FOR BHF USE

LL1

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.

2015
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2015)

I. IDPH License ID Number: 0046367

Facility Name: Hawthorne Inn of Danville

Address: 3222 Independence Dr (Number) Danville (City) 61832 (Zip Code)

County: Vermilion

Telephone Number: (217) 431-1600 **Fax #** (217) 431-3782

HFS ID Number:

Date of Initial License for Current Owners: 07/01/2003

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: Amanda Springborn **Telephone Number:** (314) 925-3838
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 4/1/2014 to 3/31/2015 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)
(Title)

Paid Preparer
(Signed) (Date)
(Print Name and Title)
(Firm Name & Address) McGladrey LLP, 20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173
(Telephone) (847) 517-7070 Fax # (847) 517-7067

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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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 1/21/2015

	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	76	Skilled (SNF)	80	28,020	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5	64	Sheltered Care (SC)	60	23,080	5
6		ICF/DD 16 or Less			6
7	140	TOTALS	140	51,100	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	5,238	10,194	11,229	26,661	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC		15,896		15,896	12
13	DD 16 OR LESS					13
14	TOTALS	5,238	26,090	11,229	42,557	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 83.28%

D. How many bed-hold days during this year were paid by the Department?
0 (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 [X] NO [ ] Note : Non-allowable costs have been eliminated in Schedule V, Column 7.

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

I. On what date did you start providing long term care at this location?
Date started 07/01/03

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 07/01/03 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 80 and days of care provided 7,872

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

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

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

Tax Year: 03/31/15 Fiscal Year: 03/31/15

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

Facility Name: **Hawthorne Inn of Danville**
IDPH License ID Number: **0046839**
Fiscal Year End: **3/31/2015**

Schedule 2A

III. Statistical Data
Bed Days Computation

Licensure Level of Care	# of Beds	Start Date	End Date	# of Days	Bed Days Available
Skilled (SNF)	76	4/1/14	1/20/15	295	22,420
Skilled (SNF)	80	1/21/15	3/31/15	70	5,600
			Total - Line 1, Column 4		28,020

Licensure Level of Care	# of Beds	Start Date	End Date	# of Days	Bed Days Available
Shelter Care (SC)	64	4/1/14	1/20/15	295	18,880
Shelter Care (SC)	60	1/21/15	3/31/15	70	4,200
			Total - Line 5, Column 4		23,080

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	341,980	39,501	9,600	391,082		391,082		391,082			1
2	Food Purchase		360,555		360,555		360,555	(10,150)	350,405			2
3	Housekeeping	203,309	45,731		249,039		249,039		249,039			3
4	Laundry	55,637	42,600		98,237		98,237		98,237			4
5	Heat and Other Utilities			127,369	127,369		127,369		127,369			5
6	Maintenance	86,938	36,133	94,234	217,305		217,305		217,305			6
7	Other (specify):*											7
8	**TOTAL General Services**	687,864	524,519	231,203	1,443,586		1,443,586	(10,150)	1,433,436			8
	B. Health Care and Programs											
9	Medical Director			14,800	14,800		14,800		14,800			9
10	Nursing and Medical Records	2,728,406	152,151	7,721	2,888,278		2,888,278		2,888,278			10
10a	Therapy											10a
11	Activities	78,158	2,089		80,247		80,247		80,247			11
12	Social Services	70,783			70,783		70,783		70,783			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	2,877,347	154,240	22,521	3,054,108		3,054,108		3,054,108			16
	C. General Administration											
17	Administrative	177,244			177,244		177,244		177,244			17
18	Directors Fees							3,148	3,148			18
19	Professional Services			334,696	334,696		334,696	16,852	351,548			19
20	Dues, Fees, Subscriptions & Promotions			28,136	28,136		28,136	(2,604)	25,532			20
21	Clerical & General Office Expenses	81,780	30,273	55,941	167,995		167,995	(2,150)	165,845			21
22	Employee Benefits & Payroll Taxes			535,993	535,993		535,993	3	535,996			22
23	Inservice Training & Education			7,821	7,821		7,821		7,821			23
24	Travel and Seminar			2,569	2,569		2,569		2,569			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			46,180	46,180		46,180	22,638	68,818			26
27	Other (specify):*											27
28	**TOTAL General Administration**	259,024	30,273	1,011,335	1,300,633		1,300,633	37,887	1,338,520			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	3,824,235	709,033	1,265,060	5,798,328		5,798,328	27,737	5,826,065			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 Hawthorne Inn of Danville #0046367 **Report Period Beginning:** 4/1/2014 **Ending:** 3/31/2015

