FOR BHF USE

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IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

2012
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2012)

I. IDPH License ID Number: 0035469

Facility Name: Walter Lawson Children's Home

Address: 1820 Walter Lawson Drive (Number) Loves Park (City) 61111 (Zip Code)

County: Winnebago

Telephone Number: (815) 633-6636 **Fax #** (815) 633-6387

HFS ID Number:

Date of Initial License for Current Owners: 08/15/1989

Type of Ownership:

X	VOLUNTARY,NON-PROFIT		PROPRIETARY		GOVERNMENTAL
X	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code 501(c)(3)			Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Joe Guillory **Telephone Number:** (859) 317-4040
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 7/1/11 to 6/30/12 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider

(Signed) _____ (Date)
(Type or Print Name) Kylie Waters Whipple
(Title) VP of Finance

Paid Preparer

(Signed) _____ (Date)
(Print Name and Title)
(Firm Name & Address)
(Telephone) ( ) Fax # ( )

MAIL TO: BUREAU OF HEALTH FINANCE
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1		Skilled (SNF)			1
2	99	Skilled Pediatric (SNF/PED)	99	36,234	2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	99	TOTALS	99	36,234	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF					8
9	SNF/PED	34,173			34,173	9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	34,173			34,173	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 94.31%

D. How many bed-hold days during this year were paid by the Department?
840 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [X] NO [ ]

I. On what date did you start providing long term care at this location?
Date started 08/15/1989

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 08/15/1989 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [ ] NO [X] If YES, enter number of beds certified _____ and days of care provided _____

Medicare Intermediary N/A

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: YE 6/30/2012 Fiscal Year: YE 6/30/2012

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

III. STATISTICAL DATA

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES [X] NO [ ]

Note: Unamortized Bond Acquisition Costs not related to patient care of $70,708 have been included on line 18 of the Balance Sheet.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	166,846	7,040	36,654	210,540		210,540	(71,956)	138,584			1
2	Food Purchase		119,592		119,592		119,592		119,592			2
3	Housekeeping	175,424	20,470	2,299	198,193		198,193		198,193			3
4	Laundry	86,003	3,234	1,570	90,807		90,807		90,807			4
5	Heat and Other Utilities			70,377	70,377	819	71,196		71,196			5
6	Maintenance	46,128	13,315	39,453	98,896	1,032	99,928		99,928			6
7	Other (specify):*											7
8	TOTAL General Services	474,401	163,651	150,353	788,405	1,851	790,256	(71,956)	718,300			8
	B. Health Care and Programs											
9	Medical Director			14,000	14,000		14,000		14,000			9
10	Nursing and Medical Records	2,824,640	278,250	41,508	3,144,398		3,144,398		3,144,398			10
10a	Therapy	70,695		39,042	109,737		109,737		109,737			10a
11	Activities	55,535	(1,208)		54,327		54,327		54,327			11
12	Social Services											12
13	CNA Training											13
14	Program Transportation		359	4,300	4,659		4,659		4,659			14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	2,950,870	277,401	98,850	3,327,121		3,327,121		3,327,121			16
	C. General Administration											
17	Administrative	171,761		190,139	361,900	(148,805)	213,095	20,170	233,265			17
18	Directors Fees											18
19	Professional Services			629,501	629,501	(296,469)	333,032	(211,039)	121,993			19
20	Dues, Fees, Subscriptions & Promotions			36,433	36,433	54,830	91,263	(25,900)	65,363			20
21	Clerical & General Office Expenses	161,759	4,761	37,799	204,319	309,115	513,434	(2,098)	511,336			21
22	Employee Benefits & Payroll Taxes			816,927	816,927	12,079	829,006		829,006			22
23	Inservice Training & Education			8,011	8,011	1,376	9,387		9,387			23
24	Travel and Seminar			10,636	10,636	16,809	27,445	(1,198)	26,247			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			58,430	58,430	7,324	65,754		65,754			26
27	Other (specify):* Indigent Care			(20,170)	(20,170)		(20,170)	20,170				27
28	TOTAL General Administration	333,520	4,761	1,767,706	2,105,987	(43,741)	2,062,246	(199,895)	1,862,351			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	3,758,791	445,813	2,016,909	6,221,513	(41,890)	6,179,623	(271,851)	5,907,772			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.
NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Walter Lawson Children's Home #0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4	5	6	7	8	9	10	
	D. Ownership											
30	Depreciation			236,466	236,466	8,241	244,707	(678)	244,029			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			654,502	654,502	15,930	670,432	(86,920)	583,512			32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds					16,598	16,598		16,598			34
35	Rent-Equipment & Vehicles			6,034	6,034	439	6,473	(4,932)	1,541			35
36	Other (specify):* **Amortization**			15,309	15,309	682	15,991	(2,389)	13,602			36
37	**TOTAL Ownership**			912,311	912,311	41,890	954,201	(94,919)	859,282			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers			15,565	15,565		15,565		15,565			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			394,890	394,890		394,890		394,890			42
43	Other (specify):* **Education/Day Trn**	1,158,476	3,158	2,728	1,164,362		1,164,362		1,164,362			43
44	**TOTAL Special Cost Centers**	1,158,476	3,158	413,183	1,574,817		1,574,817		1,574,817			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	4,917,267	448,971	3,342,403	8,708,641		8,708,641	(366,770)	8,341,871			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

