REPORT
ON THE
HOME OFFICE AUDIT

THE ARC OF SAN DIEGO
SAN DIEGO, CALIFORNIA

FISCAL PERIOD ENDED
JUNE 30, 2009

Audits Section—San Diego
Financial Audits Branch
Audits and Investigations
Department of Health Care Services

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

DAVID MAXWELL-JOLLY
Director

ARNOLD SCHWARZENEGGER
Governor

December 10, 2010

Chad Lyle
Director of Accounting
The Arc of San Diego
3030 Market Street
San Diego, CA 92102

THE ARC OF SAN DIEGO
FISCAL PERIOD ENDED JUNE 30, 2009

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended June 30, 2009. 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.

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If you have questions regarding this report, you may call the Audits Section—San Diego at (619) 688-3200.

Originally Signed by:

Patricia M. Fox, Chief
Audits Section—San Diego
Financial Audits Branch

Certified

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STATE OF CALIFORNIA SCHEDULE 1

COMPARISON OF REPORTED AND AUDITED
HOME OFFICE COST

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

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. Pryor Street	LTC60093F	06/30/09	$64,210	$12,911	($51,299)
2. Stan Potter	LTC60032F	06/30/09	73,356	15,226	(58,130)
3. CB Fortuna	LTC60054G	06/30/09	79,207	14,380	(64,827)
4. East 15th Street	LTC60023F	06/30/09	62,613	8,979	(53,634)
6. Leticia	LTC60028G	06/30/09	55,864	12,776	(43,088)
7. Mt. Vernon	LTC60216F	06/30/09	63,440	11,378	(52,062)
8. Helmer	LTC60010G	06/30/09	54,651	13,397	(41,254)
9. Washington	LTC60030G	06/30/09	70,915	12,676	(58,239)
10. Swedelius	LTC60602F	06/30/09	58,216	13,198	(45,018)
11. Corte Maria	LTC60279F	06/30/09	56,041	12,410	(43,631)
12. Luth	LTC60081G	06/30/09	68,514	14,170	(54,344)
13. Turley	LTC60597F	06/30/09	54,108	12,617	(41,491)
14. Santana	LTC60057G	06/30/09	65,586	13,351	(52,235)
15.				0	0
16.				0	0
17.				0	0
18.				0	0
19.				0	0
20.				0	0
21.				0	0
22.				0	0
23.				0	0
24.				0	0
25.				0	0
26.				0	0
TOTALS			$826,719	$167,468	($659,252)

NOTE: "Totals" do not foot due to rounding.

STATE OF CALIFORNIA SCHEDULE 2

SUMMARY OF DIRECT AND ALLOCATED POOL COST

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

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 & 3A)	(Col 4 + Col 5)
1. Pryor Street	LTC60093F	06/30/09	$0	$12,911	$12,911
2. Stan Potter	LTC60032F	06/30/09	0	15,226	15,226
3. CB Fortuna	LTC60054G	06/30/09	0	14,380	14,380
4. East 15th Street	LTC60023F	06/30/09	0	8,979	8,979
6. Leticia	LTC60028G	06/30/09	0	12,776	12,776
7. Mt. Vernon	LTC60216F	06/30/09	0	11,378	11,378
8. Helmer	LTC60010G	06/30/09	0	13,397	13,397
9. Washington	LTC60030G	06/30/09	0	12,676	12,676
10. Swedelius	LTC60602F	06/30/09	0	13,198	13,198
11. Corte Maria	LTC60279F	06/30/09	0	12,410	12,410
12. Luth	LTC60081G	06/30/09	0	14,170	14,170
13. Turley	LTC60597F	06/30/09	0	12,617	12,617
14. Santana	LTC60057G	06/30/09	0	13,351	13,351
15.			0	0	0
16.			0	0	0
17.			0	0	0
18.			0	0	0
19.			0	0	0
20.			0	0	0
21.			0	0	0
22.			0	0	0
23.			0	0	0
24.			0	0	0
25.			0	0	0
26.			0	0	0
TOTALS			$0	$167,468	$167,468
					(To Sch 1)

