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December 31, 2009

Board of Directors
Family Health Center of Clark County
1319 Duncan Ave.
Jeffersonville, IN 47130

We have reviewed the audit report prepared by London Witte Group, LLC, Independent Public Accountants, for the period July 1, 2007 to June 30, 2008. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Family Health Center of Clark County, as of June 30, 2008, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

We call your attention to the finding in the report. The management letter contains one comment.

STATE BOARD OF ACCOUNTS

FAMILY HEALTH CENTER OF CLARK COUNTY

Financial Statements

Years Ended June 30, 2008 and 2007

FAMILY HEALTH CENTER OF CLARK COUNTY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Family Health Center of Clark County

We have audited the statements of financial position of

FAMILY HEALTH CENTER OF CLARK COUNTY

(a not-for-profit organization) as of June 30, 2008 and 2007, and the related statements of activities, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Family Health Center of Clark County as of June 30, 2008 and 2007, and the results of its operations and its changes in financial position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

London Witte Group, LLC

September 10, 2008

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENTS OF FINANCIAL POSITION

June 30, 2008 and 2007

	2008	2007
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents		
Unrestricted	\$ 27,557	\$ 102,401
Restricted for building construction	0	4,066
Restricted for prescriptions	491	1,290
Restricted for eyeglasses	3,750	3,750
Restricted for mental health prescriptions	15,715	9,863
Restricted for operations	70,000	0
Restricted for HRSA	4	0
Restricted for building purchase	200,788	0
Restricted for UPS Foundation	0	10,567
Restricted for BCCP	515	0
	318,820	131,937
Accounts receivable, less allowance for doubtful accounts of \$20,256 for 2008 and \$0 for 2007	111,886	65,273
Short-term investments	300,000	458,269
Prepaid expenses	16,693	9,790
	747,399	665,269
TOTAL CURRENT ASSETS	747,399	665,269
NON-CURRENT ASSETS		
Long-term investments	132,519	225,000
Property and equipment, net	645,923	599,403
	778,442	824,403
TOTAL NON-CURRENT ASSETS	778,442	824,403
TOTAL ASSETS	\$ 1,525,841	\$ 1,489,672
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 17,680	\$ 12,686
Accrued payroll liabilities	34,009	23,792
	51,689	36,478
TOTAL LIABILITIES	51,689	36,478
<u>NET ASSETS</u>		
Unrestricted	1,116,062	1,391,776
Temporarily restricted	358,090	61,418
Permanently restricted	0	0
	1,474,152	1,453,194
TOTAL NET ASSETS	1,474,152	1,453,194
TOTAL LIABILITIES AND NET ASSETS	\$ 1,525,841	\$ 1,489,672

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENTS OF ACTIVITIES

For the Year Ended June 30, 2008, with Comparative Totals for 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	
				<u>2008</u>	<u>2007</u>
SUPPORT AND REVENUE					
Direct public support					
Donations	\$ 2,583,218	\$ 10,491	\$ 0	\$ 2,593,709	\$ 2,209,643
Grants	814,595	68,343	0	882,938	424,113
Fundraising	0	515	0	515	0
Total support revenue	<u>3,397,813</u>	<u>79,349</u>	<u>0</u>	<u>3,477,162</u>	<u>2,633,756</u>
Other revenue					
BCCP contract	146,423	0	0	146,423	136,170
Clinic fees	141,426	0	0	141,426	157,803
Immunizations	16,000	0	0	16,000	16,000
Management services	248,729	0	0	248,729	201,431
Medication fees	27,781	0	0	27,781	0
Miscellaneous	1,069	0	0	1,069	1,493
STD program	5,880	0	0	5,880	5,740
Interest income	2,285	38	0	2,323	3,790
Investment income	28,360	0	0	28,360	29,014
Net assets released from restrictions	53,465	(53,465)	0	0	0
Total other revenue	<u>671,418</u>	<u>(53,427)</u>	<u>0</u>	<u>617,991</u>	<u>551,441</u>
TOTAL SUPPORT AND REVENUE	<u>4,069,231</u>	<u>25,922</u>	<u>0</u>	<u>4,095,153</u>	<u>3,185,197</u>
EXPENSES					
Program services	3,567,430	0	0	3,567,430	3,014,764
Administrative and general	506,765	0	0	506,765	218,487
TOTAL EXPENSES	<u>4,074,195</u>	<u>0</u>	<u>0</u>	<u>4,074,195</u>	<u>3,233,251</u>
CHANGE IN NET ASSETS	(4,964)	25,922	0	20,958	(48,054)
TRANSFER TO RESTRICTED	(270,750)	270,750	0	0	0
NET ASSETS, BEGINNING	<u>1,391,776</u>	<u>61,418</u>	<u>0</u>	<u>1,453,194</u>	<u>1,501,248</u>
NET ASSETS, ENDING	<u>\$ 1,116,062</u>	<u>\$ 358,090</u>	<u>\$ 0</u>	<u>\$ 1,474,152</u>	<u>\$ 1,453,194</u>

