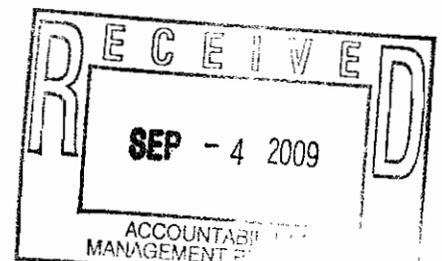


UNITED SUMMIT CENTER, INC.

**INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS**

DECEMBER 31, 2008 AND 2007



INDEX

	Page
Independent Auditor's Report	1-2
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Net Assets	5
Statements of Cash Flows	6
Notes to Financial Statements	7-17
SUPPLEMENTARY SCHEDULES	
Cumulative Schedule of Property and Equipment Purchased with BHHF - Administered Funding	18-19
Statement of BHHF Funding Status	20-23
Standardized Financial Statements	24-25
Schedule of State Grant Receipts and Expenditures	26
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Schedule of Findings and Responses	29



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Summit Center, Inc.
Clarksburg, West Virginia

We have audited the accompanying balance sheets of United Summit Center, Inc. (a non-profit organization) as of December 31, 2008 and 2007 and the related statements of operations, changes in net assets and cash flows for the years then ended as listed in the table of contents. These financial statements are the responsibility of the United Summit Center, Inc.'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 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 we 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. We believe 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 United Summit Center, Inc. as of December 31, 2008 and 2007, and the results of its operations, changes in net assets, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2009 on our consideration of United Summit Center, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations,

contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our 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 important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of United Summit Center, Inc. taken as a whole. The accompanying supplementary schedules, as listed in the index, are presented for purposes of additional analysis and are not a required part of the basic financial statements of United Summit Center, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Tetuck & Battlett, PLLC

March 5, 2009

UNITED SUMMIT CENTER, INC.
BALANCE SHEETS
DECEMBER 31,

ASSETS

	2008	2007
Current Assets		
Cash and cash equivalents	\$ 2,897,616	\$ 2,133,974
Patient accounts receivable	1,438,948	990,816
Other receivables	468,804	820,313
Deposits	25,359	35,173
Prepaid expenses	<u>219,957</u>	<u>272,482</u>
Total current assets	<u>5,050,684</u>	<u>4,252,758</u>
Long-Term Investments	<u>9,163</u>	<u>27,949</u>
Assets Whose Use is Limited		
By Board for capital improvements	3,341,238	3,995,788
By Board for self-funded malpractice insurance	<u>671,359</u>	<u>724,350</u>
Total assets whose use is limited	<u>4,012,597</u>	<u>4,720,138</u>
Land, Property and Equipment (net)	<u>788,163</u>	<u>758,970</u>
TOTAL ASSETS	\$ <u>9,860,607</u>	\$ <u>9,759,815</u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of long-term debt	\$ 6,461	\$ 6,085
Accounts payable	347,178	292,146
Accrued payroll and related taxes and benefits	1,069,574	897,342
Accrued other	<u>1,136,779</u>	<u>1,032,405</u>
Total current liabilities	<u>2,559,992</u>	<u>2,227,978</u>
Long-term debt, net of current portion	<u>14,141</u>	<u>20,602</u>
Total liabilities	<u>2,574,133</u>	<u>2,248,580</u>
Net Assets		
Unrestricted	<u>7,286,474</u>	<u>7,511,235</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>9,860,607</u>	\$ <u>9,759,815</u>

The accompanying notes are an integral part of these financial statements.

