERN SIERRA REGIONAL OFFICE | | | |
| 20 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other | $500,153 | ($2,268) | $497,885 * |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes | 79,890 | (17,646) | 62,244 * |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits | 114,453 | 16,799 | 131,252 * |
| | 2 | 5 | 6 | 6 | 5.00 | Travel | 47,956 | (767) | 47,189 * |
| | 2 | 10 | 6 | 6 | 10.00 | Other Depreciation and Amortization | 4,713 | (11) | 4,702 |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone | 20,335 | (17) | 20,318 * |
| | 2 | 19 | 6 | 6 | 19.00 | Office Supplies | 15,811 | (10) | 15,801 * |
| | 2 | 23 | 6 | 6 | 23.00 | Minor Equipment | 423 | (34) | 389 |
| | 2 | 27 | 6 | 6 | 27.00 | Subscription | 578 | (12) | 566 * |
| | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings | 1,805 | (89) | 1,716 * |
| | | | | | | To reconcile reported expenses to agree with the provider's general ledger and allocation work papers. 42 CFR 413.20 and 413.24 CMS Pub.15-1, Sections 2300 and 2304 | | | |
| 21 | 2 | 2 | 6 | 6 | 2.00 | Salaries - Other * | $497,885 | ($39,707) | $458,178 |
| | 2 | 3 | 6 | 6 | 3.00 | Payroll Taxes * | 62,244 | (3,310) | 58,934 |
| | 2 | 4 | 6 | 6 | 4.00 | Employee Benefits * | 131,252 | (2,562) | 128,690 |
| | 2 | 5 | 6 | 6 | 5.00 | Travel * | 47,189 | (4,429) | 42,760 |
| | 2 | 9 | 6 | 6 | 9.00 | Depreciation - Equipment | 8,991 | (321) | 8,670 |
| | 2 | 17 | 6 | 6 | 17.00 | Telephone * | 20,318 | (982) | 19,336 |
| | 2 | 19 | 6 | 6 | 19.00 | Office Supplies * | 15,801 | (1,032) | 14,769 |
| | 2 | 24 | 6 | 6 | 24.00 | Postage | 6,417 | (20) | 6,397 |
| | 2 | 27 | 6 | 6 | 27.00 | Subscription * | 566 | (423) | 143 |
| | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings * | 1,716 | (147) | 1,569 * |
| | 2 | 36 | 6 | 6 | 36.00 | Miscellaneous Expense | 76 | (65) | 11 |
| | | | | | | To eliminate religious life costs that are not related to patient care. 42 CFR 413.9(b)(2) CMS Pub. 15-1, Section 2102.3 | | | |
| 22 | 2 | 7 | 6 | 6 | 7.00 | Automobile | $2,686 | ($1,098) | $1,588 |
| | | | | | | To eliminate regional automobile expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 | | | |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WES | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED POOLED COSTS - SOUTHERN SIERRA REGIONAL OFFICE | | | |
| | 2 | 21 | 6 | 6 | 21.00 | Employee Related Cost | $63,409 | | |
| 23 | | | | | | To eliminate regional employee recognition expenses due to lack of documentation.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2300 and 2304 | | ($7,471) | |
| 24 | | | | | | To eliminate regional employee recognition expense that are not related to patient care.<br>42 CFR 413.9(c)(3)<br>CMS Pub. 15-1, Sections 2102.3 and 2103 | | (642)<br>($8,113) | $55,296 |
| 25 | 2 | 33 | 6 | 6 | 33.00 | Recreation Fees<br>To eliminate regional recreation fees expense due to lack of documentation.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Section 2300 and 2304 | $7,499 | ($2,700) | $4,799 |
| 26 | 2 | 34 | 6 | 6 | 34.00 | Conventions and Meetings *<br>To eliminate regional convention expenses that are not reasonable or related to patient care.<br>42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.1 and 2102.3 | $1,569 | ($755) | $814 |
| 27 | 2 | 35 | 6 | 6 | 35.00 | General Administrative Expense<br>To adjust the provider's reported allocation of corporate office expense to agree with the audited allocation of corporate office expenses.<br>42 CFR 413.17<br>CMS Pub. 15-1, Sections 2150 and 2304 | $59,106 | ($13,920) | $45,186 |

*Balance carried forward from prior/to subsequent adjustments

| Provider Name | Fiscal Period | Provider Number | Adjustments |
|---|---|---|---|
| GOOD SHEPHERD LUTHERAN HOME OF THE WEST | SEPTEMBER 1, 2007 THROUGH AUGUST 31, 2008 | N/A | 28 |

| Report References | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost Report | | | Audit Report | | | | | |
| Adj. No. | DHS 3099 Page or Exhibit | Line | Col. | Sch | Line | Explanation of Audit Adjustments | As Reported | Increase (Decrease) | As Adjusted |
| | | | | | | ADJUSTMENTS TO REPORTED STATISTICS - CORPORATE OFFICE | | | |
| 28 | 5 | 2 | 1 | 3 | 2.00 | Southern California Regional Office (Accumulated Cost) | 687,533 | (78,959) | 608,574 |
| | 5 | 3 | 1 | 3 | 3.00 | Central Sierra Regional Office | 943,321 | (52,995) | 890,326 |
| | 5 | 6 | 1 | 3 | 6.00 | Non -Program Services | 32,175,002 | 1,158,085 | 33,333,087 |
| | 5 | 7 | 1 | 3 | 7.00 | Total - Accumulated Cost | 46,757,943 | 1,026,131 | 47,784,074 |
| | | | | | | To adjust the accumulated cost statistics to agree with the provider's records and general ledger. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2150.3, 2304 and 2306 | | | |