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENT OF ACTIVITIES

Year Ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Direct public support				
Donations	\$ 2,199,076	\$ 10,567	\$ 0	\$ 2,209,643
Grants	381,077	43,036	0	424,113
Total support revenue	2,580,153	53,603	0	2,633,756
Other revenue				
BCCP contract	136,170	0	0	136,170
Clinic fees	157,803	0	0	157,803
Immunizations	16,000	0	0	16,000
Management services	201,431	0	0	201,431
Miscellaneous	1,493	0	0	1,493
STD Program	5,740	0	0	5,740
Interest income	3,790	0	0	3,790
Investment income	29,014	0	0	29,014
Net assets released from restrictions	30,590	(30,590)	0	0
Total other revenue	582,031	(30,590)	0	551,441
TOTAL SUPPORT AND REVENUE	3,162,184	23,013	0	3,185,197
EXPENSES				
Program services	3,014,764	0	0	3,014,764
Administrative and general	218,487	0	0	218,487
TOTAL EXPENSES	3,233,251	0	0	3,233,251
CHANGE IN NET ASSETS	(71,067)	23,013	0	(48,054)
NET ASSETS, BEGINNING OF YEAR	1,462,843	38,405	0	1,501,248
NET ASSETS, END OF YEAR	\$ 1,391,776	\$ 61,418	\$ 0	\$ 1,453,194

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended June 30, 2008 and 2007

	2008	2007
PROGRAM SERVICES		
BCCP contract	\$ 10,163	\$ 8,789
BCCP reimbursements	35,521	28,384
Charlestown clinic	890	2,756
Conferences	18	0
Contracted physician services	10,000	0
Dental supplies	6,282	5,284
Depreciation - Medical equipment	5,055	5,605
Educational materials	187	0
Equipment repairs	2,395	170
Eyeglasses expense	1,807	2,214
FHCHC expense	0	844
Fringe benefits	20,600	13,151
Grant expense	74	2,600
Medical supplies - patients	5,740	3,347
Non-BCCP reimbursements	5,003	3,832
Office supplies	9,935	0
Patient drug expense	94,377	134,160
Payroll	728,000	594,499
Payroll taxes	54,164	44,875
Postage	2,129	0
Training	675	450
Travel	977	0
Donated services:		
Hospital services	2,191,214	1,788,002
Medicine	276,324	239,552
Physician referral services	105,900	136,250
	\$ 3,567,430	\$ 3,014,764
Total program services		

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended June 30, 2008 and 2007

