



Dave Yost • Auditor of State

**SOUTH VIENNA GROUP HOMES, INC. - VIENNA MEADOWS
CLARK COUNTY**

TABLE OF CONTENTS

Title	Page
Independent Auditor's' Report.....	1
Recommendation: Salvage Value and Recognition of Depreciation Expense	5
Official's Response	9
Appendix A: Medicaid ICF-MR Cost Report Adjustments – 2011	11

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

Independent Auditor's Report on Applying Agreed-Upon Procedures

Mr. Chris Carson, Bureau Chief
Bureau of Audit Performance
Ohio Department of Medicaid
50 W. Town Street, 5th Floor
Columbus, Ohio 43215

Dear Mr. Carson:

As required by Ohio Rev. Code § 5111.27 and Ohio Admin. Code § 5101:3-3-20, the Auditor of State's Office performed the procedures enumerated below to which the Ohio Department of Medicaid (ODM) also agreed. These procedures are designed to assist you in evaluating whether South Vienna Group Homes, Inc. - Vienna Meadows (hereafter referred to as the Provider) prepared its JFS 02524 ICF-MR Medicaid Cost Report (Cost Report) for the period January 1, 2011 through December 31, 2011 in accordance with the Medicaid Cost Report instructions and the Appendix to Ohio Admin. Code § 5101:3-3-71.1 (Cost Report Instructions) and to assist you in evaluating whether reported transactions complied with CMS Publication 15-1, and other compliance requirements described in the procedures below. Note that all rules and code sections relied upon in this report were those in effect during the period ending December 31, 2011 and may be different from those currently in effect. The Provider's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. The sufficiency of these procedures is solely the responsibility of ODM. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Occupancy and Usage

1. ODM requested that we report variances if the Provider's inpatient days were greater than those reported on *Schedule A-1, Summary of Inpatient Days*.

We compared the Provider's inpatient days on the Yearly Census by Payer Report for the number of patient days for Medicaid and non-Medicaid patients to those reported on *Schedule A-1*. We also footed the reports for accuracy.

We found no variances where inpatient days were greater than reported.

2. ODM requested that we report variances if total Medicaid inpatient days and total inpatient days were greater than those reported on *Schedule A-1, Summary of Inpatient Days* for one month.

We compared the Medicaid inpatient days and total inpatient days reported on *Schedule A-1* for December 2011 with the total of the Detailed Census Report by Payer for Medicaid inpatient days and total inpatient days. We also footed the reports for accuracy.

We found no variances where inpatient days were greater than reported for the one month.

Occupancy and Usage (Continued)

3. ODM requested us to report variances to *Schedule A-1, Summary of Inpatient Days* if total inpatient days were greater than those reported for one month.

We haphazardly selected three residents' medical records and compared the total days the resident was in the Provider's care for December 2011 with the total inpatient days reported on the Detailed Census Report by Payer and *Schedule A-1*.

For the selected individuals we also determined if the Provider included any waiver respite days as Medicaid or Medicare days and if bed hold days in excess of 30 in a calendar year received the proper authorization on form JFS 09402 in accordance with Ohio Admin. Code § 5101:3-3-16.8.

We found no variances where inpatient days were greater than reported for the month and no misclassified waiver respite days or unauthorized bed hold days.

4. ODM requested us to report variances if the Provider had reimbursed Medicaid days in excess of total Medicaid days reported on *Schedule A-1, Summary of Inpatient Days*.

We compared the number of reimbursed Medicaid days per the Medicaid Information Technology System (MITS) with the total Medicaid days reported on *Schedule A-1*.

We found that total Medicaid days reported exceeded Medicaid reimbursed days per MITS.

Medicaid Paid Claims

ODM requested that we select paid claims for three of the Provider's residents in one month and report any variances if the claims did not meet the applicable documentation requirements.