STATE OF CALIFORNIA SCHEDULE 3

ALLOCATION OF POOLED EXPENSES (AGENCY ADMINISTRATION)

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

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 16)	$5,618,863	18.8178%	$129,857
Nonprogram Services (Adj 16)	24,240,488	81.1822%	560,218
TOTAL	$29,859,351	100.0000%	$690,075

(From Sch 5)

PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

CHAIN COMPONENTS	MEDI-CAL NUMBER	Audit Adjustment	Allocation Statistic: (specify)	Allocated Pool Expense (Col 3 X UCM)
1. Pryor Street	LTC60093F		N/A	$0
2. Stan Potter	LTC60032F		N/A	0
3. CB Fortuna	LTC60054G		N/A	0
4. East 15th Street	LTC60023F		N/A	0
6. Leticia	LTC60028G		N/A	0
7. Mt. Vernon	LTC60216F		N/A	0
8. Helmer	LTC60010G		N/A	0
9. Washington	LTC60030G		N/A	0
10. Swedelius	LTC60602F		N/A	0
11. Corte Maria	LTC60279F		N/A	0
12. Luth	LTC60081G		N/A	0
13. Turley	LTC60597F		N/A	0
14. Santana	LTC60057G		N/A	0
15.				0
16.				0
17.				0
18.				0
19.				0
20.				0
21.				0
22.				0
23.				0
24.				0
25.				0
26.				0
TOTALS			0	$0

(To Sch 2)

UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Accumulated Cost)	0.000000

STATE OF CALIFORNIA SCHEDULE 3A

ALLOCATION OF POOLED EXPENSES (COMMUNITY LIVING ADMINISTRATION)

HOME OFFICE: FISCAL PERIOD ENDED:
THE ARC OF SAN DIEGO JUNE 30, 2009

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 17)	$4,622,470	86.9791%	$167,468
Nonprogram Services (Adj 17)	691,988	13.0209%	25,070
TOTAL	$5,314,458	100.0000%	$192,538

(From Sch 5A)

PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

CHAIN COMPONENTS	MEDI-CAL NUMBER	Audit Adjustment	Allocation Statistic: (Accum Cost)	Allocated Pool Expense (Col 3 X UCM)
1. Pryor Street	LTC60093F	18,19	356,363	$12,911
2. Stan Potter	LTC60032F	18,19	420,260	15,226
3. CB Fortuna	LTC60054G	18,19	396,917	14,380
4. East 15th Street	LTC60023F	18,19	247,846	8,979
6. Leticia	LTC60028G	18,19	352,639	12,776
7. Mt. Vernon	LTC60216F	18,19	314,051	11,378
8. Helmer	LTC60010G	18,19	369,789	13,397
9. Washington	LTC60030G	18,19	349,872	12,676
10. Swedelius	LTC60602F	18,19	364,296	13,198
11. Corte Maria	LTC60279F	18,19	342,544	12,410
12. Luth	LTC60081G	18,19	391,111	14,170
13. Turley	LTC60597F	18,19	348,260	12,617
14. Santana	LTC60057G	18,19	368,522	13,351
15.				0
16.				0
17.				0
18.				0
19.				0
20.				0
21.				0
22.				0
23.				0
24.				0
25.				0
26.				0
TOTALS			4,622,470	$167,468

(To Sch 2)

UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Accumulated Cost)	0.036229

NOTE: The Filed Home Office Cost Report identifies client days as the allocation statistic; however, the provider actually used accumulated cost to determine the reported allocation of pooled expenses to chain components. As a result, variances initially existed prior to any audit adjustments between reported and audited cost on Schedule 1. Therefore, audit adjustments were proposed to eliminate the client days statistics and include the accumulated cost statistics, as shown above.