UNITED SUMMIT CENTER, INC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31,

	2008	2007
Changes in Unrestricted Net Assets:		
Unrestricted revenues and support		
Net patient service revenues	\$ 13,042,317	\$ 10,872,474
Federal and state support	3,887,691	4,599,244
County support	43,429	41,361
Other income	<u>198,153</u>	<u>200,039</u>
Total unrestricted revenues and support	<u>17,171,590</u>	<u>15,713,118</u>
Expenses		
Salaries and wages	9,477,778	8,575,948
Contracted labor	1,845,619	1,706,080
Employee benefits	2,178,755	1,967,027
Purchased services and fees	189,938	232,384
Travel and registration fees	682,937	658,485
Rent	356,221	328,463
Medicaid tax	74,378	82,175
Utilities	276,748	297,033
Supplies	430,044	399,784
Depreciation	200,662	269,911
Insurance	220,071	225,552
Maintenance and repairs	119,632	125,995
Provision for bad debts	437,548	329,513
Other expenses	106,758	65,923
Other taxes and licenses	<u>40,019</u>	<u>23,344</u>
Total expenses	<u>16,637,108</u>	<u>15,287,617</u>
Operating income (loss)	534,482	425,501
Other Income		
Investment income	(759,243)	<u>404,758</u>
Excess of unrestricted revenues and support over expenses	(224,761)	830,259
Change in net unrealized gains and losses on other than trading securities	<u>-0-</u>	(74,650)
Increase (decrease) in unrestricted net assets	\$ (224,761)	\$ <u>755,609</u>

The accompanying notes are an integral part of these financial statement.

UNITED SUMMIT CENTER, INC.
 STATEMENTS OF CHANGES IN NET ASSETS
 FOR THE YEARS ENDED DECEMBER 31,

	<u>Unrestricted</u>	<u>Total</u>
Net assets, January 1, 2007	\$ 6,755,626	\$ 6,755,626
Increase in unrestricted net assets for the year ended December 31, 2007	<u>755,609</u>	<u>755,609</u>
Net assets, December 31, 2007	7,511,235	7,511,235
Increase in (decrease) in unrestricted net assets for the year ended December 31, 2008	(<u>224,761</u>)	(<u>224,761</u>)
Net assets, December 31, 2008	\$ <u>7,286,474</u>	\$ <u>7,286,474</u>

The accompanying notes are an integral part of these financial statements.

UNITED SUMMIT CENTER, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2008	2007
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ (224,761)	\$ 755,609
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	200,662	269,911
Net realized and unrealized gains on investments, other than trading	937,685	(37,712)
Provision for uncollectible accounts	437,548	329,513
(Increase) decrease in:		
Patient accounts receivable	(885,680)	8,410
Other receivables	351,509	(239,130)
Deposits	9,814	47,435
Prepaid expenses	52,525	64,334
(Decrease) increase in:		
Accounts payable	55,032	(16,162)
Accrued payroll and related taxes and benefits	172,232	136,802
Accrued other	<u>104,374</u>	<u>140,166</u>
Net cash provided by operating activities	<u>1,210,940</u>	<u>1,459,176</u>
Cash Flows from Investing Activities		
Net proceeds (purchases) of assets whose use is limited:		
By Board for capital improvements	(145,607)	(222,497)
By Board for self-funded malpractice insurance	(65,751)	(77,671)
Acquisition of property and equipment	<u>(229,855)</u>	<u>(146,120)</u>
Net cash (used in) investing activities	<u>(441,213)</u>	<u>(446,288)</u>
Cash Flows from Capital and Related Financing Activities		
Payments of long-term debt	<u>(6,085)</u>	<u>(5,732)</u>
Net cash (used in) financing activities	<u>(6,085)</u>	<u>(5,732)</u>
Net increase (decrease) in cash and cash equivalents	763,642	1,007,156
Cash and cash equivalents - beginning	<u>2,133,974</u>	<u>1,126,818</u>
Cash and cash equivalents - ending	\$ <u>2,897,616</u>	\$ <u>2,133,974</u>
Supplemental Disclosure of Cash Flows Information		
Cash paid during the year for interest	\$ <u>2,063</u>	\$ <u>1,789</u>

The accompanying notes are an integral part of these financial statements.