We selected all paid claims for three residents for the month of December 2011 from MITS and compared the reimbursed Medicaid days to the days documented per the resident's medical records. We determined if the Provider's documentation met the general requirements of CMS Publication 15-1, Chapter 23 and Ohio Admin. Code § 5101:3-3-20, and if the days billed met the specific requirements of Ohio Admin. Code § 5101:3-3-16.8 (C) to (E) as an occupied or bed hold day and Ohio Admin. Code § 5101:3-3-39 for the payment adjustment requirements for resident's discharge, admittance to hospital, death or election to receive hospice care.

Non-Payroll Expenses

1. ODM requested that we compare the Provider's non-payroll expenses to the amounts reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; and Schedule C, Indirect Cost Care Center* and report reclassifications between schedules and adjustments resulting in decreased costs exceeding five percent of non-payroll expenses on any schedule.

We compared all non-payroll expenses reported on *Schedule B-1, Schedule B-2* and *Schedule C* to the Provider's General Ledger Account Analysis and General Ledger Trial Balance reports to identify variances exceeding five percent of non-payroll expenses on any schedule.

We found no differences exceeding five percent on any one schedule.

Non-Payroll Expenses (Continued)

2. ODM requested that we select a sample of 20 non-payroll expenses reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; Schedule C, Indirect Cost Center; and Exhibit 3, Home Office Trial Balance* and report expenses exceeding \$500 which lacked supporting documentation, were not properly allocated, or were unallowable.

We haphazardly selected 20 non-payroll expenses from non-payroll accounts on *Schedule B-1, B-2, and Schedule C*. We reviewed these expenses to determine if they had supporting documentation, were properly allocated and classified and were allowable expenses per the Cost Report Instructions, Ohio Admin. Code § 5101:3, and CMS Publication 15-1.

We found variances exceeding \$500 as reported in Appendix A.

3. ODM requested that we review the allocation methodology used in the Provider's Home Office Allocation schedule allocating costs on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; Schedule C, Indirect Cost Care Center; and equity on Schedule E-1, Return on Equity Capital of Proprietary Providers* and determine if it was reasonable, allowable, related to residential care, and properly classified in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, Section 2150 and the Cost Report Instructions. ODM requested that we report any reclassifications between schedules and adjustments resulting in decreased Home Office costs on any schedule.

We did not perform this procedure for Home Office expenses since the Provider did not report these costs on *Schedule B-1, Schedule B-2, Schedule C or Schedule E-1*. However, we did review the allocation methodology for \$23,008 in Indirect Consulting and Management expenses reported on *Schedule B-2 and Schedule C* which were provided by a third party contractor.

We found no differences.

4. ODM requested that we scan the Provider's non-payroll expenses reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; and Schedule C, Indirect Cost Center* for non-federal reimbursable costs or costs not properly classified exceeding \$500 or contractor costs over \$10,000 that should have been reported on *Schedule C-3, Costs of Services from Related Parties*.

We scanned the Provider's General Ledger Account Analysis and General Ledger Trial Balance reports for non-payroll expenses reported on *Schedule B-1, Schedule B-2, and Schedule C* for non-federal reimbursable costs or costs not classified in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, or the Cost Report Instructions exceeding \$500. We also scanned for any contractors with costs over \$10,000 which would require reporting on *Schedule C-3*.

We found no differences exceeding \$500. We found no contracts which should be reported on *Schedule C-3*.

5. ODM requested that we compare the final 2011 non-payroll costs reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; and Schedule C, Indirect Cost Care Center* by chart of account code to non-payroll costs reported by chart of account code in 2010 and obtain the Provider's explanation for non-payroll variances that increased by more than five percent and \$500 from the prior year's schedules and report adjustments exceeding \$500 and five percent of non-payroll costs on any schedule.

Non-Payroll Expenses (Continued)

ODM also requested that we make the same comparison between the 2011 final non-payroll costs and non-payroll costs reported in the previous 2011 Medicaid Cost Report filed on March 30, 2012.