STATE OF CALIFORNIA SCHEDULE 4

DIRECT ALLOCATION OF EXPENSES TO CHAIN COMPONENTS

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

			Expense Directly Allocable to Chain Component				
CHAIN COMPONENTS 1	MEDI-CAL NUMBER	REPORTED TOTAL (Col F) 2	specify expense 3	specify expense 4	specify expense 5	specify expense 6	AUDITED TOTAL 7
			(Adj) (Adj)	(Adj) (Adj)	(Adj) (Adj)	(Adj) (Adj)	
1. Pryor Street	LTC60093F	$0	$0	$0	$0	$0	$0
2. Stan Potter	LTC60032F	0	0	0	0	0	0
3. CB Fortuna	LTC60054G	0	0	0	0	0	0
4. East 15th Street	LTC60023F	0	0	0	0	0	0
6. Leticia	LTC60028G	0	0	0	0	0	0
7. Mt. Vernon	LTC60216F	0	0	0	0	0	0
8. Helmer	LTC60010G	0	0	0	0	0	0
9. Washington	LTC60030G	0	0	0	0	0	0
10. Swedelius	LTC60602F	0	0	0	0	0	0
11. Corte Maria	LTC60279F	0	0	0	0	0	0
12. Luth	LTC60081G	0	0	0	0	0	0
13. Turley	LTC60597F	0	0	0	0	0	0
14. Santana	LTC60057G	0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0
21.		0	0	0	0	0	0
22.		0	0	0	0	0	0
23.		0	0	0	0	0	0
24.		0	0	0	0	0	0
25.		0	0	0	0	0	0
26.		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 (AGENCY ADMINISTRATION)

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

ACCOUNT DESCRIPTION 1	REPORTED COSTS 2	COST AUDIT ADJUSTMENTS 3	AUDITED COSTS 4	DIRECT COSTS 5	AUDITED POOLED COSTS 6
		(Adjs 1, 2, 4-11)	(Col 2 + Col 3)		(Col 4 - Col 5)
1. Salaries-Officers	$0	$0	$0	$0	$0
2. Salaries-Other	317,669		317,669	0	317,669
3. Payroll Taxes	26,732		26,732	0	26,732
4. Employee Benefits	88,209		88,209	0	88,209
5. Travel	6,537	82	6,619	0	6,619
6. Entertainment	0		0	0	0
7. Automobile	4,875	(82)	4,793	0	4,793
8. Depreciation-Building	0		0	0	0
9. Depreciation-Equipment	0		0	0	0
10. Other Depreciation and Amortization	0		0	0	0
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	106		106	0	106
15. Legal and Accounting	197,872	(197,872)	0	0	0
16. Insurance	0		0	0	0
17. Telephone	884		884	0	884
18. Utilities	539		539	0	539
19. Office Supplies	84,815	(1,650)	83,165	0	83,165
20. Nonprogram	0		0	0	0
21. Other	0		0	0	0
22. Consulting	51,419		51,419	0	51,419
23. Building Repairs and Maintenance	119		119	0	119
24. Furniture and Equipment	0		0	0	0
25. Promotions and Public Relations	2,239	1,000	3,239	0	3,239
26. Advertising and Training	7,856		7,856	0	7,856
27. Fundraising and Membership	30,958		30,958	0	30,958
28. Bad Debt Expense	74,224		74,224	0	74,224
29. Loss on Sale of Assets	0		0	0	0
30. Bond Administration Fees	0		0	0	0
31. Thefts and Damages	1,255		1,255	0	1,255
32. Dues	61,151	(59,862)	1,289	0	1,289
33. Bank Service Charges	0		0	0	0
34. Other	(9,000)		(9,000)	0	(9,000)
TOTAL EXPENSES	$948,459	($258,384)	$690,075	$0	$690,075
				(To Sch 4)	(To Sch 3)