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	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			103,879	103,879		103,879	587,140	691,019			30
31	Amortization of Pre-Op. & Org.											31
32	Interest							403,810	403,810			32
33	Real Estate Taxes			77	77		77	123,150	123,227			33
34	Rent-Facility & Grounds			1,013,280	1,013,280		1,013,280	(1,013,280)				34
35	Rent-Equipment & Vehicles			86,406	86,406		86,406		86,406			35
36	Other (specify):* MIP							67,427	67,427			36
37	**TOTAL Ownership**			1,203,642	1,203,642		1,203,642	168,247	1,371,889			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		380,065	963,398	1,343,464		1,343,464	(34,653)	1,308,811			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			152,814	152,814		152,814		152,814			42
43	Other (specify):* Non-Allowable Cos	42,844		205,071	247,914		247,914	(247,915)	(0)			43
44	**TOTAL Special Cost Centers**	42,844	380,065	1,321,283	1,744,191		1,744,191	(282,568)	1,461,624			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	3,867,079	1,089,098	3,789,984	8,746,161		8,746,161	(86,584)	8,659,578			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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	(1,561)	2		4
5	Telephone, TV & Radio in Resident Rooms	(11,974)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(9,668)	30		9
10	Interest and Other Investment Income	(4,329)	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				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				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(1,086)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(77,116)	43		24
25	Fund Raising, Advertising and Promotional	(44,456)	43		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 See Page 5A	(162,641)	Var.		29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (312,831)		$	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)	226,247		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ 226,247		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (86,584)		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					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

STATE OF ILLINOIS **Page 5A**

Hawthorne Inn of Danville

ID# **0046367**

Report Period Beginning: **4/1/2014**

Ending: **3/31/2015**

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Outpatient Medicare	$ (21,988)	43	1
2	Managed Care	(22)	43	2
3	Offset Oxygen Revenue	(34,653)	39	3
4	Offset Vending Machine revenue	(8,589)	2	4
5	Lobbying Expense	(2,880)	20	5
6	Offset Misc Income	(2,150)	21	6
7	Offset Marketing Salary	(42,844)	43	7
8	Offset Medicare Pt. A Lab	(35,484)	43	8
9	Offset Medicare Pt. A X-Ray	(14,031)	43	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**	(162,641)		49

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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
Residential Alternatives of Illinois, Inc.	100	Frances House, Inc. (FH)				
(Non-profit Organization)		Residential Alternatives of Illinois, Inc. (FH is sole mem		See Page 6 Supplemental		
		Residential Alternatives of Iowa				
		Pioneer Concepts, Inc. (FH is sole member)				
		Pinnacle Opportunities, Inc. (FH is sole member)				
		Concepts Plus, Inc. (FH is sole member)				
		See Page 6 Supplemental for specific homes				

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	19	Legal Fees	$	Danville Independence, LLC	100.00%	$ 0	$	1
2	V	19	Professional Services		Danville Independence, LLC	100.00%	12,130	12,130	2
3	V	20	Licenses & Fees		Danville Independence, LLC	100.00%	250	250	3
4	V	26	Insurance		Danville Independence, LLC	100.00%	19,209	19,209	4
5	V	30	Depreciation Expense		Danville Independence, LLC	100.00%	596,808	596,808	5
6	V	32	Interest	502	Danville Independence, LLC	100.00%	408,641	408,139	6
7	V	33	Real Estate		Danville Independence, LLC	100.00%	123,150	123,150	7
8	V	34	Facility Rent	1,013,280	Danville Independence, LLC	100.00%		(1,013,280)	8
9	V	36	Property/MIP Insurance		Danville Independence, LLC	100.00%	67,427	67,427	9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 1,013,782			$ 1,227,615	$ * 213,833	14

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

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

VII. RELATED PARTIES (continued)

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)	
15	V	18	Director Fees	$	Residential Alternatives of Illinois, Inc.		$ 3,148	$ 3,148	15
16	V	19	Professional Services		Residential Alternatives of Illinois, Inc.		5,808	5,808	16
17	V	20	Clerical Other		Residential Alternatives of Illinois, Inc.		26	26	17
18	V	22	Employee Benefits & PR Taxes		Residential Alternatives of Illinois, Inc.		3	3	18
19	V	26	Property Insurance		Residential Alternatives of Illinois, Inc.		3,429	3,429	19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$ 12,414	$ * 12,414	39