We compared the 2010 non-payroll costs reported on *Schedule B-1*, *Schedule B-2*, and *Schedule C* by chart of account code to non-payroll costs reported by chart of account code in the final 2011 Cost Report and obtained the Provider's explanation for five non-payroll variances that increased by more than five percent from the prior year's schedules.

The Provider stated that the increase in Real Estate taxes on *Schedule B-1* was due to a rate increase. The Provider stated that increases on *Schedule C* for Travel and Entertainment, Insurance, and Laundry and Linens were due to rate/cost increases in these areas. The Provider also stated that increases for Dues, Licenses and Subscriptions were due to a new membership in an external organization.

We also compared the 2011 final non-payroll costs reported on *Schedule B-1*, *Schedule B-2*, and *Schedule C* by chart of account code to non-payroll costs reported by chart of account code in the previous 2011 Cost Report and obtained the Provider's explanation for one non-payroll variances that increased by more than five percent.

The Provider stated that increases on *Schedule C* for Amortization of Start-up Costs was due to these costs being left off in error on the original Cost Report that was filed.

We found no adjustments exceeding \$500 and 5 percent of non-payroll costs on any schedule.

Property

1. ODM requested we compare the Provider's procedures regarding capitalization of fixed assets used for preparing *Schedule D*, *Capital Cost Center*; *Schedule D-1*, *Analysis of Property, Plant and Equipment*; and *Schedule D-2*, *Capital Additions/Deletions* with the Cost Report Instructions and CMS Publication 15-1, and report any variances.

We compared the Provider's procedures regarding capitalization of fixed assets used for preparing *Schedule D*, *Schedule D-1* and *Schedule D-2* with the Cost Report Instructions and CMS Publication 15-1.

We noted two inconsistencies between the Provider's capitalization policy and the guidelines in that the Provider does not determine a salvage value when calculating depreciation as required by CMS Publication 15-1, 104.19, which states "Virtually all assets have a salvage value substantial enough to be included in calculating depreciation, and only in rare instance is salvage value so negligible that it may be ignored."

Also, the Provider took depreciation for the whole year on some new purchases and not the month after the asset was placed into service. This is inconsistent with Ohio Admin. Code § 5101:3-3-71.3 E(2) which states "The following depreciation conventions shall be used to calculate depreciation expense:(1) For calendar year 1994 and each calendar year thereafter, in the month that a capital asset is placed into service, no depreciation expense is recognized as an allowable expense. A full month's depreciation expense is recognized in the month following the month the asset is placed into service." See procedure 3 for corresponding adjustments.

Property (Continued)

Recommendation:

We recommend the Provider calculate a salvage value equal to 10 percent of historical cost when determining the initial net book value to be depreciated for each new capital asset purchase and the Provider begin depreciating assets after the month of acquisition.

The Provider's independent accounting firm responded, "...We disagree with the assertion that most assets have salvage value, particularly in an ICF/IID setting, in which the capital assets often receive heavy and rough use due to the behavioral characteristics of the residents. We also assert that virtually no providers utilize the salvage value concept in this industry; however, we acknowledge the adjustments are immaterial to this settlement and we are not challenging these findings at this time."

2. ODM requested that we compare capital assets and corresponding depreciation listed on *Schedule D, Capital Cost Center; Schedule D-1, Analysis of Property, Plant and Equipment; and Schedule D-2, Capital Additions/Deletions* to the Provider's Asset Depreciation Report and Monthly Abbreviated Depreciation Report, and report differences exceeding \$500.

We compared capital assets and corresponding depreciation listed on *Schedule D, Schedule D-1* and *Schedule D-2* to the Provider's Depreciation Schedule.

We found differences as reported in Appendix A.