	2008	2007
GENERAL AND ADMINISTRATIVE		
Advertising	\$ 401	\$ 146
Professional fees	4,600	8,112
Bad debt expense	25,277	0
Bank charges	503	124
Building expense	525	0
Business insurance	5,625	6,146
Charlestown clinic	2,040	0
Computer startup expense	27	355
Conferences	2,444	499
Depreciation - Building and office equipment	27,375	31,370
Dues	14,083	1,550
Filing fees	7	207
Fringe benefits	2,150	168
Gain/loss on disposal of equipment	0	(1,347)
Insurance claims processing	295	0
Janitorial services	2,589	0
Malpractice insurance	24,513	17,693
Miscellaneous	601	626
Moving expenses	6,193	0
Payroll	334,611	126,198
Payroll taxes	25,049	9,641
Postage	1,122	2,558
Office supplies	6,862	8,097
Security services	620	322
Software maintenance contract	0	600
Software support contract	1,679	0
Technical assistance	2,295	0
Telephone expense	365	0
Training	2,005	150
Travel	8,287	2,088
Unemployment claims	828	0
Workers compensation insurance	2,142	1,932
Donated services:		
Accounting	1,652	1,252
Total general and administrative	\$ 506,765	\$ 218,487
TOTAL FUNCTIONAL EXPENSES	\$ 4,074,195	\$ 3,233,251

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

STATEMENTS OF CASH FLOWS Years Ended June 30, 2008 and 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributors and service recipients	\$ 1,161,812	\$ 744,043
Cash paid to employees and suppliers	(1,433,090)	(1,034,427)
Interest received	30,683	32,804
All other	255,678	208,664
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	15,083	(48,916)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(78,950)	(42,178)
Proceeds from disposal of equipment	0	4,664
Purchase of investments	(207,519)	(225,750)
Proceeds from redemption of investments	458,269	225,750
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	171,800	(37,514)
NET INCREASE (DECREASE) IN CASH	186,883	(86,430)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	131,937	218,367
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 318,820	\$ 131,937
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Change in net assets	\$ 20,958	\$ (48,054)
Non-cash items		
Depreciation and amortization	32,430	36,975
Gain/loss on disposal of equipment	0	1,347
Decrease (increase) in assets		
Accounts receivable	(46,613)	(37,228)
Prepaid expenses	(6,903)	249
Increase (decrease) in liabilities		
Accounts payable	4,994	(10,791)
Accrued payroll liabilities	10,217	8,586
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 15,083	\$ (48,916)

The accompanying notes are an integral part of these statements.

FAMILY HEALTH CENTER OF CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2008 and 2007

(1) Summary of significant accounting policies

The significant accounting policies followed by the Family Health Center are summarized below.

Nature of operations - The Family Health Center of Clark County ("Center") is a community-based nonprofit organization established to provide preventative and primary care, as well as health educational opportunities to the low income, uninsured, and under insured residents of Clark County and its surrounding area.

Preparation of financial statements - The financial statements are prepared in accordance with the Statement of Financial Accounting Standards ("SFAS") No. 117, "Financial Statements of Not-for-profit Organizations." Under SFAS 117, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Center is required to present a statement of cash flows.

Depreciation - The Center follows the policy of capitalizing fixed assets purchased at cost. Depreciation for furniture and equipment is computed on a straight-line basis over an estimated useful life of 5-7 years. Computers are being depreciated on a straight-line basis over an estimated useful life of 5 years. The building is being depreciated on a straight-line basis over an estimated useful life of 39 years.

Cash and cash equivalents - Cash and cash equivalents consist of funds in demand accounts. At times, such funds may be in excess of the FDIC insurance limits. Certain portions of the Center's cash balance are restricted for purposes required by the donor.

Contributions - The Center has adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or nature of any donor restrictions.

Promises to give - Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contribution of donated services - The Center receives a substantial amount of services donated from the physicians and nurses, as well as other administrators of the Clark Memorial Hospital. These professionals have donated services to examine, treat, and educate many of the Center's patients, as well as perform regular operations of the Center.

Advertising - Advertising costs are expensed when incurred. Advertising costs for the years ended June 30, 2008 and 2007 were \$401 and \$146, respectively.

