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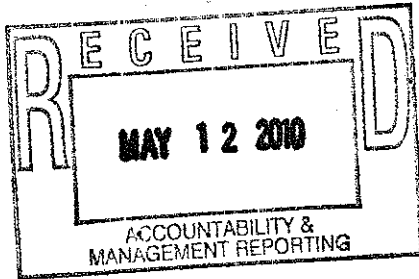
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GLEN B. GAINER III  
STATE AUDITOR

GOOD SAMARITAN CLINIC, INC.

Financial Statements

June 30, 2009





## Good Samaritan Clinic, Inc.

911 Emerson Avenue  
Parkersburg, WV 26104  
PHONE 304-422-7357  
FAX 304-422-7374

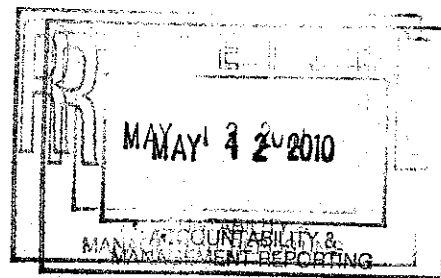
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GLEN B. GAINER III  
STATE AUDITOR

May 5, 2010

Division of Audits  
1900 Kanawha Boulevard East  
Building 3, Room 550  
Charleston, WV 25305



To Whom It May Concern:

Please find enclosed a copy of Good Samaritan Clinic's most recent audit and management letter. If you have any questions please give me a call, 304-422-7357, or send an email to [cindytgoodsamclinic@wvdsi.net](mailto:cindytgoodsamclinic@wvdsi.net).

Sincerely,

*Cindy Thomas*

Cindy Thomas  
Administrative Assistant

Enclosures

### BOARD OF DIRECTORS

Jeffrey Braham DO  
Kim Wolfe Flinn  
Stephen Hanna MD  
Paul Hicks  
Father Larry Jackson  
Virginia Jacobs RN  
Sister Joan Kreyenbuhl MA  
Ronald Leach CPA  
Robert Lincicome RPh  
Beth McNally  
Alita Sellers PhD RN  
Pastor Delton Smith  
Kim Stooke MD  
Heidi Wharton Pharm D  
Cynthia Moore RN CFNP Ex-officio

# ALICE M. HARRIS, CPA, A.C.

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## INDEPENDENT AUDITOR'S REQUIRED COMMUNICATIONS WITH THE BOARD OF DIRECTORS AND MANAGEMENT UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

To the Board of Directors  
Good Samaritan Clinic, Inc.

I have audited the financial statements of the Good Samaritan Clinic, Inc., for the year ended June 30, 2009 and have issued my report thereon dated November 10, 2009. Professional standards require that I provide you with the following information related to my audit:

### My Responsibility Under United States Generally Accepted Auditing Standards

As stated in my engagement letter dated October 1, 2009, my responsibility as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute, assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by me.

As part of my audit, I considered the internal control of the Good Samaritan Clinic, Inc. Such considerations were solely for the purpose of determining my audit procedures and not to provide any assurance concerning such internal control.

### Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Good Samaritan Clinic, Inc., are described in the footnotes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2009. I noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

**1818 Rayon Drive  
Parkersburg, WV 26101  
Phone: 304-422-5577  
Fax: 304-422-5887**

#### Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. I reviewed management's estimates of the net book value of property and equipment and accrued liabilities, and the processes used to estimate these asset and liability accounts appear reasonable in relation to the financial statements as a whole.

#### Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in my judgment, may not have been detected except through my auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Organization's financial reporting process (that is, cause future financial statements to be materially misstated). In my judgment, none of the adjustments I proposed, whether recorded or unrecorded by the Organization, either individually or in the aggregate, indicate matters that could have a significant effect on the Organization's financial reporting process.

In addition, the attached schedule summarizes corrected and uncorrected misstatements of the financial statements. Management has determined that any uncorrected misstatements, whether reported or not reported on the schedule, would be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

#### Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to my satisfaction, concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of the audit.

#### Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion," on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to

Board of Directors  
November 10, 2009  
Page 3

determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditor. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Difficulties Encountered in Performing the Audit

I encountered no difficulties in dealing with management in performing and completing my audit.

This information is intended solely for the use of the Board of Directors and management of the Good Samaritan Clinic, Inc, as is not intended to be and should not be used by anyone other than these specified parties.

*Alice M Ham CPA*

Parkersburg, WV

**DHHR - Finance**

**MAY 12 2010**

**Date Received**



**GOOD SAMARITAN CLINIC, INC.**  
**Financial Statements**  
**June 30, 2009**

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Other Matters Based On an Audit of Financial Statements Performed in Accordance With  
Government Auditing Standards

10-11

# ALICE M. HARRIS, CPA, A.C.

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## Independent Accountant's Report

Board of Directors  
Good Samaritan Clinic, Inc  
Parkersburg, WV 26101

I have audited the accompanying statement of financial position of Good Samaritan Clinic, Inc (a nonprofit corporation) as of June 30, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit 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. I believe that my audit provides a reasonable basis for my opinion.