3. ODM requested that we select a total of three additions, renovations, and/or deletions reported on *Schedule D-1, Analysis of Property, Plant and Equipment* and *Schedule D-2, Capital Additions/Deletions* and determine if the cost basis, useful life and depreciation expense were in accordance with the Cost Report Instructions and Ohio Admin. Code § 5101:3-3-01(BB), and report any differences.

We selected a total of four additions reported on *Schedule D-1* and *Schedule D-2* and reviewed the cost basis, useful life and depreciation expense to determine whether they were in accordance with the Cost Report Instructions and Ohio Admin. Code § 5101:3-3-01(BB). We also reviewed the assets used in residential care to determine if they should be reclassified as the Costs of Ownership in accordance with Ohio Admin § 5101:3 and CMS Publication 15-1.

We found differences related to depreciating assets in the month of acquisition and lack of salvage value in depreciation calculation (see also procedure 1 above).

We reported differences in Appendix A.

4. ODM requested we review the rent and lease agreements to determine if any related party lease costs were recorded in accordance Ohio Admin. Code §§ 5101:3-3-01 (BB) and 5101:3-3-84.3 and that non-related leases meet the requirements of FASB 13, if costs were recorded in *Schedule D, Analysis of Property, Plant and Equipment* in Lease and Rent Accounts 8060 or 8065, and report any differences.

We reviewed rent and lease agreements.

We found no differences.

Property (Continued)

5. ODM requested we compare the renovation and financing costs in the Non-extensive Renovation Letter to *Schedule D-1, Analysis of Property, Plant and Equipment*, if costs were recorded in *Schedule E, Balance Sheet*, Account 1300, Renovations, and report any differences.

We did not perform this procedure because there were no costs recorded in *Schedule E, Balance Sheet*, Account 1300, Renovations.

6. ODM requested we review the Asset Depreciation Report and Monthly Abbreviated Depreciation Report to ensure transportation expenses were reasonable, allowable and related to patient care as defined in CMS Publication 15-1. ODM also requested we review the W-2s to determine if any corporate officers and owners who exclusively used vehicles reported additional compensation or were adjusted from allowable expenses pursuant to CMS Publication 15-1, Chapter 9, if transportation costs are recorded in *Schedule D-1, Analysis of Property, Plant and Equipment*, and report any differences.

We did not perform this procedure because there were no transportation costs recorded in *Schedule D-1, Analysis of Property, Plant and Equipment*.

Payroll

1. ODM requested that we compare the Provider's payroll expenses to the amounts reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; Schedule C, Indirect Cost Care Center; Schedule C-1, Administrator's Compensation; and Schedule C-2, Owner's Relatives Compensation* and report reclassifications between schedules and adjustments resulting in decreased costs or hours exceeding five percent on any schedule.

We compared all salary, fringe benefits and payroll tax entries and hours worked reported on *Schedule B-1, Schedule B-2, Schedule C and Schedule C-1* to the Provider's Trial Balance and General Trial Balance reports to identify variances exceeding five percent of total payroll costs or hours reported on any schedule.

We found no differences exceeding five percent.

2. ODM requested that we select a sample of 10 employees reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; Schedule C, Indirect Cost Center; and Exhibit 3, Home Office Trial Balance* and determine if any salaries and fringe benefit expenses exceeding \$500 were not properly allocated and classified or were unallowable.

We selected 10 employees (including all Administrators and Owners) and compared the Provider's employee job descriptions to the schedule in which each employee's salary and fringe benefit expenses were reported to determine if they were allowable under CMS Publication 15-1, were properly classified, allocated and allowable in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, Chapter 9 and Section 2150 and the Cost Report Instructions.

We found no differences.

Payroll (Continued)

3. ODM requested that we compare the final 2011 payroll costs reported on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; and Schedule C, Indirect Cost Care Center* by chart of account code to payroll costs reported by chart of account code in 2010 and obtain the Provider's explanation for payroll variances that increased by more than five percent and \$500 from the prior year's schedules and report adjustments exceeding \$500 and five percent of payroll costs on any schedule. ODM also requested that we make the same comparison between the 2011 final payroll costs and payroll costs in a previous 2011 ICF-MR Medicaid Cost Report filed on March 30, 2012.