Financial statement estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

FAMILY HEALTH CENTER OF CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2008 and 2007

(2) Concentration of credit risk

The Center is predominately funded by the Metro United Way of Clark County, Indiana State Department of Health, Health Resources and Services Administration, and public support from foundations and individuals. The Center provides medical assistance to low income, uninsured, and underinsured residents of Clark County and its surrounding

The Center received from the Metro United Way grants totaling \$29,266 and \$30,093 for the donor's fiscal years 2007/2008 and 2006/2007, respectively. Of this amount, \$11,511 and \$11,836 was for the pharmaceutical supplies fund and \$17,755 and \$18,257 was for volunteer recruitment.

The Center received from the Indiana State Department of Health grants totaling \$388,500 and \$388,500 for unrestricted purchases for the fiscal years of 2007/2008 and 2006/2007, respectively. Under FASB 116, unconditional promises to give with payments due in future periods shall be reported as temporarily restricted support.

Allocations received from the Indiana State Department of Health represented approximately 10% and 13% of total revenues for the years ended June 30, 2008 and 2007, respectively. Donated services received from the Clark Memorial Hospital represented approximately 54% and 57% of total revenues for the years ended June 30, 2008 and 2007 respectively. Allocations received from the Health Resources and Services Administration grant represented approximately 10% and 0% of total revenues for the years ended June 30, 2008 and 2007, respectively.

(3) Property and equipment, net

Property and equipment, net, consists of the following:

	2008	2007
Cost		
Medical equipment	\$ 20,620	\$ 17,058
Dental equipment	42,863	34,725
Office equipment	150,626	123,626
Office equipment - Charlestown	399	399
Building	620,273	580,023
Land	25,300	25,300
Total cost	860,081	781,131
Accumulated depreciation and amortization	214,158	181,728
 PROPERTY AND EQUIPMENT, NET	 \$ 645,923	 \$ 599,403

Depreciation expense was \$32,430 and \$36,975 for the years ended June 30, 2008 and 2007, respectively. The depreciation and capitalization policies followed by the Center are described in Note 1.

FAMILY HEALTH CENTER OF CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2008 and 2007

(4) Investments

Investments consists of certificates of deposits recorded at cost. As of June 30, 2008, investments consist of the followin

	2008
Investments maturing within one year:	
3.96% certificate of deposit with maturity of July, 2008	\$ 25,000
4.00% certificates of deposit with maturity of August, 2008	200,000
3.35% certificate of deposit with maturity of April, 2009	75,000
Total short-term investments	300,000
Long-term investments:	
4.40% certificate of deposit with maturity of August, 2009	25,519
4.94% certificate of deposit with maturity of August, 2011	50,000
4.50 % certificate of deposit with maturity of September, 2011	57,000
Total long-term investments	132,519
Total investments as of June 30, 2008	\$ 432,519

As of June 30, 2007, investments consisted of the following:

	2007
Investments maturing within one year:	
3.54% - 3.70% certificate of deposit with maturity of August, 2007	\$ 75,519
4.00% - 4.16% certificate of deposit with maturity of September, 2007	157,000
5.25% certificate of deposit with maturity of November, 2007	50,000
4.88% - 4.96% certificates of deposit with maturity of February, 2008	175,750
Total short-term investments	458,269
Long-term investments:	
3.96% certificates of deposit with maturity of July, 2008	25,000
4.00 % certificates of deposit with maturity of August, 2008	200,000
Total long-term investments	225,000
Total investments as of June 30, 2007	\$ 683,269

Due to the lack of marketability of certificates of deposits, the value of the investments have been recorded at cost, which is also considered the fair market value.

FAMILY HEALTH CENTER OF CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2008 and 2007

(5) Temporarily restricted net assets

Net assets were temporarily restricted for the following purposes at June 30, 2008 and 2007:

	2008	2007
Building construction	\$ 0	\$ 4,066
Building purchase	229,295	0
BCCP program	515	0
Prescription assistance program	10,491	6,290
Eyeglasses for the Indigent program	3,750	3,750
Mental health prescriptions	15,715	9,863
Operations	70,000	0
North Clark Foundation - Charlestown clinic	0	10,567
Tobacco cessation	0	288
Employee training modules	0	771
HRSA general expenses	12,958	0
Department of Health general expenses	15,366	25,823
	\$ 358,090	\$ 61,418

(6) Provision for income tax

The Center operates as a nonprofit organization as provided for in Section 501(c)(3) of the Internal Revenue Code, and therefore is exempt from income taxes.