Facility Name & ID Number: Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

Walter Lawson Children's Home
Schedule V Supplemental Schedule
"Other" Amounts in excess of $1,000
Lines 36 and 43

Section D

Other Expense (Line 36)	Col. 3 Other
Amortization of Bond Issu	15,309
TOTAL	15,309

Section E

Other Expense (Line 43)	Col. 1 Salary/Wage	Col. 2 Supplies	Col. 3 Other
Education	945,202	2,907	2,315
Day Training	213,274	251	413
TOTAL	1,158,476	3,158	2,728

Walter Lawson Children's Home
Schedule V Supplemental Schedule
Reclassifications

	DESCRIPTION	INCREASE	DECREASE	SCH V LINE.COL
1	Reclassification of Hoosier Care Group Expenses:			
	Administrative (Rel. Party Group Expense Allocation		(210,309)	17.5
	Heat & Other Utilities	819		5.5
	Maintenance	751		6.5
	Administration	61,504		17.5
	Professional Services	58,802		19.5
	Dues, Fees, Subscriptions	42,905		20.5
	Clerical & General Office E	15,149		21.5
	Employee Benefits & Payr	9,040		22.5
	Travel & Seminar	3,087		24.5
	Insurance - Prop.Liab.Mal	(49)		26.5
	Depreciation	305		30.5
	Interest	15,930		32.5
	Rent - Facility & Grounds	1,273		34.5
	Rent - Equipment	111		35.5
	Other (Amort)	682		36.5
2	Reclassification of ELC Corporate Expenses			
	Professional Services (Rel. Party Mgmt. Fee)		(363,819)	19.5
	Maintenance	281		6.5
	Professional Services	8,548		19.5
	Dues, Fees, Subscriptions	11,925		20.5
	Clerical & General Office E	293,966		21.5
	Employee Benefits & Payr	3,039		22.5
	Inservice Training & Educa	1,376		23.5
	Travel & Seminar	13,722		24.5
	Insurance - Prop.Liab.Mal	7,373		26.5
	Depreciation	7,936		30.5
	Rent - Facility & Grounds	15,325		34.5
	Rent - Equipment	328		35.5

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(71,956)	1		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(6,395)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest	(80,525)	32		14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(196)	20		18
19	Entertainment	(209)	24		19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(58)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	20,170	27		24
25	Fund Raising, Advertising and Promotional	(23,793)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(12,997)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (175,959)		$	30

BHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(190,811)	17, 19	34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (190,811)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (366,770)		37

***These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.**

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		X	$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

Walter Lawson Children's Home

ID# 0035469

Report Period Beginning: 7/1/11

Ending: 6/30/12

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Miscellaneous Income	$ (2,098)	21	1
2	Auto Expense in Excess of 1 Allowable Vehicle	(678)	30	2
3	Amortization of Bond Acq Costs not Facility-Related	(2,389)	36	3
4	Vehicle Rental in Excess of 1 Allowable Vehicle	(4,932)	35	4
5	Auto Expense in Excess of 1 Allowable Vehicle	(989)	24	5
6	Unallowable Lobbying Portion of ILHCA Dues	(1,911)	20	6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(12,997)		49

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Hoosier Care, Inc.	100%	Swann Special Care Center	Champaign, IL	Medical Rehabilitation	Lexington, KY	Mgmt. Co.
		Exceptional Care & Training Center	Sterling, IL			
		Vernon Manor Children's Home	Wabash, IN	Hoosier Care Investme	Nashville, TN	NFP Affiliated Co.
		Richland-Bean Blossom Health Care Center	Ellettsville, IN			
		Exceptional Living Centers of Brazil	Brazil, IN			
		Randolph Nursing Home	Winchester, IN			

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	17	Corporate Group Overhead	$ 190,139	Hoosier Care, Inc.	100.00%	$ 210,309	$ 20,170	1
2	V				Note: Please see Schedule VIII for Allocation of Col. 7 Amt				2
3	V								3
4	V	19	Rel. Party Management Fee	574,800	Medical Rehabilitation Centers, LLC	25.00%	363,819	(210,981)	4
5	V				dba Exceptional Living Centers				5
6	V				Hoosier Care owns 25% of the beneficial interests of MRC				6
7	V				Note: Please see Schedule VIII for Allocation of Col. 7 Amt				7
8	V								8
9	V	17	Hoosier Care Investments, LLC	61,504	Hoosier Care, Inc. is a member of Hoosier Care Investments,	N/A	61,504		9
10	V				LLC., a Not-for-Profit company which provides oversight,				10
11	V				corporate governance and administrative services for				11
12	V				all of Hoosier Care's affiliated facilities.				12
13	V								13
14	Total			$ 826,443			$ 635,632	$ * (190,811)	14