STATE OF CALIFORNIA SCHEDULE 5A

STATEMENT OF REIMBURSABLE COSTS (COMMUNITY LIVING ADMINISTRATION)

HOME OFFICE:
THE ARC OF SAN DIEGO

FISCAL PERIOD ENDED:
JUNE 30, 2009

ACCOUNT DESCRIPTION 1	REPORTED COSTS 2	COST AUDIT ADJUSTMENTS 3	AUDITED COSTS 4	DIRECT COSTS 5	AUDITED POOLED COSTS 6
		(Adjs 3, 12-15)	(Col 2 + Col 3)		(Col 4 - Col 5)
1. Salaries-Officers	$0	$0	$0	$0	$0
2. Salaries-Other	87,486		87,486	0	87,486
3. Payroll Taxes	7,337		7,337	0	7,337
4. Employee Benefits	19,593		19,593	0	19,593
5. Travel	0		0	0	0
6. Entertainment	0		0	0	0
7. Automobile	1,077		1,077	0	1,077
8. Depreciation-Building	13,039		13,039	0	13,039
9. Depreciation-Equipment	2,415		2,415	0	2,415
10. Other Depreciation and Amortization	0		0	0	0
11. Leases and Rentals	10,035		10,035	0	10,035
12. Interest-Mortgages	0		0	0	0
13. Interest-Other	0		0	0	0
14. Taxes and Licenses	0	25	25	0	25
15. Legal and Accounting	487		487	0	487
16. Insurance	3,951		3,951	0	3,951
17. Telephone	23,495		23,495	0	23,495
18. Utilities	12,758		12,758	0	12,758
19. Office Supplies	12,029		12,029	0	12,029
20. Nonprogram	0		0	0	0
21. Other-Misc. Expense	(145,031)		(145,031)	0	(145,031)
22. Consulting	0		0	0	0
23. Building Repairs and Maintenance	6,025	(25)	6,000	0	6,000
24. Furniture and Equipment	206		206	0	206
25. Promotions and Public Relations	51		51	0	51
26. Advertising and Training	6,103		6,103	0	6,103
27. Fundraising and Membership	0		0	0	0
28. Bad Debt Expense	2,312		2,312	0	2,312
29. Loss on Sale of Assets	0		0	0	0
30. Bond Administration Fees	0		0	0	0
31. Thefts and Damages	0		0	0	0
32. Dues	4,583	(1,103)	3,480	0	3,480
33. Bank Service Charges	0		0	0	0
34. Admin Transfer	584,055	(458,365)	125,690	0	125,690
TOTAL EXPENSES	$652,006	($459,468)	$192,538	$0	$192,538
				(To Sch 4)	(To Sch 3A)

Provider Name	Fiscal Period	Provider Number	Adjustments
THE ARC OF SAN DIEGO	JULY 1, 2008 THROUGH JUNE 30, 2009	N/A	19

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 A Page or Exhibit	Line	Col.	Sch.	Line	Col.	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							RECLASSIFICATIONS OF REPORTED COSTS			
1	2 of 6	7	6	5	7	3	Automobile	$4,875	($82)	$4,793
	2 of 6	5	6	5	5	3	Travel	6,537	82	6,619
							To reclassify the Vehicle Lease and Rent to the appropriate cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8, and 2304			
2	2 of 6	19	6	5	19	3	Office Supplies	$84,815	($1,000)	$83,815 *
	2 of 6	25	6	5	25	3	Promotions and Public Relations	2,239	1,000	3,239
							To reclassify the Pennies for Research expense to the appropriate cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8, and 2304			
3	2a of 6	14	6	5A	23	3	Building Repairs and Maintenance	$6,025	($25)	$6,000
	2a of 6	23	6	5A	14	3	Taxes and Licenses	0	25	25
							To reclassify the facility license fees expense to the appropriate cost center.			
							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
THE ARC OF SAN DIEGO	JULY 1, 2008 THROUGH JUNE 30, 2009	N/A	19