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

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES			3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City		Name	City	Type of Business	
1	Residential Alternatives of Illinois	100%	Hawthorne Inn of Danville	Danville	IL			Skilled Nursing Faci	1
2	Residential Alternatives of Illinois	100%	Manor Court of Clinton	Clinton	IL			Skilled Nrsg & Supp	2
3	Residential Alternatives of Illinois	100%	Manor Court of Freeport	Freeport	IL			Skilled Nursing Faci	3
4	Residential Alternatives of Illinois	100%	Manor Court of Peoria	Peoria	IL			Skilled Nursing Faci	4
5	Residential Alternatives of Illinois	100%	Manor Court of Peru	Peru	IL			Skilled Nursing Faci	5
6	Residential Alternatives of Illinois	100%	Manor Court of Princeton	Princeton	IL			Skilled Nrsg Fac & S	6
7	Residential Alternatives of Illinois	100%				Hawthorne Inn of Free	Freeport, IL	Supportive Living F	7
8	Residential Alternatives of Illinois	100%				Hawthorne Inn of Peor	Peoria, IL	Assisted Living Faci	8
9	Residential Alternatives of Illinois	100%				Hawthorne Inn of Peru	Peru, IL	Assisted Living Faci	9
10	Residential Alternatives of Illinois	100%				Liberty Estates of Gen	Geneseo, IL	Asst'd & Ind Living	10
11	Residential Alternatives of Illinois	100%				Liberty Estates of Stre	Streator, IL	Asst'd & Ind Living	11
12	Residential Alternatives of Illinois	100%	Freeport Rehab & Healthcare	Freeport	IL			Skilled Nursing Faci	12
13	Residential Alternatives of Illinois	100%				Liberty Estates of Dan	Danville, IL	Indendent Living Fa	13
14	Residential Alternatives of Illinois	100%				Liberty Estates of Free	Freeport, IL	Indendent Living Fa	14
15	Residential Alternatives of Illinois	100%				Liberty Estates of Peor	Peoria, IL	Indendent Living Fa	15
16	Residential Alternatives of Illinois	100%				Liberty Estates of Peru	Peru, IL	Indendent Living Fa	16
17	Residential Alternatives of Iowa	100%		Coralville	IA			Long-term Care Fac	17
18	Frances House, Inc.	100%				Casa Willis	Sterling, IL	DD Facilities	18
19	Frances House, Inc.	100%				Freeport Terrace	Freeport, IL	DD Facilities	19
20	Frances House, Inc.	100%				Gordon Jones Terrace	Lanark, IL	DD Facilities	20
21	Frances House, Inc.	100%				Hallam Terrace	Rockford, IL	DD Facilities	21
22	Frances House, Inc.	100%				Hammett House	Sterling, IL	DD Facilities	22
23	Frances House, Inc.	100%				Kanthak House	Ottawa, IL	DD Facilities	23
24	Frances House, Inc.	100%				Olson Terrace	Rockford, IL	DD Facilities	24
25	Frances House, Inc.	100%				Ridge Terrace	Freeport, IL	DD Facilities	25
26	Frances House, Inc.	100%				Cantebury Place	Rockford, IL	DD Facilities	26
27	Frances House, Inc.	100%				Glenwood Villa	Rockford, IL	DD Facilities	27
28	Frances House, Inc.	100%				Rockton Court	Rockford, IL	DD Facilities	28
29	Frances House, Inc.	100%				Rose House	Moline, IL	DD Facilities	29
30	Frances House, Inc.	100%				Seborg Terrace	Rockford, IL	DD Facilities	30