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week Hours	Percent	Compensation Included in Costs for this Reporting Period** Description	Amount	Schedule V. Line & Column Reference	
1	John Foos	Board Member	Governance	0%					$		1
2	John Gillmor	Board Member	Governance	0%							2
3	Bruce Hutson	Board Member	Governance	0%							3
4	Jo Anne Corbitt	Board Member	Governance	0%							4
5	Douglas Smith	Board Member	Governance	0%							5
6	Lew Wood, Jr.	Board Member	Governance	0%							6
7	Stephen Wood	Board Member	Governance	0%							7
8	Fees are paid by Hoosier Care to Hoosier Care Investments, LLC (HCI), which go toward, among other things solely within the										8
9	control of HCI, fees for members of the Boards of Directors of HCI affiliated facilities, Walter Lawson Children's Home										9
10	being only one of many. The total amount included on Line 17 of this Cost Report, through the Hoosier Care allocation of										10
11	indirect costs, is disclosed here. Amounts paid by other facilities are shown on Page 7.1										11
12								Fees	61,504	17.8	12
13								TOTAL	$ 61,504		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Walter Lawson Children's Home # 0035469 **Report Period Beginning:** 7/1/11 **Ending:** 6/30/12

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

*** If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.**

Amounts paid for Home Office Board / Administration Fees by other Nursing Homes

Walter Lawson Children's Home	61,504
Swann Special Care Center	69,567
Exceptional Care & Training Center	46,352
Vernon Manor Children's Home	44,860
Exceptional Living Center of Brazil	52,361
Richland-Bean Blossom Health Care	34,729
Randolph Nursing Home	36,103

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [X] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: Hoosier Care, Inc.
Street Address: 1050 Chinoe Road, Suite 350
City / State / Zip Code: Lexington, KY 40502
Phone Number: (859) 255-0075
Fax Number: (859) 281-5150

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	5	Heat & Other Utilities	Direct Costs	48,917,933	7	$ 4,598	$	8,708,641	$ 819	1
2	6	Maintenance	Direct Costs	48,917,933	7	4,220		8,708,641	751	2
3	17	Administration	Direct Costs	48,917,933	7	345,476		8,708,641	61,504	3
4	19	Professional Services	Direct Costs	48,917,933	7	330,303	87,296	8,708,641	58,802	4
5	20	Dues, Fees, Subscriptions	Direct Costs	48,917,933	7	241,007		8,708,641	42,905	5
6	21	Clerical & General Office Exp	Direct Costs	48,917,933	7	85,092	66,386	8,708,641	15,149	6
7	22	Emp. Benefits & Payroll Tax	Direct Costs	48,917,933	7	50,777		8,708,641	9,040	7
8	24	Travel & Seminar	Direct Costs	48,917,933	7	17,342		8,708,641	3,087	8
9	26	Insurance	Direct Costs	48,917,933	7	(273)		8,708,641	(49)	9
10	30	Depreciation	Direct Costs	48,917,933	7	1,712		8,708,641	305	10
11	32	Interest Expense	Direct Costs	48,917,933	7	89,484		8,708,641	15,930	11
12	34	Rent - Facility	Direct Costs	48,917,933	7	7,150		8,708,641	1,273	12
13	35	Rent - Equipment	Direct Costs	48,917,933	7	623		8,708,641	111	13
14	36	Other (Amortization)	Direct Costs	48,917,933	7	3,830		8,708,641	682	14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 1,181,341	$ 153,682		$ 210,309	25

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [X] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: Medical Rehabilitation Centers, LLC
Street Address: 1050 Chinoe Road, Suite 350
City / State / Zip Code: Lexington, KY 40502
Phone Number: (859) 255-0075
Fax Number: (859) 281-5150

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	6	Maintenance	Direct Costs	89,405,466	15	$ 2,889	$	8,708,641	$ 281	1
2	19	Professional Services	Direct Costs	89,405,466	15	87,754		8,708,641	8,548	2
3	20	Dues, Fees, Subscriptions	Direct Costs	89,405,466	15	122,430		8,708,641	11,925	3
4	21	Clerical & General Office	Direct Costs	89,405,466	15	3,017,945	3,017,945	8,708,641	293,966	4
5	22	Employee Benefits & Payroll Taxe	Direct Costs	89,405,466	15	31,204		8,708,641	3,039	5
6	23	Inservice Training & Education	Direct Costs	89,405,466	15	14,123		8,708,641	1,376	6
7	24	Travel & Seminar	Direct Costs	89,405,466	15	140,877		8,708,641	13,722	7
8	26	Insurance	Direct Costs	89,405,466	15	75,692		8,708,641	7,373	8
9	30	Depreciation	Direct Costs	89,405,466	15	81,475		8,708,641	7,936	9
10	34	Rent - Facility & Grounds	Direct Costs	89,405,466	15	157,333		8,708,641	15,325	10
11	35	Rent - Equipment	Direct Costs	89,405,466	15	3,367		8,708,641	328	11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 3,735,089	$ 3,017,945		$ 363,819	25

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	City of Loves Park - 1999A		X	Purchase of Facility	Varies	7/8/99	$ 5,500,000	$ 4,734,999	06/01/34	0.0713	$ 341,152	1
2	City of Loves Park - 1999B		X	Purchase of Facility	Varies	7/8/99	250,000	150,000	06/02/19	0.1050	16,713	2
3	Hoosier Care Investments, LLC	X		Addition to Facility	$25,493.28	03/15/07	3,000,000	2,652,162	04/15/27	0.0800	216,112	3
4												4
5												5
	Working Capital											
6	Group Allocation		X	Working Capital	Varies	10/27/11	5,000,000	Varies	10/27/14	Varies	15,930	6
7												7
8												8
9	TOTAL Facility Related				$25,493.28		$ 13,750,000	$ 7,537,161			$ 589,907	9
	B. Non-Facility Related*											
10	Group Debt Allocation		X	Alloc of Group Debt / Former F	Varies	07/08/99	1,197,573	1,098,861	Varies	Varies	80,525	10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$ 1,197,573	$ 1,098,861			$ 80,525	14
15	TOTALS (line 9+line14)						$ 14,947,573	$ 8,636,022			$ 670,432	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ N/A Line # N/A

*** Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)**

**** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)**

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2011 report. **Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	$	2
3. Under or (over) accrual (line 2 minus line 1).	$	3
4. Real Estate Tax accrual used for 2012 report. (Detail and explain your calculation of this accrual on the lines below.)	$	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**	$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year.** **(Attach a copy of the real estate tax appeal board's decision.)**	$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	$	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:		
	2007	8
	2008	9
	2009	10
	2010	11
	2011	12

Note: This facility became exempt from Property Taxes starting on 1/1/1996

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2011	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.** **This denial must be no more than four years old at the time the cost report is filed.**

2011 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Walter Lawson Children's Home COUNTY Winnebago

FACILITY IDPH LICENSE NUMBER 0035469

CONTACT PERSON REGARDING THIS REPORT Joe Guillory

TELEPHONE 859-317-4040 FAX #: 859-281-5150

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2011 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2011.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	N/A - TAX EXEMPT		$	$
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$	$

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? _____ YES _____ NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2011 tax bills which were listed in Section A to this statement. Be sure to use the 2011 tax bill which is normally paid during 2012.

PLEASE NOTE: ***Payment information from the Internet*** or otherwise is ***not considered acceptable tax bill documentation*** . Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 37,782 B. General Construction Type: Exterior Brick Frame Wood Number of Stories 1

C. Does the Operating Entity? [X] (a) Own the Facility [ ] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [X] (a) Own the Equipment [ ] (b) Rent equipment from a Related Organization. [ ] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None.

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] NO
If so, please complete the following:

1. Total Amount Incurred:
2. Number of Years Over Which it is Being Amortized:
3. Current Period Amortization:
4. Dates Incurred:

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	SNF / PED	217,364	1989	$ 665,000	1
2			1997	19,428	2
3	TOTALS	217,364		$ 684,428	3