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Description of Organization

United Summit Center, Inc. (Center) is a non-profit West Virginia corporation established for the purpose of providing mental health, mental retardation, and related services to residents of Harrison, Braxton, Doddridge, Lewis, Gilmer, Preston, Marion, and Taylor counties. Funding for operations is primarily from grant sources, purchased service contracts with the State of West Virginia, and fees for services provided.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash Equivalents

Cash and cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

Charity Care

The Center provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Center does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Concentration of Credit Risk

The Center provides medical and other mental health related services principally to residents of Harrison, Lewis, Braxton, Doddridge, Gilmer, Preston, Marion, and Taylor Counties, West Virginia. The Center bills insurance carriers and patients for medical services provided. The Center has significant credit risk with third party programs such as Medicare and Medicaid.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTD)

Land, Property and Equipment

Land, property and equipment acquired by the Center are considered to be owned by the Center. However, funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The funding sources have a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life greater than one year.

The Center follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$1,000. Depreciation is computed on a straight-line basis over the useful lives of the assets.

Patient Accounts Receivable

Patient accounts receivable are stated net of the allowance for uncollectible accounts and the allowance for contractual adjustments. The allowance for uncollectible accounts is maintained at a level believed by management to absorb potential losses in the patient receivables based on loss experience, growth and composition of the balance in patient receivables, and other relevant factors which management believes warrant recognition in the period.

Estimated Third-Party Payor Settlement

Estimated contractual reimbursement receivables and payables for settlements with third-party reimbursement programs are recorded on the accrual basis and are subject to retroactive review and adjustment by the third-party reimbursement programs. Any differences between estimated settlement amounts and amounts allowed under the programs are recognized in the year of determination.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value. Cash and cash equivalents are carried at cost which approximates fair value. In 2008, investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in revenues (less than) in excess of expenses unless the income or loss is restricted by donor or law. In 2007, unrealized gains and losses on investments are excluded from the determination of revenues (less than) in excess of expenses unless the investments are trading securities.

Assets Whose Use is Limited

Assets whose use is limited include assets set aside by the Board of Directors for future capital improvements and future self-funded malpractice insurance claims over which the Board retains control and may at its discretion subsequently use for other purposes.

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

Net Patient Service Revenue

Net patient service revenue is recorded at established billing rates when services are rendered, net of contractual adjustments. Contractual adjustments represent the difference between established billing rates and the payment amount or interim reimbursement rates paid by third-party contractors, principally federal and state governments under Medicare, Medicaid, and other similar programs, and are recorded on an estimated basis in the period services are rendered. Adjustments to estimated amounts are recorded in future periods as final settlements are determined.

Contingencies

The Center received a substantial amount of its support from grants. Any significant reduction in the level of support from the grantors could have a material effect on the Center's programs and activities.

Income Taxes

The United Summit Center, Inc. is exempt from federal and state income taxes under section 501 (c)(3) of the Internal Revenue Code.

Pension Plan

The Center provides a 401(k) pension plan which covers substantially all employees. The employees may make tax deferred contributions to the plan. Under the plan, the Center contributes 2% of base compensation that a participant contributes to the plan. Employer match pension expense for 2008 and 2007 was \$147,042 and \$85,527, respectively.

2. Deposits

It is the Center's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance.

The Center's deposits are categorized to give an indication of the level of risk assumed by the Center at December 31, 2008 and 2007. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the Center or its agent in the Center's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Center's name.

Category 3 - Uncollateralized.

**UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)**

2008					
	<u>Bank</u> <u>Balance</u>	<u>1</u>	<u>Category</u> <u>2</u>	<u>3</u>	<u>Carrying</u> <u>Amount</u>
Cash on hand	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,270
Checking	<u>2,908,889</u>	<u>250,000</u>	<u>2,658,889</u>	<u>-0-</u>	<u>2,896,346</u>
Total cash	\$ <u>2,908,889</u>	\$ <u>250,000</u>	\$ <u>2,658,889</u>	\$ <u>-0-</u>	\$ <u>2,897,616</u>

2007					
	<u>Bank</u> <u>Balance</u>	<u>1</u>	<u>Category</u> <u>2</u>	<u>3</u>	<u>Carrying</u> <u>Amount</u>
Cash on hand	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,270
Checking	<u>2,271,167</u>	<u>100,000</u>	<u>2,171,167</u>	<u>-0-</u>	<u>2,132,704</u>
Total cash	\$ <u>2,271,167</u>	\$ <u>100,000</u>	\$ <u>2,171,167</u>	\$ <u>-0-</u>	\$ <u>2,133,974</u>