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1	Frances House, Inc.	100%			Smith Square	Moline, IL	DD Facility	1
2	Frances House, Inc.	100%			Stern Square	Sterling, IL	DD Facility	2
3	Frances House, Inc.	100%			Stouffer Terrace	Oregon, IL	DD Facility	3
4	Frances House, Inc.	100%			Lewis Terrace	North Chicago, Il	Group Home	4
5	Frances House, Inc.	100%			Seymour Terrace	North Chicago, Il	Group Home	5
6	Frances House, Inc.	100%			Waukegan Terrace	Waukegan, IL	Group Home	6
7	Frances House, Inc.	100%			Pine Terrace	Waukegan, IL	Group Home	7
8	Frances House, Inc.	100%			Peoria Manor Court	Galesburg, IL	Real Estate Entity	8
9	Frances House, Inc.	100%			Peru Becker, Ltd., NFI	Galesburg, IL	Real Estate Entity	9
10	Frances House, Inc.	100%			Danville Independence	Galesburg, IL	Real Estate Entity	10
11	Frances House, Inc.	100%			Hawthorne Inn of Prir	Galesburg, IL	Real Estate Entity	11
12	Pioneer Concepts, Inc.	100%			Broadway Terrace	Chicago Heights, IL	DD Facility	12
13	Pioneer Concepts, Inc.	100%			Carole Lane Terrace	Sauk Village, IL	DD Facility	13
14	Pioneer Concepts, Inc.	100%			Flossmoor Terrace	Flossmoor, IL	DD Facility	14
15	Pioneer Concepts, Inc.	100%			Ravisloe Terrace	Country Club Hills, IL	DD Facility	15
16	Pioneer Concepts, Inc.	100%			Spaulding Terrace	Markham, IL	DD Facility	16
17	Pioneer Concepts, Inc.	100%			Calumet City Terrace	Calumet City, IL	DD Facility	17
18	Pioneer Concepts, Inc.	100%			Dolton Terrace	Dolton, IL	DD Facility	18
19	Pioneer Concepts, Inc.	100%			Lynwood Terrace	Lynwood, IL	DD Facility	19
20	Pioneer Concepts, Inc.	100%			Holland Terrace	South Holland, IL	DD Facility	20
21	Pioneer Concepts, Inc.	100%			Matteson Court	Matteson, IL	DD Facility	21
22	Pioneer Concepts, Inc.	100%			Priarie House	Sauk Village, IL	DD Facility	22
23	Pioneer Concepts, Inc.	100%			Torrence Place	Sauk Village, IL	DD Facility	23
24	Pinnacle Opportunities	100%			Chambness Square	Bourbannais, IL	DD Facility	24
25	Pinnacle Opportunities	100%			Collins Square	Bradley, IL	DD Facility	25
26	Pinnacle Opportunities	100%			Dearborn Court	Kankakee, IL	DD Facility	26
27	Pinnacle Opportunities	100%			River Court	Kankakee, IL	DD Facility	27
28	Pinnacle Opportunities	100%			Station Court	Kankakee, IL	DD Facility	28
29	Pinnacle Opportunities	100%			Eagle Court	Kankakee, IL	DD Facility	29
30	Pinnacle Opportunities	100%			Kankakee Court	Kankakee, IL	DD Facility	30

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1	Pinnacle Opportunities	100%			Roy Court	Bourbannais, IL	DD Facility	1
2	Pinnacle Opportunities	100%			Gravlin Square	Bradley, IL	DD Facility	2
3								3
4								4
5								5
6								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

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Irwin Jann	President & Director	Administrative	0.00	See Att. Sch 7A	1	<1%	Director Fees	$ 663	L18, C7	1
2	Doug Biederstedt	Director	Administrative	0.00	See Att. Sch 7A	1	<1%	Director Fees	498	L18, C7	2
3	Jeff Shaw	Secretary & Director	Administrative	0.00	See Att. Sch 7A	1	<1%	Director Fees	663	L18, C7	3
4	William Kempiners	Director	Administrative	0.00	See Att. Sch 7A	1	<1%	Director Fees	663	L18, C7	4
5	John Kniery	Director	Administrative	0.00	See Att. Sch 7A	1	<1%	Director Fees	663	L18, C7	5
6											6
7											7
8											8
9	No board members provide services or have business entities that provide services to the facility.										9
10											10
11											11
12											12
13								TOTAL	$ 3,148		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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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: Residential Alternatives of Illinois, Inc.
Street Address: 285 S. Farnham
City / State / Zip Code: Galesburg, IL 61401
Phone Number: (309) 343-1550
Fax Number: (309) 343-2857

	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	18	Director Fees	Weighted Avg Beds	308,225	17	$ 28,715	$	33,790	$ 3,148	1
2	19	Professional Services	Weighted Avg Beds	308,225	17	52,978		33,790	5,808	2
3	20	Dues, Fees & Subscriptions	Weighted Avg Beds	308,225	17	233		33,790	26	3
4	22	Employee Benefits & PR Taxes	Weighted Avg Beds	308,225	17	25		33,790	3	4
5	26	Property Insurance	Weighted Avg Beds	308,225	17	31,275		33,790	3,429	5
6										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	TOTALS					$ 113,226	$		$ 12,414	25