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	93		1989	1971	$ 2,917,000	$ 63,425	10-40	$ 63,425	$	$ 1,833,490	4
5	6			2008	3,659,316	91,483	40	91,483		388,802	5
6											6
7											7
8											8
	Improvement Type**										
9	ROOF REPAIRS			1989	1,625		5			1,625	9
10	CARRIER HEAT/AIR CONDITIO			1990	17,400		5			17,400	10
11	CARPET FOR EDUCATION OFFI			1990	936		3			936	11
12	BUILDING IMPROVEMENTS			1991	1,563		10			1,563	12
13	WATER HEATER IMPROVEMENT			1991	961		10			961	13
14	DOORFRAME MOLDING - INTS			1991	528		10			528	14
15	METAL DOOR/KITCHEN DOORS			1991	738		10			738	15
16	INSTALL VALVE - WATER LIN			1992	755		10			755	16
17	SHOWER RENOVATION WATER H			1992	1,749		10			1,749	17
18	HANDRAILS - INST'L PRODUC			1992	584		10			584	18
19	ROOFING - KNOSR & MEYERS			1992	2,258		10			2,258	19
20	SMOKE DAMPERS			1993	2,400		10			2,400	20
21	BLACKTOP DRIVEWAY			1993	10,130		10			10,130	21
22	INSTALL DUCT RUNS			1994	750		10			750	22
23	REMODEL LAUNDRY ROOM			1994	3,154		10			3,154	23
24	WEATHERSTRIPPING REPLACEM			1994	1,849		10			1,849	24
25	REMODEL LAUNDRY ROOM			1994	2,063		10			2,063	25
26	A/C ROOFTOP UNIT			1994	8,985		10			8,985	26
27	INSTALL SUMP PUMP & MANHO			1994	3,200		10			3,200	27
28	WATER BOOSTER SYS REPLACE			1995	6,941		10			6,941	28
29	CARPET FOR ALL OFFICES			1995	2,432		10			2,432	29
30	ANTI-SCALD VALVE			1995	696		10			696	30
31	ALARM ANSUL SYSTEM W/HOOD			1995	1,253		10			1,253	31
32	GARBAGE DISPOSAL			1995	1,067		10			1,067	32
33	REPLACE GUTTERS & DOWNSPO			1995	2,150		10			2,150	33
34	STRIP/SEAL NORTH PARKING			1995	3,382		10			3,382	34
35	ADDITIONAL PARKING SPACE			1995	2,375		10			2,375	35
36	INSTALL NEW WINDOWS			1995	2,588		10			2,588	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	GAZEBO BUILDING	1995	$ 1,676	$	10	$	$	$ 1,676	37
38	TILE KITCHEN FLOOR	1996	5,187		10			5,187	38
39	BI-FOLD MIRROR DOORS	1996	699		10			699	39
40	CLEAR THERMALTITE WINDOW	1996	730		10			730	40
41	REMODEL KITCHEN-CEILING T	1996	279		10			279	41
42	INSTALL WATER HEATER	1996	4,981		10			4,981	42
43	INSTALL HATCO WATER HEATE	1996	1,550		10			1,550	43
44	NEW ROOF ON WEST ENTRANCE	1996	1,150		10			1,150	44
45	INSTALL NEW MIXING VALVE	1996	2,960		10			2,960	45
46	SERVICE SINK	1996	644		10			644	46
47	VINYL REPLACEMENT WINDOWS	1996	1,725		10			1,725	47
48	INSTALL WATER HEATER	1997	6,014		10			6,014	48
49	SHOWER TROLLEY	1997	10,924		10			10,924	49
50	STONEBRIDGE TILE-BATHING	1997	666		10			666	50
51	DRAIN,LINES,VENT-SHOWER T	1997	1,340		10			1,340	51
52	INSTALL 175WATT FIXTURE,E	1997	1,427		10			1,427	52
53	REPLACED CONTROL BOARD,TE	1997	1,021		10			1,021	53
54	WATER CIRCULATION PUMP	1997	675		10			675	54
55	RE-ROOF NORTH WING,GRAVEL	1997	27,596		10			27,596	55
56	INSTALL A/C ROOF-TOP UNIT	1997	2,975		10			2,975	56
57	SECURITY SYSTEM	1997	2,362		10			2,362	57
58	HOPPER SERVICE SINK	1997	660		10			660	58
59	PARKING LOT	1997	9,898		10			9,898	59
60	FENCE ON BACK LOT	1997	5,680		10			5,680	60
61	INSTALL DIRT/SOD RE:PARKI	1997	1,075		10			1,075	61
62	GRADE/SOD AREA RE:NEW ADD	1997	520		10			520	62
63	EDUCATION WING PROJECT	1997	285,913	14,296	20	14,296		209,670	63
64	REPLACED BLOWER MOTOR ON	1997	620		10			620	64
65	POURED CONCRETE IN BOILER	1998	945		10			945	65
66	INSTALL EMERGENCY GENERAT	1998	85,329		10			85,329	66
67	CABINETS & COUNTERTOPS	1998	788		10			788	67
68	REPLACED MOTOR & WHEEL ON	1998	837		10			837	68
69	REPLACE HEAT EXCHANGER,BU	1998	1,228		10			1,228	69
70	TOTAL (lines 4 thru 69)		$ 7,130,902	$ 169,204		$ 169,204	$	$ 2,700,634	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 7,130,902	$ 169,204		$ 169,204	$	$ 2,700,634	1
2	INSTALL RECEPTACLE,BOX,CI	1998	1,639		10			1,639	2
3	NEW ROOF OVER NORTH GARAG	1998	700		10			700	3
4	INSTALL THERMALTITE WINDO	1998	570		10			570	4
5	BLACKTOP NEW PARKING,DRIV	1998	9,752		10			9,752	5
6	ALUMINUM SIDING;NEW GUTTE	1998	1,397		10			1,397	6
7	UNIT #11:REPLACE PARTS	1998	1,008		10			1,008	7
8	25 X 21 SERV SINK	1998	676		10			676	8
9	NEW ROOF TOP HVAC UNIT	1999	4,340		10			4,340	9
10	RE-TILE BATHTUB RM-FLOOR,	1999	2,080		10			2,080	10
11	TUB RM:DRAIN,VENT,WATER L	1999	1,780		10			1,780	11
12	HEAT EXCHANGER	1999	912		10			912	12
13	ROOFTOP UNIT - REPLACED M	1999	730		10			730	13
14	TEAR OFF AND REPLACE ROOF	1999	2,500	125	20	125		1,625	14
15	INSTALL NEW ROOF SHINGLES	1999	3,727	186	20	186		2,360	15
16	INSTALL "True" 2 door fre	1999	3,265	218	15	218		2,757	16
17	INSTALL NEW HEAT EXCHANGE	2000	730	49	15	49		609	17
18	EXTENSION OF SEWER SYSTEM	2000	1,804	120	15	120		1,503	18
19	INSTALL NEW 50 GAL WATER	2000	918	61	15	61		755	19
20	PARTIAL PMT-TELEPHONE SYS	2000	3,264		10			3,264	20
21	PARTIAL PMT-TELEPHONE SYS	2000	6,528		10			6,528	21
22	FINAL PMT-TELEPHONE SYSTE	2000	1,478		10			1,478	22
23	REPLACE NORTH FLAT ROOF	2000	1,147	57	20	57		698	23
24	REPLACE CONCRETE AT PAVIL	2000	2,700	180	15	180		2,130	24
25	INSTALL TWO RPZ BACKFLOW	2000	2,445	163	15	163		1,929	25
26	CEMENT WALK & LANDSCAPING	2000	900	60	15	60		705	26
27	SEAL AND STRIPE PARKING L	2000	1,600		10			1,600	27