We compared the final 2011 payroll costs reported on *Schedule B-1, Schedule B-2, and Schedule C* by chart of account code to payroll costs reported by chart of account code in the 2010 Cost Report and obtained the Provider's explanation for payroll variances that increased by more than five percent from the prior year's schedules.

The Provider stated that the increase in Director of Nursing on *Schedule B-2* was due to a salary increase and pay out of leave time. No other variances greater than five percent were identified.

We also compared the final 2011 non-payroll costs reported on *Schedule B-1, Schedule B-2, and Schedule C* by chart of account code to payroll costs reported by chart of account code in the previous 2011 Cost Report to identify payroll variances that increased by more than five percent.

The Provider stated that the increase in Worker's Compensation on both *Schedule B-2 and Schedule C* was due to adding accrual adjustments for worker's compensation costs that were left off in error on the original Cost Report that was filed.

We found no adjustments exceeding \$500 and 5 percent of non-payroll costs on any schedule.

Revenue

1. ODM requested us to compare all revenues on the Provider's General Ledger with those revenues reported on *Attachment 1, Revenue Trial Balance* and report differences exceeding five percent of total revenues reported.

We compared all revenues on the Provider's Income Statement report with those revenues reported on *Attachment 1* to determine if all revenues were reported in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, and the Cost Report Instructions.

We found no differences exceeding five percent.

2. ODM requested we scan the Provider's Revenue Ledger to identify any revenue offsets/applicable credits exceeding \$500 which the Provider did not record on *Attachment 2, Adjustments to Trial Balance* or were not offset against expenses on *Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; or Schedule C, Indirect Care Cost Center*.

Revenue (Continued)

We scanned the Provider's Income Statement for revenues which roll up to *Attachment 1, Revenue Trial Balance* and the Provider's Trial Balance reports for expenses which roll up to *Schedule B-1, Schedule B-2* and *Schedule C* to identify any revenue offsets or applicable credits which were not reported on *Attachment 2* or *Schedule B-1, Schedule B-2* and *Schedule C* to offset corresponding expenses in accordance with CMS Publication 15-1, Chapters 1, 6 and 8.

We did not identify any unrecorded revenue offsets or applicable credits exceeding \$500 on *Attachment 2* or that would offset corresponding expenses on *Schedule B-1, Schedule B-2, and Schedule C*.

Assets, Liabilities and Owner's Equity

ODM requested us to perform procedures 1 through 6 below if the Provider was a for-profit provider and if *Schedule E-1, Return on Equity Capital of Proprietary Providers* reported equity above zero.

1. ODM requested we compare Assets and Liabilities on the *Schedule E, Balance Sheet* with the Provider's trial balance report and other supporting documentation for those accounts greater than five percent of total reported assets or liabilities and identify any unsupported, unallowable or improperly classified amount per Ohio Admin. Code § 5101:3, CMS Publication 15-1, or the Cost Report Instructions.

We compared Assets and Liabilities on the *Schedule E* with the Provider's Trial Balance and General Ledger Trial Balance reports for those accounts greater than five percent of total reported assets or liabilities. We also noted if any amount was unsupported, unallowable or improperly classified per Ohio Admin. Code § 5101:3, CMS Publication 15-1, or the Cost Report Instructions.

We found no differences.

2. ODM requested we determine if the Provider is on a proper accrual basis and if their accrual policies are applied consistently between periods as required by the Cost Report Instructions and report any differences.

We determined the Provider is on a proper accrual basis and we found no inconsistencies between periods.

3. ODM requested we compare the Provider's ending account balance with beginning balance for all accounts on *Schedule E, Balance Sheet* and obtain an explanation for any account ending balance with variances exceeding 25 percent or \$100,000 of the beginning balance and report any adjustments.