As explained in the footnotes to the financial statements, pharmaceutical inventory that the Good Samaritan Clinic, Inc, acquired by purchase and gift is not recorded in the financial statements. In my opinion, accounting principles generally accepted in the United States of America require that such donated inventory be recorded at its fair value at the date of receipt. It was not practical to determine the effects of the unrecorded inventory on the financial statements.

In my opinion, except for not recording the fair value of donated inventory, the financial statements referred to above present fairly, in all material respects, the financial position of the Good Samaritan Clinic, Inc, as of June 30, 2009, the changes in its net assets and its cash flows for the year then ended in conformity with accounting principals generally accepted in the United States of America.

**1818 Rayon Drive  
Parkersburg, WV 26101  
Phone: 304-422-5577  
Fax: 304-422-5887**



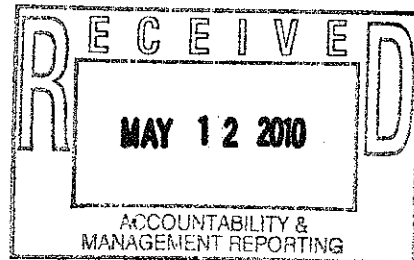
Independent Auditor's Report, Continued

In accordance with *Government Audit Standards*, I have also issued my report dated November 10, 2009 on my consideration of the Good Samaritan Clinic, Inc 's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit

My audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of WV DHHS funding status (Schedule 1) and schedule of revenue and expenses – DHHS funded programs (Schedule 2) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Alice M Harris CPA*

Alice M. Harris, CPA  
November 10, 2009



**GOOD SAMARITAN CLINIC, INC.**  
**Statement of Financial Position**  
**June 30, 2009**

<b>ASSETS</b>		
Current assets:		
Cash	\$	87,615
Accounts and grants receivable		31,492
Prepaid insurance		1,202
Total current assets		120,309
Property, plant, and equipment:		
Land		50,750
Buildings and improvements		169,119
Furniture and equipment		58,520
		278,389
Less accumulated depreciation		(97,525)
Net property, plant, and equipment		180,864
Other assets:		
Investments - Edward Jones		124,506
Total other assets		124,506
<b>Total assets</b>		<b>\$ 425,679</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable		458
Payroll taxes payable		3,526
Accrued compensated absences		5,156
Deferred revenue		30,000
Total liabilities		39,140
Net Assets:		
Unrestricted		384,539
Temporarily restricted		2,000
Permanently restricted		-
Total net assets		386,539
<b>Total liabilities and net assets</b>		<b>\$ 425,679</b>

*See accompanying notes to financial statements*

**GOOD SAMARITAN CLINIC, INC.**  
**Statement of Activities**  
**Year ended June 30, 2009**

	Unrestricted	Temporarily restricted	Permanently restricted	Total
<b>Support and Revenue:</b>				
Cash contributions	\$ 51,204	7,988	-	59,192
Non-cash contributions of services	307,271	-	-	307,271
Non-cash contributions of drugs	325,274	-	-	325,274
Grants	154,806	-	-	154,806
Medical records reimbursements	537	-	-	537
Special events, net of expenses of \$2,923	7,431	-	-	7,431
Unrealized loss on investments	(494)	-	-	(494)
Fees and other income	17,264	-	-	17,264
Interest income	2,496	-	-	2,496
<b>Total revenue before reclassifications</b>	<b>865,789</b>	<b>7,988</b>	<b>-</b>	<b>873,777</b>
<b>Reclassifications:</b>				
Net assets released from restrictions	30,265	(30,265)	-	-
<b>Total revenue and reclassifications</b>	<b>896,054</b>	<b>(22,277)</b>	<b>-</b>	<b>873,777</b>
<b>Expenses:</b>				
Program services	802,351	-	-	802,351
Management and general	34,256	-	-	34,256
<b>Total expenses</b>	<b>836,607</b>	<b>-</b>	<b>-</b>	<b>836,607</b>
<b>Increase in net assets</b>	<b>59,447</b>	<b>(22,277)</b>	<b>-</b>	<b>37,170</b>
<b>Net assets, beginning of year</b>	<b>325,092</b>	<b>24,277</b>	<b>-</b>	<b>349,369</b>
<b>Net assets, end of year</b>	<b>\$ 384,539</b>	<b>2,000</b>	<b>-</b>	<b>386,539</b>