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related											
	Long-Term											
1	Cambridge Realty Capital		X	Facility Purchase (Refinance)	$56,176.00	02/01/13	$ 12,627,000	$ 12,558,697	09/01/43	3.50	$ 408,641	1
2	Ltd. Of Illinois - SNF			Including trade premium								2
3				on note of $432,379 as of 3/31/14								3
4												4
5												5
	Working Capital											
6												6
7												7
8												8
9	TOTAL Facility Related				$56,176.00		$ 12,627,000	$ 12,558,697			$ 408,641	9
	B. Non-Facility Related*											
10												10
11												11
12								Offset Interest Income			(4,831)	12
13												13
14	TOTAL Non-Facility Related						$	$			$ (4,831)	14
15	TOTALS (line 9+line14)						$ 12,627,000	$ 12,558,697			$ 403,810	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ 67,427 Line # 36

*** 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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2014 report.	**Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$ 161,484	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.)	2013	$ 126,957	2
3. Under or (over) accrual (line 2 minus line 1).		$ (34,527)	3
4. Real Estate Tax accrual used for 2015 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 157,754	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.)**	**Allocated from Managment Co.**	$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 123,227	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2010	112,339	8
	2011	126,091	9
	2012	123,633	10
	2013	126,957	11
	2014	126,355	12

This facility was purchased from an unrelated for profit entity. A tax exemption has not yet been obtained
Amount accrued included the 12 months of 2013 and 3 months of 2014. Estimate is based on 2013 tax bill
Taxes paid were for the 2012 tax bill.

FOR BHF USE ONLY

13	FROM R. E. TAX STATEMENT FOR 2014	$	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.

2014 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Hawthorne Inn of Danville COUNTY Vermillion

FACILITY IDPH LICENSE NUMBER 0046367

CONTACT PERSON REGARDING THIS REPORT Ron Wilson

TELEPHONE (309) 343-1550 FAX #: (309) 343-2857

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

Enter the tax index number and real estate tax assessed for 2014 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 2014.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	18-21-304-025-0060	Fieldstone Est Sec 2, PT E2 SW4	$ 126,250.02	$ 88,375.01
2.		21 20 11, L28	$	$
3.	18-21-304-022-0030	Fieldstone Est Sec 2, PT E2 SW4	$ 28.66	$ 20.06
4.		21 20 11, L26	$	$
5.	18-21-304-017-0032	Fieldstone Est Sec 2, PT E2 SW4	$ 19.38	$ 13.57
6.		21 20 11, L21	$	$
7.	18-21-304-018-0032	Fieldstone Est Sec 2, PT E2 SW4	$ 28.66	$ 20.06
8.		21 20 11, L22	$	$
9.	18-21-304-040-0032	Fieldstone Est Sec 2, PT E2 SW4	$ 28.66	$ 20.06
10.		21 20 11, L23, EX E18'	$	$
		TOTALS	$ 126,355.38	$ 88,448.76

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 X _____ 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 2014 tax bills which were listed in Section A to this statement. Be sure to use the 2014 tax bill which is normally paid during 2015.

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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 44,122 B. General Construction Type: Exterior Brick Frame Wood Number of Stories 1

C. Does the Operating Entity? [ ] (a) Own the Facility [X] (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. [X] (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: N/A
2. Number of Years Over Which it is Being Amortized: N/A
3. Current Period Amortization: N/A
4. Dates Incurred: N/A

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	Facility	194,800	2008	$ 886,000	1
2	Facility	18,480	2011	55,000	2
3	TOTALS	213,280		$ 941,000	3