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 A Page or Exhibit	Line	Col.	Sch.	Line	Col.	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS			
4	2 of 6	15	6	5	15	3	Legal and Accounting To eliminate legal fees due to insufficient and lack of documentation. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2103, 2183, 2300, and 2304 CCR, Title 17, Section 57434	$197,872	($197,872)	$0
5	2 of 6	19	6	5	19	3	Office Supplies * To eliminate the postage permit expense used for the distribution of the newsletter, which is a nonallowable expense. 42 CFR, Section 413.9 CMS Pub. 15-1, Section 2102.3	$83,815	($650)	$83,165
6	2 of 6	32	6	5	32	3	Dues To eliminate the Arc of California membership dues not related to patient care. 42 CFR 413.9 / CMS Pub. 15-1, Sections 502.2, 504.1, 2102.3, and 2139.3	$61,151	($30,240)	$30,911 *
7	2 of 6	32	6	5	32	3	Dues * To eliminate The University Club membership dues not related to patient care. 42 CFR 413.9 / CMS Pub. 15-1, Section 2138.3	$30,911	($3,031)	$27,880 *
8	2 of 6	32	6	5	32	3	Dues * To eliminate ARCLink membership dues not related to patient care. 42 CFR 413.9 / CMS Pub. 15-1, Sections 2139.2 and 2139.3	$27,880	($886)	$26,994 *
9	2 of 6	32	6	5	32	3	Dues * To eliminate dues paid to Club Buena Vista for a timeshare not related to patient care. 42 CFR 413.9 / CMS Pub. 15-1, Section 2102.3	$26,994	($378)	$26,616 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
THE ARC OF SAN DIEGO	JULY 1, 2008 THROUGH JUNE 30, 2009	N/A	19

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 A Page or Exhibit	Line	Col.	Sch.	Line	Col.	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS			
10	2 of 6	32	6	5	32	3	Dues *	$26,616	($12,290)	$14,326 *
							To eliminate the ARC of the United States membership dues not related to patient care. 42 CFR 413.9 / CMS Pub. 15-1, Sections 2102.3 and 2139.3			
11	2 of 6	32	6	5	32	3	Dues *	$14,326	($13,037)	$1,289
							To eliminate California Rehabilitation Association expense due to insufficient and lack of documentation. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2139.3, 2300, and 2304			
12	2a of 6	32	6	5A	32	3	Dues	$4,583	($1,103)	$3,480
							To eliminate the political contributions/lobby fees portion of CAHF and AHCA dues not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2139.2 and 2139.3			
13	2a of 6	34	6	5A	34	3	Administrative Transfer	$584,055	($1,771)	$582,284 *
							To eliminate the Community Living Administration portion of the nonallowable Capital Campaign Expense. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2136.2, 2300, and 2304			
14	2a of 6	34	6	5A	34	3	Administrative Transfer *	$582,284	($2,396)	$579,888 *
							To eliminate the portion of the newsletter costs allocated to Community Living Administration. 42 CFR 413.9 CMS Pub. 15-1, Section 2102.3			
15	2a of 6	34	6	5A	34	3	Administrative Transfer *	$579,888	($454,198)	$125,690
							To adjust the administrative transfer expense for the proper allocation of costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.8, and 2304			

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
THE ARC OF SAN DIEGO	JULY 1, 2008 THROUGH JUNE 30, 2009	N/A	19