28	FIRE SPRINKLER SYSTEM.	2001	37,774	1,511	25	1,511		17,376	28
29	LAUNDRY ROOM AIR INTAKE F	2001	623	25	25	25		280	29
30	SPRINKLER SYSTEM VALVE	2001	2,200	88	25	88		983	30
31	DURO-LAST ROOF SYSTEM.	2001	40,846	1,634	25	1,634		18,244	31
32	TROLLY SHOWER MATTRESS	2001	900		10			900	32
33	NEW DOOR-DIRECTOR'S OFFIC	2001	2,085	139	15	139		1,517	33
34	TOTAL (lines 1 thru 33)		$ 7,273,922	$ 173,820		$ 173,820	$	$ 2,793,462	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		$ 7,273,922	$ 173,820		$ 173,820	$	$ 2,793,462	1
2	DONATION OF CORNICE	2001	859	57	15	57		620	2
3	DONATION OF NURSE'S STATI	2001	6,594	440	15	440		4,726	3
4	DONATION OF FOYER CARPET	2001	2,341	58	10	58		2,341	4
5	BOOSTER PUMP	2001	4,837	322	15	322		3,413	5
6	INTERNET SET-UP-WIRING, C	2002	2,341	156	15	156		1,625	6
7	INSTALLED STEEL DOOR/FRAM	2002	1,485	99	15	99		974	7
8	NEW HEAT EXCHANGER,INDUCE	2002	2,818	188	15	188		1,848	8
9	GUTTERS AND DOWNSPOUTS	2002	900	90	10	90		885	9
10	INTERNAL PARTS TEMPERING	2002	1,356	136	10	136		1,322	10
11	CLASSROOM TILE	2002	500	50	10	50		483	11
12	HEAT EXCHANGER & CARRIER	2003	1,105	74	15	74		700	12
13	REMODELING PROJECT	2003	3,541	354	10	354		3,216	13
14	REMODELING PROJECT	2003	702	70	10	70		638	14
15	4 Speed Bumps & 16 Curbs Parking Lot	2003	639	64	10	64		576	15
16	Heat exchanger,flame retainer,heatcover,brack	2004	1,423	142	10	142		1,197	16
17	Replace Booster Tank	2004	695		7			695	17
18	2 F2900 Controllers and Resin	2004	5,880		7			5,880	18
19	New flooring in 2 rooms	2004	2,576		7			2,576	19
20	wall repairs	2004	720	34	7	34		720	20
21	therapy room/spa	2004	198,856	7,954	25	7,954		60,320	21
22	replace heater mixing valves	2005	1,941	162	7	162		1,941	22
23	16 cartons VCT/brown base in break room	2005	850	57	15	57		411	23
24	remove and replace compressor	2005	1,265	127	10	127		854	24
25	Water heater (75 gallon)	2006	6,376	638	10	638		3,826	25
26	HVAC unit for B wing	2006	7,600	760	10	760		4,180	26
27	Heat exchanger for unit in lounge	2006	1,172	117	10	117		644	27
28	Blower motor for a/c unit	2007	838	56	15	56		252	28
29	Repl bearings & drive shaft in kitchen exhaus	2008	992	99	10	99		421	29
30	Rooftop hvac unit	2008	3,973	397	10	397		1,655	30
31	Control board for Carrier unit in NW wing	2008	870	87	10	87		362	31
32	Cubicle curtain track	2008	864	86	10	86		353	32
33	Blower assembly in Heil rooftop unit	2008	938	94	10	94		375	33
34	TOTAL (lines 1 thru 33)		$ 7,541,769	$ 186,788		$ 186,788	$	$ 2,903,491	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		$ 7,541,769	$ 186,788		$ 186,788	$	$ 2,903,491	1
2	Speakers for paging system (15)	2008	1,500	150	10	150		600	2
3	Pull cord corrider lights (5)	2008	674	67	10	67		264	3
4	Drywell	2008	12,588	629	20	629		2,308	4
5	Heat exchanger replaced	2008	1,230	82	15	82		294	5
6	Shower kit	2009	685	69	10	69		234	6
7	Door for oxygen storage room	2009	1,450	97	15	97		306	7
8	Panic bar on entrance doors	2009	954	95	10	95		262	8
9	Sprinkler at entry	2009	580	58	10	58		150	9
10	Shower handle w/hose	2009	1,496	150	10	150		386	10
11	Induct air purifiers (12)	2009	3,912	391	10	391		1,011	11
12	Induct air purifiers (4)	2010	1,270	127	10	127		307	12
13	Ceiling outlets & raise bedroom outlets	2010	1,359	91	15	91		219	13
14	Acctuator	2010	564	56	10	56		136	14
15	Hot water circulating pump	2010	845	84	10	84		197	15
16	Corner guards & door frame protectors	2010	532	53	10	53		120	16
17	Hard-wired smoke detectors (27)	2010	2,052	137	15	137		285	17
18	A.O. Smith water heater	2010	7,019	702	10	702		1,287	18
19	Sentronic door closers (2) for old bldg	2011	3,025	303	10	303		303	19
20	Sprinkler heads (13)	2011	624	62	10	62		62	20
21	Remodel C wing bathing room	2011	10,848	362	15	362		362	21
22	Ceiling for C wing bathing area	2011	1,145	38	15	38		38	22
23	Electric receptacles & lighting ballasts	2012	1,305	65	10	65		65	23
24	Rpl roof and ceiling in maintenance shed	2012	5,450	227	10	227		227	24
25	Kitchen & dining room remodeling	2012	19,090	424	15	424		424	25
26	West side siding, maint. shop drywall	2012	4,929	82	10	82		82	26
27	Concrete gazebo floor & walks	2012	10,121	169	10	169		169	27
28	20Amp circuits for breakroom	2012	632	5	10	5		5	28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 7,637,647	$ 191,564		$ 191,564	$	$ 2,913,593	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 203,726	$ 36,111	$ 36,111	$		$ 130,533	71
72	Current Year Purchases	51,914	6,443	6,443			6,443	72
73	Fully Depreciated Assets	632,793					632,793	73
74	Group Allocation		8,241	8,241				74
75	TOTALS	$ 888,433	$ 50,795	$ 50,795	$		$ 769,769	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Patient Transportation	2000 Chevy G1500	2008	$ 8,350	$ 1,670	$ 1,670	$	5	$ 6,819	76
77										77
78										78
79										79
80	TOTALS			$ 8,350	$ 1,670	$ 1,670	$		$ 6,819	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount		
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 9,218,858	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 244,029	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 244,029	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 3,690,181	85	