We compared the Provider's ending account balance with beginning balance for all accounts on *Schedule E* and obtained an explanation for any account ending balance with variances exceeding 25 percent or \$100,000 of the beginning balance.

Assets, Liabilities and Owner's Equity (Continued)

The Provider stated the increase for Cash in Banks - General Account and Accounts Payable is due to an increase in patient funds cash and the corresponding patient funds liability. The increase in Accounts Receivable was due to slow payment from the new MITS system due to reconciliation issues. The Provider also stated Prepaid Expenses increased due to timing differences in insurance payments and Accumulated Depreciation increased since there were no disposals to offset normal increases.

These variances above did not result in adjustments in Appendix A; however, the Provider also stated that Other Receivables increased because the negative beginning balance was incorrectly categorized as an asset in the prior year when it was actually a liability to the parent company and the ending balance was due to unsupported adjustments. Similarly, the Provider also stated that the increase in Deferred Charges and Other Assets was due to the ending balance being misclassified as an asset when it was actually a liability to the parent company.

We reclassified the unsupported costs/balances as reported on Appendix A.

4. ODM requested we compare the savings account balance on the trial balance report to *Schedule E, Balance Sheet* to determine if total cash on hand from investments/savings exceeds three months of the Provider's total annual operating expenses as reported *Schedule A-3, Summary of Costs* and is not allowable equity as Invested Funds, pursuant to CMS Pub. 15-1, Section 1218.2, and report any differences.

We did not perform this procedure because no savings account balances were reported on the Trial Balance report or *Schedule E*.

5. ODM requested we compare reconciling items on the bank reconciliation report/schedule with the December 2011 bank statement and trial balance report and report any differences.

We compared reconciling items on the Resident Funds bank reconciliation report with the December 2011 bank statement and Trial Balance report.

We found no variances.

6. ODM requested we compare amounts reported on *Schedule E-1, Return on Equity Capital of Proprietary Providers* to supporting documentation to ensure net equity calculations for Capital, Due from Owners/Officers, Related Party Loans, Equity in Assets Leased from Related Parties, or Home Office Equity were in accordance with CMS Publication 15-1 and Ohio Admin. Code § 5101:3-3-01(BB), and report any differences.

We did not perform this procedure because the Provider did not report any reimbursable equity items on *Schedule E-1*.

We received a response from officials to exceptions noted above under Property, procedure 1. We did not audit the response and, accordingly, we express no opinion on it.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Provider's Cost Report. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the Provider, the Ohio Department of Medicaid, the Ohio Department of Developmental Disabilities and the Centers for Medicare and Medicaid Services, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