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	140		2008	1999	$ 12,503,803	$	25	$ 500,156	$ 500,156	$ 3,334,357	4
5				2010	914,486		25	36,580	36,580	164,609	5
6											6
7											7
8											8
	Improvement Type**										
9	Backflow Installment, exterior sign			2000	4,732	316	15	316		4,596	9
10	Carpet, door lock system, concrete			2001	13,544	240	5 to 15	240		13,204	10
11	Curtain Tracking			2003	4,979		5			4,979	11
12	Light/surge protection			2004	28,000	2,545	11	2,545		23,759	12
13	Electric Sign,Asphalt,Condenser fan,Asphalt,Floor tile,Lighting-parking l			2005	66,071	3,039	5 to 10	3,039		64,949	13
14	Stage area-entry way,sign,kitchen remodel,countertops,circle head			2006	41,830	3,558	10 to 15	3,558		31,655	14
15	Nurse call system,cabinet/countertop rep,wall rep, paint, roof, landscaping			2008	360,639	20,955	5 to 15	20,955		191,991	15
16	Sidewalks replacement and repairs			2009	4,071	271	15	271		1,560	16
17	Compressor for Furnace			2010	2,997	200	15	200		916	17
18	Sign			2010	2,930	293	10	293		1,441	18
19	AC Units			2011	2,997	600	5	600		2,448	19
20	Furnace/AC for Kitchen			2011	6,275	628	10	628		2,354	20
21	Carpet-corridor/LR/Vestibule Replacements			2011	22,825	4,565	5	4,565		16,738	21
22	Vinyl - Activity Room			2011	3,444	345	10	345		1,149	22
23	Parking Lot -Asphalt			2011	5,147	643	8	643		2,144	23
24	Skilled Rooms Remodel-Chairs/Paint/Wallpaper/VCT Tile/Cubicles/Wind			2012	93,501	7,792	12	7,792		24,025	24
25	Water Heater			2012	4,969	497	10	497		1,367	25
26	Window Replacement			2013	6,516	434	15	434		832	26
27	AC Compressor			2013	5,752	383	15	383		639	27
28	New Countertops in Nurses Station			2013	27,536	2,754	10	2,754		4,131	28
29	New Shower Room tiles			2014	4,212	211	20	211		229	29
30											30
31	Cabinets/Counter Tops - AL Bedrooms			2014	6,045	504	12	504		504	31
32	Drapes/Wood Blinds - Dining Room & Lounge			2015	7,935	265	5	265		265	32
33	Condensor			2015	13,939	77	15	77		77	33
34	Water Damage -Paint/Drywall/Insulation/Carpet - Main level/office 1 and			2015	35,080	244	12	244		244	34
35	Resident Rooms/Office-Carpet/Paint/Chairs - AL 40 Rooms			2015	61,448	427	12	427		427	35
36	To tie to Financial Statements					(4)			4		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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 14,255,703	$ 51,782		$ 588,522	$ 536,740	$ 3,895,589	70

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

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	$ 801,941	$ 33,991	$ 84,391	$ 50,400	3-5	$ 549,103	71
72	Current Year Purchases	70,960	5,267	5,267		5-15	5,267	72
73	Fully Depreciated Assets	137,430					137,430	73
74								74
75	TOTALS	$ 1,010,331	$ 39,258	$ 89,658	$ 50,400		$ 691,800	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 Care	2003 GMC Van	2005	$ 29,800	$	$	$	4	$ 29,800	76
77	Patient Care	2013 Ford E350 Van	2013	51,355	12,839	12,839		4	24,608	77
78										78
79										79
80	TOTALS			$ 81,155	$ 12,839	$ 12,839	$		$ 54,408	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)	$ 16,288,189	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 103,879	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 691,019	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 587,140	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 4,641,797	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	2006 Toyota Corolla - 2006	$ 14,900	$	$ 14,900	86
87					87
88					88
89					89
90					90
91	TOTALS	$ 14,900	$	$ 14,900	91

G. Construction-in-Progress

	Description	Cost	
92		$ N/A	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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
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:	N/A			$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

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

9. Option to Buy: X YES ☐ NO Terms: N/A *

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.	/2016	$
13.	/2017	$
14.	/2018	$

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

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
16. Rental Amount for movable equipment: $ 86406.00 Description: See Attached Schedule 14A
(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	N/A		$ N/A	$	17
18					18
19					19
20					20
21	TOTAL		$	$	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: **Hawthorne Inn of Danville**
IDPH License ID Number: **0046367**
Fiscal Year End: **3/31/2015**

Schedule 14A

XIV. Rental Costs
Line 16 Rental Amount for Moveable Equipment

Rental Description	Amount
Medical Equipment Rental	2,538
Other Equipment Rental	926
Med. Equipment	36,281
Medical Equipment-Medicare HI-Danville:HIDAN	46,662
Total - Line 16	**86,406**

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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

It is the policy of this facility to only hire certified nurses aides.

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 Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	39(3)	hrs	$	5331	$ 383,799	$	5,331	$ 383,799	1
2	Licensed Speech and Language Development Therapist	39(3)	hrs		1594	114,759		1,594	114,759	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39(3)	hrs		5837	420,263		5,837	420,263	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescrpts				380,065		380,065	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): Respiratory Therapy	39(3)			619	44,578		619	44,578	12
13	Other (specify):									13
14	TOTAL			$	13,381	$ 963,398	$ 380,065	13,381	$ 1,343,464	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.