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	Vehicles in Excess of One Allowed	$ 88,008	$ 678	$ 48,016	86
87					87
88					88
89					89
90					90
91	TOTALS	$ 88,008	$ 678	$ 48,016	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Not Applicable
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5	Corporate Office Allocations	N/A			16,598			5
6								6
7	TOTAL				$ 16,598 **			7

8. List separately any amortization of lease expense included on page 4, line 34. N/A
   This amount was calculated by dividing the total amount to be amortized by the length of the lease .

9. Option to Buy: ☐ YES ☒ X NO Terms: *

10. Effective dates of current rental agreement:
    Beginning
    Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2013	$
13.	/2014	$
14.	/2015	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☒ X NO
16. Rental Amount for movable equipment: $ 1,102 Description: See attached detailed Schedule 14.1
    (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	Transportation	Ford Motor Credit	$ 458.04	$ 2,642	17
18	Transportation	Lincoln Automotive	458.04	2,290	18
19					19
20					20
21	TOTAL		$ 916.08	$ 4,932	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

Facility Name & ID Number: Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XII. RENTAL COSTS

16. Rental Amount for movable equipment: $ 1,541 **Description:** See below for detailed breakdown

(Attach a schedule detailing the breakdown of movable equipment)

Vendor	Description	Date	Amount	
Brent's Mailing Equip	Mailing Machine	09/22/11 - 10/22/11	$ 160	G&A Equip
Mail Finance	Lease Payment	11/30/11 - 05/29/12	$ 369	G&A Equip
Mail Finance	Lease Payment	05/20/12 - 11/29/12	$ 350	G&A Equip
Neopost	High Capacity Mail	10/05/11 - 11/04/11	$ 223	G&A Equip
TOTAL WLCH			$ 1,102	
HOOSIER CARE & MRC GROUP ALLOCATIONS:			$ 439	G&A Equip
TOTAL LINE XII.B.16			$ 1,541	

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?
   - [ ] YES
   - [X] NO

   If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.
(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	1	2		3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist		hrs	$		$	$		$	1
2	Licensed Speech and Language Development Therapist	10a	hrs		554	38,798		554	38,798	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care	39	visits			8,594			8,594	6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39	# of prescrpts			3,593	3,378		6,971	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify):									13
14	TOTAL			$	554	$ 50,985	$ 3,378	554	$ 54,363	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

STATE OF ILLINOIS

Facility Name & ID Number Walter Lawson Children's Home **#** 0035469 **Report Period Beginning:** 7/1/11 **Ending:** 6/30/12

XV. BALANCE SHEET - Unrestricted Operating Fund. **As of** 6/30/12 **(last day of reporting year)**

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 562	$	1
2	Cash-Patient Deposits	84,934		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 22,852)	2,443,243		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	15,606		6
7	Other Prepaid Expenses	24,997		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from Corporate	2,440,588		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 5,009,930	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	684,428		13
14	Buildings, at Historical Cost	7,637,647		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	984,791		16
17	Accumulated Depreciation (book methods)	(3,737,693)		17
18	Deferred Charges	321,427		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	557,808		21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Goodwill	261,131		23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 6,709,539	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 11,719,469	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 191,143	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	84,934		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	389,713		30
31	Accrued Taxes Payable (excluding real estate taxes)	20,000		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	44,884		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36				36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 730,674	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	8,636,022		41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 8,636,022	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 9,366,696	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 2,352,773	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 11,719,469	$	48

***(See instructions.)**

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 1,905,088	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 1,905,088	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	447,685	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ 447,685	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 2,352,773	24 *

*** This must agree with page 17, line 47.**

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense

	I. Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 6,845,732	1
2	Discounts and Allowances for all Levels	( )	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 6,845,732	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy		6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$	8
	C. Other Operating Revenue		
9	Payments for Education	1,402,343	9
10	Other Government Grants	71,956	10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 1,474,299	23
	D. Non-Operating Revenue		
24	Contributions	135,441	24
25	Interest and Other Investment Income***	6,395	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 141,836	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Day Training	692,361	28
28a	Miscellaneous Income	2,098	28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 694,459	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 9,156,326	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	788,405	31
32	Health Care	3,327,121	32
33	General Administration	2,105,987	33
	B. Capital Expense		
34	Ownership	912,311	34
	C. Ancillary Expense		
35	Special Cost Centers	1,179,927	35
36	Provider Participation Fee	394,890	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 8,708,641	40
41	**Income before Income Taxes (line 30 minus line 40)****	447,685	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 447,685	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 6,845,732	44
45	Private Pay - Net Inpatient Revenue		45
46	Medicare - Net Inpatient Revenue		46
47	Other-(specify)		47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 6,845,732	49