Dave Yost
Auditor of State

January 27, 2015

Appendix A
South Vienna Group Homes, Inc. - Vienna Meadows

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-2 Direct Care Cost Center				
1. Medical Director - 6100 - Other/Contract Wages (2)	\$ 14,500	\$ (8,500)	\$ 6,000	To reclassify Medical Doctor Fees to Non-Federal Reimbursable due to no supporting invoice or contract
14. Psychologist - 6175 - Other/Contract Wages (2)	\$ 5,475	\$ (5,475)	-	To reclassify Psychologist Fees to Non-Federal Reimbursable due to no supporting invoice or contract
Schedule C Indirect Care Cost Center				
68. Other Non-Reimbursable Costs - Service Contracts	\$ -	\$ 13,975	\$ 13,975	To reclassify Medical Doctor & Psychologist Fees to Non-Federal Reimbursable due to no supporting invoice or contract
Schedule D Capital Cost Center				
3. Amortization - Leasehold Improvements (3) Total	\$ 2,108	\$ (9)	\$ 2,099	To decrease depreciation - parking lot repairs due to no salvage value
4. Depreciation - Equipment (3) Total	\$ 9,384	\$ (22)		To decrease depreciation - furniture due to no salvage value
		\$ (276)		To decrease depreciation for refrigerator due to no salvage value and whole year depreciation
		\$ (124)	\$ 8,962	To decrease depreciation LCD TV for salvage value and whole year depreciation
Schedule D-1 Analysis of Property, Plant and Equipment				
2. Buildings - Cost at Beginning of Period (2)	\$ 122,764	\$ (122,764)	-	To reclassify all Building Costs to Financing Costs
2. Buildings - Accumulated Depreciation End of Period (5)	\$ 112,534	\$ (112,534)	-	To reclassify all Building Costs to Financing Costs
4. Leasehold Improvements - Accumulated Depreciation End of Period (5)	\$ 4,739	\$ (9)	\$ 4,730	To decrease depreciation - parking lot repairs due to no salvage value
4. Leasehold Improvements - Depreciation this Period (7)	\$ 2,108	\$ (9)	\$ 2,099	To decrease depreciation - parking lot repairs due to no salvage value
5. Equipment - Accumulated Depreciation End of Period (5)	\$ 31,495	\$ (124)		To decrease depreciation LCD TV for salvage value and whole year depreciation
		\$ (276)		To decrease depreciation for refrigerator due to no salvage value and whole year depreciation
		\$ (22)	\$ 31,073	To decrease depreciation - furniture due to no salvage value
5. Equipment - Depreciation this Period (7)	\$ 9,384	\$ (124)		To decrease depreciation LCD TV for salvage value and whole year depreciation
		\$ (276)		To decrease depreciation for refrigerator due to no salvage value and whole year depreciation
		\$ (22)	\$ 8,962	To decrease depreciation - furniture due to no salvage value

Appendix A
South Vienna Group Homes, Inc. - Vienna Meadows

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule E Balance Sheet				
Current Assets				
7. Other Receivables (Beginning)	\$ (1,392,176)	\$ (1,392,176)	\$	- To reclassify Other Receivable to a liability.
7. Other Receivables (Ending)	\$ 232,381	\$ (103,577)		To correct unsupported 2010 reversing entry.
		\$ 4,327		To correct unsupported 2011 adjusting entries.
		\$ (17,625)		To correct unsupported 2011 adjusting entries.
		\$ (17,109)		To correct unsupported 2011 adjusting entries.
		\$ (98,500)		To correct unsupported 2011 adjusting entries.
		\$ (51,250)		To correct unsupported 2011 adjusting entries.
		\$ 16,271		To correct unsupported 2011 adjusting entries.
		\$ 35,082	\$	- To correct unsupported 2011 adjusting entries.
Other Assets				
22. Deferred Charges and Other Assets (Ending)	\$ (1,515,623)	\$ 1,515,623	\$	- To reclassify Deferred charge to a liability.
Current Liabilities				
26. Accounts Payable (Ending)	\$ 48,216	\$ (4,327)	\$ 43,889	To correct unsupported adjusting entries.
33. Other Liabilities (Beginning)	\$ -	\$ 1,392,176	\$ 1,392,176	To reclassify Other Receivable to a liability.
33. Other Liabilities (Ending)	\$ -	\$ 1,515,623	\$ 1,515,623	To reclassify Deferred charge to a liability.
Long-Term Liabilities				
42. Capital (Ending)	\$ (945,223)	\$ (17,109)		To correct unsupported 2011 adjusting entries.
		\$ (17,625)		To correct unsupported 2011 adjusting entries.
		\$ (98,500)		To correct unsupported 2011 adjusting entries.
		\$ (51,250)		To correct unsupported 2011 adjusting entries.
		\$ 16,271		To correct unsupported 2011 adjusting entries.
		\$ 35,081		To correct unsupported 2011 adjusting entries.
		\$ (103,577)	\$ (1,181,932)	To correct unsupported 2010 reversing entry.



Dave Yost • Auditor of State

SOUTH VIENNA GROUP HOMES INC-VIENNA MEADOWS

CLARK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2015**