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 A Page or Exhibit	Line	Col.	Sch.	Line	Col.	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED STATISTICS			
16	5 of 6	1	1	3 Part I		2	Program Services—Residential (Accumulated Cost)	584,055	5,034,808	5,618,863
	5 of 6	2	1	3 Part I		2	Nonprogram Services—Non-Residential	1,958,836	22,281,652	24,240,488
	5 of 6	3	1	3 Part I		2	Total—Accumulated Cost	2,542,891	27,316,460	29,859,351
							To adjust the Agency Administration accumulated cost statistics to agree with the provider's general ledger. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2300 and 2304			
17	5a of 6	1	1	3A Part I		2	Program Services—ICF-DDH (Accumulated Cost)	826,719	3,795,751	4,622,470
	5a of 6	2	1	3A Part I		2	Nonprogram Services—Non-ICF-DDH	131,916	560,072	691,988
	5a of 6	3	1	3A Part I		2	Total—Accumulated Cost	958,635	4,355,823	5,314,458
							To adjust the Community Living Administration accumulated cost statistics to agree with the provider's general ledger. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2300 and 2304			
18	5a of 6	1	2	3A Part II	1	3	Pryor Street (Client Days)	2,190	(2,190)	0
	5a of 6	2	2	3A Part II	2	3	Stan Potter	2,190	(2,190)	0
	5a of 6	3	2	3A Part II	3	3	CB Fortuna	2,190	(2,190)	0
	5a of 6	4	2	3A Part II	4	3	East 15th Street	1,458	(1,458)	0
	5a of 6	6	2	3A Part II	6	3	Leticia	2,190	(2,190)	0
	5a of 6	7	2	3A Part II	7	3	Mt. Vernon	1,825	(1,825)	0
	5a of 6	8	2	3A Part II	8	3	Helmer	2,190	(2,190)	0
	5a of 6	9	2	3A Part II	9	3	Washington	2,190	(2,190)	0
	5a of 6	10	2	3A Part II	10	3	Swedelius	2,190	(2,190)	0
	5a of 6	11	2	3A Part II	11	3	Corte Maria	1,460	(1,460)	0
	5a of 6	12	2	3A Part II	12	3	Luth	1,825	(1,825)	0
	5a of 6	13	2	3A Part II	13	3	Turley	1,825	(1,825)	0
	5a of 6	14	2	3A Part II	14	3	Santana	1,825	(1,825)	0
	5a of 6	15	2	3A Part II		3	Total—Client Days	25,548	(25,548)	0
							To eliminate the Community Living Administration client days statistics for proper cost allocation in conjunction with adjustment 19. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name	Fiscal Period	Provider Number	Adjustments
THE ARC OF SAN DIEGO	JULY 1, 2008 THROUGH JUNE 30, 2009	N/A	19

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 A Page or Exhibit	Line	Col.	Sch.	Line	Col.	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED STATISTICS			
19	5a of 6	1	2	3A Part II	1	3	Pryor Street (Accumulated Cost)	0	356,363	356,363
	5a of 6	2	2	3A Part II	2	3	Stan Potter	0	420,260	420,260
	5a of 6	3	2	3A Part II	3	3	CB Fortuna	0	396,917	396,917
	5a of 6	4	2	3A Part II	4	3	East 15th Street	0	247,846	247,846
	5a of 6	6	2	3A Part II	6	3	Leticia	0	352,639	352,639
	5a of 6	7	2	3A Part II	7	3	Mt. Vernon	0	314,051	314,051
	5a of 6	8	2	3A Part II	8	3	Helmer	0	369,789	369,789
	5a of 6	9	2	3A Part II	9	3	Washington	0	349,872	349,872
	5a of 6	10	2	3A Part II	10	3	Swedelius	0	364,296	364,296
	5a of 6	11	2	3A Part II	11	3	Corte Maria	0	342,544	342,544
	5a of 6	12	2	3A Part II	12	3	Luth	0	391,111	391,111
	5a of 6	13	2	3A Part II	13	3	Turley	0	348,260	348,260
	5a of 6	14	2	3A Part II	14	3	Santana	0	368,522	368,522
	5a of 6	15	2	3A Part II		3	Total—Accumulated Cost	0	4,622,470	4,622,470

To include the Community Living Administration accumulated cost statistics for proper cost allocation in conjunction with adjustment 18.
42 CFR 413.20, 413.24, and 413.50
CMS Pub. 15-1, Sections 2300 and 2304