* **This must agree with page 4, line 45, column 4.**

** **Does this agree with taxable income (loss) per Federal Income Tax Return? YES If not, please attach a reconciliation.**

*** **See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.**

******Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	2,324	2,535	$ 120,118	$ 47.38	1
2	Assistant Director of Nursing					2
3	Registered Nurses	18,896	20,538	597,273	29.08	3
4	Licensed Practical Nurses	20,101	22,291	626,678	28.11	4
5	CNAs & Orderlies	115,055	124,483	1,480,570	11.89	5
6	CNA Trainees					6
7	Licensed Therapist	1,761	1,892	70,695	37.37	7
8	Rehab/Therapy Aides					8
9	Activity Director	1,776	2,094	32,042	15.30	9
10	Activity Assistants	2,488	2,652	23,492	8.86	10
11	Social Service Workers					11
12	Dietician					12
13	Food Service Supervisor	1,649	1,877	37,642	20.05	13
14	Head Cook	9,267	10,081	114,461	11.35	14
15	Cook Helpers/Assistants	1,559	1,673	14,741	8.81	15
16	Dishwashers					16
17	Maintenance Workers	1,994	2,141	46,128	21.55	17
18	Housekeepers	11,428	12,607	175,425	13.91	18
19	Laundry	8,131	8,788	86,002	9.79	19
20	Administrator	2,229	2,406	171,761	71.39	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	5,279	5,850	161,764	27.65	24
25	Vocational Instruction					25
26	Academic Instruction	44,171	47,767	872,753	18.27	26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)	3,894	4,299	72,448	16.85	28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify) Day Training	15,467	16,338	213,274	13.05	33
34	TOTAL (lines 1 - 33)	267,469	290,312	$ 4,917,267 *	$ 16.94	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	328	$ 13,120	1.3	35
36	Medical Director	N/A	14,000	9.3	36
37	Medical Records Consultant				37
38	Nurse Consultant	N/A	24,297	10.3	38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48	I/T & Cost Report Consulting		11,048	21.3	48
49	TOTAL (lines 35 - 48)	328	$ 62,465		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$		50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		$		53

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Theo Brandel	Administrator	0%	$ 171,761
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 171,761

B. Administrative - Other

Description	Amount
Corporate Expense	$ 190,139
TOTAL (agree to Schedule V, line 17, col. 3)	$ 190,139
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Medical Rehabilitation Centers, Inc.	Management Fees	$ 574,800
Automated Data Processing	Payroll Processing Services	21,458
Medical Rehabilitation Centers, Inc.	Accounting Fees	6,629
BKD, LLP	Accounting Fees	18
Duane Morris	Legal Fees	3,853
Medical Rehabilitation Centers, Inc.	Legal Fees	19,939
Bradley Arant Boult Cummings	Legal Fees	166
DeWitt Ross & Stevens	Legal Fees	686
Wessels Sherman	Legal Fees	675
Taft Stettinius & Holliser	Legal Fees	25
Stites & Harbison	Legal Fees	743
Smith Amundsen	Legal Fees	509
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $5,000, attach copy of invoices.)		$ 629,501

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 94,846
Unemployment Compensation Insurance	25,235
FICA Taxes	361,743
Employee Health Insurance	322,945
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Employee Benefits - Other	4,666
Employee Benefits - Retirement Plan	9,492
Group/Corporate Allocations	12,079
TOTAL (agree to Schedule V, line 22, col.8)	$ 831,006

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	1,148
Health Care Worker Background Check	3,940
(Indicate # of checks performed 37)	
Public Relations	23,793
Illinois Healthcare Association	5,134
Other Dues, Fees, Subscriptions	2,418
Corporate Allocation	54,830
Less: Unallowable Fees/Penalties/Dues	(2,107)
Less: Public Relations Expense	(23,793)
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 65,363

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	10,636
Seminar Expense	
Corporate/Group Allocation	16,809
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 27,445

* Attach copy of IMRF notifications

**See instructions.

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1	None		$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

Facility Name & ID Number Walter Lawson Children's Home # 0035469 Report Period Beginning: 7/1/11 Ending: 6/30/12

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **ILHCA, $5,134 (Gross before Adj)**

(3) Did the nursing home make political contributions or payments to a political action organization? **No** If YES, have these costs been properly adjusted out of the cost report? **N/A**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **5 Years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **N/A** Line

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **N/A**

(9) Are you presently operating under a sublease agreement? YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **394,890**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **No** If YES, attach an explanation of the allocation.

(13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **No** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **None.** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **71,956**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **100%**
d. Have vehicle usage logs been maintained? **Yes**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **Yes**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **Yes**
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **Yes**
Firm Name: **Reznick Group**

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **Yes**
Attach invoices and a summary of services for all architect and appraisal fees