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 3/31/2015 (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	$ 157,350	$ 338,707	1
2	Cash-Patient Deposits	9,331	9,331	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 170,600)	1,107,979	1,110,153	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	50,600	53,894	6
7	Other Prepaid Expenses	2,652	2,652	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Schedule 17 A	10,686	10,686	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,338,597	$ 1,525,422	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		941,000	13
14	Buildings, at Historical Cost		13,418,289	14
15	Leasehold Improvements, at Historical Cost	721,937	837,414	15
16	Equipment, at Historical Cost	572,864	1,091,486	16
17	Accumulated Depreciation (book methods)	(770,319)	(4,641,797)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe Res for Replacement		743,434	22
23	Other(specify): InterCo	11,766,517	11,766,517	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 12,290,999	$ 24,156,343	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 13,629,595	$ 25,681,765	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 112,066	$ 121,066	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	9,331	9,331	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable (excluding real estate taxes)	8,820	8,820	31
32	Accrued Real Estate Taxes(Sch.IX-B)		157,754	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Schedule 17 A	41,987	77,415	36
37	See Schedule 17 A	188,019	3,070,086	37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 360,222	$ 3,444,471	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		12,558,697	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	Security Deposits	89,683	89,683	43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 89,683	$ 12,648,380	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 449,905	$ 16,092,851	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 13,179,690	$ 9,588,914	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 13,629,595	$ 25,681,765	48

*(See instructions.)

Facility Name: **Hawthorne Inn of Danville**
IDPH License ID Number: **0046367**
Fiscal Year End: **3/31/2015**

Schedule 17A

XV. Balance Sheet
Line 9 Current Assets Other (specify):

Description	Operating	After Consolidation
Receivable for Cost Report	10,686	10,686
Total - Line 9	**10,686**	**10,686**

XV. Balance Sheet
Line 36 Other Current Liabilities (specify):

Description	Operating	After Consolidation
Other Receivable	27,779	27,779
Suspense	794	794
Accrued Management	7,091	7,091
Utilities Payable	6,323	6,323
Accrued Interest Payable	-	35,428
Total - Line 36	**41,987**	**77,415**

XV. Balance Sheet
Line 37 Other current Liabilities (specify):

Description	Operating	After Consolidation
Accounts Receivable - ALC: HI DAI	8,091	8,091
Accts Rec - Estates: HIDAN	38,774	38,774
InterCo Danville	-	2,882,067
Accrued Employee Time	95,872	95,872
Accrued Medicaid Assess Tax: HI D.	1,102	1,102
Provider Tax Act 96-1530	44,180	44,180
Total - Line 37	**188,019**	**3,070,086**

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total		
1	**Balance at Beginning of Year, as Previously Reported**	$ 12,128,180	1	
2	Restatements (describe):		2	
3			3	
4			4	
5			5	
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 12,128,180	6	
	A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	1,051,511	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) **Rounding**	(1)	15	
16	Other (describe)		16	
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ 1,051,510	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)**	$ 13,179,690	24	*

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

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	$ 6,167,649	1
2	Discounts and Allowances for all Levels	(86,449)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 6,081,200	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	9,048	6
7	Oxygen	36,938	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 45,986	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	16,461	13
14	Non-Patient Meals	1,561	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space	3,582,010	16
17	Sale of Drugs	1,246	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	47,399	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 3,648,678	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	4,329	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 4,329	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Schedule 19 A	17,480	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 17,480	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 9,797,672	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,443,586	31
32	Health Care	3,054,108	32
33	General Administration	1,300,633	33
	B. Capital Expense		
34	Ownership	1,203,642	34
	C. Ancillary Expense		
35	Special Cost Centers	1,591,378	35
36	Provider Participation Fee	152,814	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 8,746,161	40
41	**Income before Income Taxes (line 30 minus line 40)****	1,051,511	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 1,051,511	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 293,108	44
45	Private Pay - Net Inpatient Revenue	869,149	45
46	Medicare - Net Inpatient Revenue	3,745,965	46
47	Other-(specify) Medicare Replacement	839,334	47
48	Other-(specify) Managed Care	333,644	48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 6,081,200	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.**

^ - This entity is a cash basis taxpayer

Facility Name: **Hawthorne Inn of Danville**
IDPH License ID Number: **0046367**
Fiscal Year End: **3/31/2015**

Schedule 19A

XVII. Income Statement
Line 28 Other Revenue (specify):

Description	Amount
Late Fee	360
Processing Fee	4073
Transportation: HI Danville	1440
Special Service Income	863
Vending	8595
Miscellaneous Income	2150
Total - Line 28	**17,480**