*See accompanying notes to financial statements*

**GOOD SAMARITAN CLINIC, INC.**  
**Statement of Functional Expenses**  
**Year ended June 30, 2009**

	<b>Program services</b>	<b>Management and general</b>	<b>Total expenses</b>
Salaries	\$ 116,681	22,889	139,570
Payroll taxes	10,541	2,068	12,609
Retirement benefits	2,740	538	3,278
Contributed services dispensed	306,352	-	306,352
Drug contributions dispensed	325,274	-	325,274
Insurance	3,557	423	3,980
Purchased pharmaceuticals & drugs	14,071	-	14,071
Repairs and maintenance	5,882	879	6,761
Cleaning services	377	56	433
Bio-Hazard waste disposal	1,353	-	1,353
Utilities	2,901	433	3,334
Telephone	2,077	310	2,387
Clinic and medical supplies	431	-	431
Office supplies	-	1,110	1,110
Postage	-	897	897
Printing	-	835	835
Professional fees	-	2,900	2,900
Other taxes	-	143	143
Dues, travel & continuing education	2,206	-	2,206
Miscellaneous	2,723	-	2,723
	797,166	33,481	830,647
Depreciation	5,185	775	5,960
<b>Total expenses</b>	<b>\$ 802,351</b>	<b>34,256</b>	<b>836,607</b>

*See accompanying notes to financial statements*

**GOOD SAMARITAN CLINIC, INC.**  
**Statement of Cash Flows**  
**Year ended June 30, 2009**

Cash flows from operating activities:		
Change in net assets	\$	37,170
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation		5,960
Unrealized loss on investments		494
(Increase) decrease in:		
Accounts and grants receivable		(30,457)
Prepaid insurance		(215)
Increase (decrease) in:		
Accounts payable		124
Payroll taxes payable		120
Accrued compensated absences		2,179
Deferred revenue		(5,806)
Net cash provided by operating activities		9,569
Cash flows from investing activities:		
Increase in short-term investments		(90,759)
Purchase of property and equipment		(28,054)
Net cash used in investing activities		(118,813)
Increase in cash and cash equivalents		(109,244)
Cash and cash equivalents, beginning of year		196,859
<b>Cash and cash equivalents, end of year</b>	<b>\$</b>	<b>87,615</b>
Supplemental cash flow disclosures:		
Cash paid for:		
Income taxes	\$	-
Interest		-

*See accompanying notes to financial statements.*

**GOOD SAMARITAN CLINIC, INC.**  
**Notes to Financial Statements**

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**NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**Nature of Activities** - The Good Samaritan Clinic, Inc (the Clinic) was incorporated as a nonprofit organization in the State of West Virginia. The Clinic provides free primary health care to patients who are unable to qualify for Medicaid, Medicare, or health insurance, and whose income level falls below Federal Poverty Income Guidelines

**Basis of Accounting** - The financial statements of the Clinic have been prepared on the accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America

**Basis of Presentation** - The Clinic has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, an organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the organization and/or passage of time.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the organization. Generally, the donors of the assets permit the organization to use all or part of the income earned on related investments for general or specific purposes

**Cash and Cash Equivalents** - For purposes of the Statements of Cash Flows, the Clinic considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents

**Income Tax Status** - The Clinic is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Clinic qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2)

**Property and Equipment** - All acquisitions of property and equipment and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Maintenance and repairs are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives ranging from five to thirty nine years.

Depreciation expense for the year ended June 30, 2009 was \$5,960

**Inventory** - Inventory of purchased and donated pharmaceuticals have not been recorded in the financial statements. Accounting principles generally accepted in the United States of America require that such inventory be recorded at cost, if purchased, or at the fair market value at the date of donation. The independent auditor's report has been modified accordingly.

**GOOD SAMARITAN CLINIC, INC.**  
**Notes to Financial Statements, Continued**

---

**USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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**CONCENTRATION OF RISK**

The Clinic is economically dependent upon donations of services provided by local hospital and medical professionals. The continued operation of the Clinic depends upon the continued participation of these organizations and individuals.

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**INVESTMENTS**

The amortized cost and estimated fair values of investments at June 30, 2009 are as follows:

	<u>Historical cost</u>	<u>Market value</u>	<u>Unrealized gain (loss)</u>
Mutual funds	\$ 85,000	84,506	(494)
Cash and money market funds	40,000	40,000	-
<b>Total</b>	<b>\$ 125,000</b>	<b>124,506</b>	<b>(494)</b>

At June 30, 2009, following are the types of investments and percentages owned by the Organization:

Money Market Funds	31.89%
Mutual funds	68.11%

---

**TEMPORARY RESTRICTIONS ON NET ASSETS**

The sources of net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors for the year ended June 30, 2009 were as follows:

Purchase of pharmaceuticals	\$15,609
Other programs	14,656
<u>Total</u>	<u>\$ 30,265</u>

Temporary restrictions on net assets as of June 30, 2009 were as follows:

Other capital restrictions	\$ 2,000
<u>Total</u>	<u>\$ 2,000</u>

**GOOD SAMARITAN CLINIC, INC.**  
**Notes to Financial Statements, Continued**

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**NON-CASH CONTRIBUTIONS OF DRUGS**

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The value of donated drugs provided by local pharmacies is estimated at market value and included as support and also as a related expense as dispensed. The total estimated value of contributed drugs was \$325,274 for the year ended June 30, 2009.