(7) Related party transactions

The Center has entered into an agreement to provide the managerial services of the Executive Director and the Finance Director to the Family Health Center of Floyd County ("Floyd"), the Family Health Center of Harrison County ("Harrison") and the Breast and Cervical Cancer Program ("BCCP"). The contract is automatically renewable each year with the consent of both parties. As of June 30, 2008, the contract agreements remained valid. The total amounts received for these management agreements as of June 30, 2008 and 2007 were:

	2008	2007
Family Health Center of Floyd County	\$ 55,865	\$ 49,307
Family Health Center of Harrison County	17,965	2,610
Breast and Cervical Cancer Program	13,242	12,283
	\$ 87,072	\$ 64,200

FAMILY HEALTH CENTER OF CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2008 and 2007

(7) Related party transactions (continued)

All Floyd, Harrison and BCCP employees have been transferred to the Center's payroll. The bi-weekly payroll, payroll taxes, and benefits of these employees are paid by the Center, who then invoices and is reimbursed by each for the total amounts paid. The total amount of payroll, payroll taxes, and benefits paid by the Center on behalf of these employees during the years ended June 30, 2008 and 2007 were:

	<u>2008</u>	<u>2007</u>
Family Health Center of Floyd County	\$ 161,853	\$ 142,380
Family Health Center of Harrison County	13,046	5,225
Breast and Cervical Cancer Program	<u>123,168</u>	<u>98,915</u>
	<u>\$ 298,067</u>	<u>\$ 246,520</u>

In addition, the Center had the following amounts receivable as of June 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Family Health Center of Floyd County	\$ 16,286	\$ 2,410
Family Health Center of Harrison County	4,777	1,776
Breast and Cervical Cancer Program	<u>18,022</u>	<u>14,280</u>
	<u>\$ 39,085</u>	<u>\$ 18,466</u>

The Center receives donated accounting services from the Board of Director treasurer. Donated services received from the treasurer were \$1,652 and \$1,252 for the years ended June 30, 2008 and 2007, respectively.

(8) Retirement plan

The Center maintains a 403(b) annuity plan for all eligible employees. Total amounts paid to employees for contribution to the plan were \$38,403 and \$30,321 for the years ended June 30, 2008 and 2007, respectively.

(9) Litigation

In August, 2006, the Center was named as a defendant in a medical negligence claim from one of their former patients. The Center is fully covered under malpractice insurance, and has paid all deductibles associated with the claim. Management does not believe they are responsible for any further liabilities and therefore, no provision for losses have been recorded in the financial statements.

(10) Subsequent Events

The Center has entered into a mutual purchase agreement with Clark Memorial Hospital for the sale of the current building and the purchase of a new building on April 10, 2008. The agreement states that the Center is purchasing a building from Clark Memorial Hospital for the amount of \$775,000. The Center is simultaneously selling the current building owned by the Center to Clark Memorial Hospital in the amount of \$500,000. Therefore, the net purchase price will be \$275,000. The purchase agreement was finalized on August 15, 2008.

September 10, 2008

To the Board of Directors of the
Family Health Center of Clark County

In planning and performing our audit of the financial statements of the Family Health Center of Clark County for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements and not for the purpose of expressing our an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control:

There is an absence of appropriate segregation of duties in certain accounting areas consistent with control objectives. However, the hiring of additional employees in order to segregate the duties may not be economically practical for the benefit to be derived.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control would not necessarily disclose all control deficiencies in the internal control and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses as defined above. However, we believe that the significant deficiency described above is not a material weakness.

This report is intended for the information of management.

London Witte Group, LLC

London Witte Group, LLC