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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	1,992	2,080	$ 77,971	$ 37.49	1
2	Assistant Director of Nursing	1,944	2,080	56,475	27.15	2
3	Registered Nurses	28,461	30,030	663,777	22.10	3
4	Licensed Practical Nurses	15,370	16,228	313,655	19.33	4
5	CNAs & Orderlies	126,984	133,007	1,446,092	10.87	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director					9
10	Activity Assistants	9,328	9,474	78,158	8.25	10
11	Social Service Workers	2,035	2,083	70,783	33.99	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	31,868	33,623	341,980	10.17	15
16	Dishwashers					16
17	Maintenance Workers	8,383	8,985	86,938	9.68	17
18	Housekeepers	16,119	17,252	203,309	11.78	18
19	Laundry	6,332	6,499	55,637	8.56	19
20	Administrator	1,902	2,080	145,203	69.81	20
21	Assistant Administrator	1,924	2,080	32,041	15.40	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	7,667	8,019	81,780	10.20	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	1,752	1,829	45,368	24.80	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	2,976	3,147	34,548	10.98	31
32	Other Health C: MDS/SCU Coord	3,851	4,087	90,519	22.15	32
33	Other(specify) Marketing	2,044	2,112	42,844	20.28	33
34	TOTAL (lines 1 - 33)	270,929	284,695	$ 3,867,079 *	$ 13.58	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	Monthly	$ 9,600	1(3)	35
36	Medical Director	Monthly	14,800	9(3)	36
37	Medical Records Consultant	Monthly	1,910	10(3)	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	5,480	10(3)	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					48
49	TOTAL (lines 35 - 48)		$ 31,790		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		N/A		51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		$		53

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Lisa Miller	Administrator	0	$ 145,203
Beth Lister	Assist Administrator	0	32,041
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 177,244

B. Administrative - Other

Description	Amount
N/A	$
TOTAL (agree to Schedule V, line 17, col. 3)	$
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
RFMS, Inc.	Administrative Services	$ 171,600
LTC Support Services, LLC	Support Services	126,513
McGladrey LLP	Accounting Services	28,496
Templin Healthcare Accounting	Accounting Services	6,525
Law Offices: Saikely, Garrison	Legal Services	1,185
Reversal: AP	Legal Services	(70)
Michael Schull	Legal Services	30
Vermilion County Circuit Clerk	Legal Services	417
TOTAL (agree to Schedule V, line 19, column 3)		
(For legal fee disclosure, see page 39 of instructions)		$ 334,696

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 118,999
Unemployment Compensation Insurance	3,694
FICA Taxes	288,961
Employee Health Insurance	83,447
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Employee Retirement	31,668
Employee Relations	7,149
Employee Life Insurance	
Other Employment	2,079
TOTAL (agree to Schedule V, line 22, col.8)	$ 535,996

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

Description	Line #	Amount
N/A		$
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	11,749
Health Care Worker Background Check	
(Indicate # of checks performed 185.5)	2,226
Patient Background Check 185.5	2,226
Miscellaneous Licenses & Fees	2,667
Miscellaneous Dues & Subscriptions	1,766
Allocated from Home Office	26
Allocated from RE Entity	250
ICHA Dues	7,501
Less: Public Relations Expense	(2,880)
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 25,532

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	2,569
Seminar Expense	
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 2,569

**See instructions.

Facility Name: **Hawthorne Inn of Danville**
IDPH License ID Number: **0046367**
Fiscal Year End: **3/31/2015**

Schedule 21C

XIX. SUPPORT SCHEDULES

C. Professional Services

Vendor	Type	Amount
Total from Page 21, Section C (agrees to Schedule V, line 19, column 3)		334,696
	Total (agree to Schedule V, line 19, column 3)	334,696
	Allocated from RE Entity Professional Fees	12,130
	Allocated from Home Office Professional Fees	5,808
	Less: Non-Allowable Legal Fees	(1,086)
	Total (agree to Schedule V, line 19, column 8)	351,548

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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			$		$	$	$	$	$	$	$	$	$
2													
3													N/A
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 4/1/2014 Ending: 3/31/2015

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. **IHCA Dues - $ 7,501**

(3) Did the nursing home make political contributions or payments to a political action organization? **Yes - IHCA Dues** If YES, have these costs been properly adjusted out of the cost report? **Yes**

(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? **3-15**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **44,810** Line **10**

(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.
N/A

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **152,814**
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. $ **0** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **1,561**

(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? **None**
d. Have vehicle usage logs been maintained? **Adequate records have been maintained.**
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? **N/A**
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: **McGladrey LLP**

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

(19) Has a schedule for the legal fees reported on the cost report been provided by the facility? See page 39 of the instructions for details. **Yes**
Attach invoices and a summary of services for all architect and appraisal fees.