**NON-CASH CONTRIBUTED SERVICES**

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Donated services in the amount of \$306,352 for the year ended June 30, 2009 represent services rendered by various hospitals, physicians, dentists, pharmacists, nurses, social workers and counselors have been recorded as in-kind revenues and in-kind expenses. The value of donated services is based upon estimated average fees normally charged by persons rendering the services. These amounts were determined using information provided by Medical Salary Wizard and range from \$13.75 per hour for pharmacy technicians to \$192.50 per hour for a Urologist.

Additionally, the Clinic received \$919 of donated office supplies which is included in donated services revenue and office supplies expense.

**RETIREMENT PLAN**

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The Clinic maintains a Simplified Employee Pension Plan for all of its eligible employees. The Clinic makes a matching contribution equal to the employee's salary reduction contribution up to 3% of the employee's compensation. Total contributions to the Plan for the year ended June 30, 2009 was \$3,278.



**GOOD SAMARITAN CLINIC, INC**  
**Schedule of WV DHHR Funding Status**  
**Year ended June 30, 2009**

**Schedule 1**

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	Agreement
	<u>Total</u>
State Assigned Account Number	G090354
Amount of Award	115,000
Amount Earned & Billed to DHHR through year end and qualifying expenses for prior year's (budgetary) deferred revenue	<u>115,000</u>
Budgetary surplus (deficit) (1)	<u>-</u>
Amount not earned but billed to DHHR through year-end (1)	<u>-</u>
Amount not billed to DHHR through year-end	<u>-</u>
Amount collected by year-end	<u>115,000</u>

*See accompanying independent auditor's report*

Schedule 2

GOOD SAMARITAN CLINIC, INC.  
 Schedule of Revenues & Expenses - DHHR Funded Programs  
 Year ended June 30, 2009

	G080343 DHHR <u>Total</u>
Revenues:	
State awards (1)	115,000
Deferred revenue from prior year	35,806
Other grants and fees	21,770
Interest	2,496
<hr/>	
Total revenues	175,072
<hr/>	
Expenses:	
Salaries	130,163
Fringe benefits and taxes	16,001
Telephone & communications	2,387
Postage and shipping	897
Utilities	3,334
Insurance	3,980
Bio-hazard waste fees	1,353
Cleaning services	433
Supplies	683
Professional fees	2,900
Maintenance and repairs	5,842
Capital expenditures	4,655
Office supplies	5,765
Printing	789
Dues, travel, and continuing education	2,206
Other expenses	2,602
<hr/>	
Total expenses	183,990
<hr/>	
Excess (deficit) of revenue over expenses	(8,918)

*See accompanying independent auditor's report*

(1) Total award \$150,806 minus deferred revenue of \$35,806

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

To the Board of Directors of  
Good Samaritan Clinic, Inc.

I have audited the financial statements of the Good Samaritan Clinic, Inc., (a nonprofit organization) as of and for the year ended June 30, 2009, and have issued my report thereon dated November 10, 2009, which was qualified for not including the value of purchased and donated pharmaceutical inventory. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Good Samaritan Clinic Inc's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Good Samaritan Clinic Inc's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, I identified a deficiency in internal control over financial reporting that I consider to be a significant deficiency.

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 organization'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 organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control. I consider the deficiency described below to be significant deficiency in internal control over financial reporting.

Segregation of Duties

The segregation of duties and responsibilities with persons who initiate transactions, record transactions, and reconcile the accounts these transactions affect is not desirable from a control point of view. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of transactions. The lack of segregation of duties could increase the risk that misstatements of transactions could go undetected. This situation is typical in an organization of this size. The most effective controls lie in the Board's level of monitoring and oversight of matters relating to the Organization's operations.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS, CONTINUED***

The lack of separation of control functions between personnel has the potential for misappropriation of assets, and possible misrepresentation in financial reporting, depending on the level of monitoring and oversight of the Board and its officers.

This situation has been addressed through enhanced Board monitoring, however, hiring additional personnel would not be cost effective for the Organization.

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 organization's internal control.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, I do not believe the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Good Samaritan Clinic, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Alice M. Harris CPA*

Alice M. Harris, CPA  
November 10, 2009