3. Patient Accounts Receivable

Accounts receivable and the allowance for charity care, contractual allowances and uncollectible accounts consist of the following:

	2008	2007
General patient accounts receivable	\$ 3,057,777	\$ 2,355,400
Less: Charity care, contractual allowances and uncollectible account allowances	<u>(1,618,829)</u>	<u>(1,364,584)</u>
Net patient receivables	\$ <u>1,438,948</u>	\$ <u>990,816</u>

**UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONTD)**

4. Other Receivables

Other receivables consist of the following at December 31,:

	2008	2007
Grant receivable - BHHF	\$ 454,131	\$ 806,894
Investment income receivable	8,344	8,703
Various	<u>6,329</u>	<u>4,716</u>
Total other receivables	\$ <u>468,804</u>	\$ <u>820,313</u>

5. Prepaid Expenses

Prepaid expenses consist of the following at December 31,:

	2008	2007
Prepaid rent	\$ 119,822	\$ 135,317
Prepaid employee benefit	90,000	136,538
Miscellaneous	<u>10,135</u>	<u>627</u>
Total prepaid expenses	\$ <u>219,957</u>	\$ <u>272,482</u>

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

6. Investments

Assets Whose Use is Limited

The composition of the assets whose use is limited at December 31, 2008 and 2007, is set forth below. Investments are stated at fair market value.

	2008			
	<u>Amortized Cost</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Market Value</u>
By Board for Capital Improvements: (Funded Depreciation)				
Cash and equivalents	\$ 174,019	\$ -0-	\$ -0-	\$ 174,019
Equity securities, primarily fixed income and common stock mutual funds	<u>3,686,524</u>	<u>562,529</u>	<u>(1,081,834)</u>	<u>3,167,219</u>
Total	<u>3,860,543</u>	<u>562,529</u>	<u>(1,081,834)</u>	<u>3,341,238</u>
By Board for Self-Funded Malpractice Insurance:				
Cash and equivalents	33,224	-0-	-0-	33,224
Equity securities, primarily fixed income and common stock mutual funds	381,875	133,379	(237,526)	286,412
Fixed income securities, bond mutual fund	<u>371,513</u>	<u>4,342</u>	<u>(15,448)</u>	<u>351,723</u>
Total	<u>786,612</u>	<u>137,721</u>	<u>(252,974)</u>	<u>671,359</u>
Total Assets Whose Use is Limited	\$ <u>4,647,155</u>	\$ <u>700,250</u>	\$ <u>(1,334,808)</u>	\$ <u>4,012,597</u>

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

2007

	<u>Amortized Cost</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Market Value</u>
By Board for Capital Improvements: (Funded Depreciation)				
Cash and equivalents	\$ 338,277	\$ -0-	\$ -0-	\$ 338,277
Equity securities, primarily fixed income and common stock mutual funds	<u>3,420,611</u>	<u>840,809</u>	<u>(603,909)</u>	<u>3,657,511</u>
Total	<u>3,758,888</u>	<u>840,809</u>	<u>(603,909)</u>	<u>3,995,788</u>
By Board for Self-Funded Malpractice Insurance:				
Cash and equivalents	51,896	-0-	-0-	51,896
Equity securities, primarily fixed income and common stock mutual funds	294,582	103,605	(84,928)	313,259
Fixed income securities, bond mutual fund	<u>368,617</u>	<u>4,342</u>	<u>(13,764)</u>	<u>359,195</u>
Total	<u>715,095</u>	<u>107,947</u>	<u>(98,692)</u>	<u>724,350</u>
Total Assets Whose Use is Limited	\$ <u>4,473,983</u>	\$ <u>948,756</u>	\$ <u>(702,601)</u>	\$ <u>4,720,138</u>

Long-Term Investments

The composition of long-term investments at December 31, 2008 and 2007 is set forth below.

2008

	<u>Amortized Cost</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Market Value</u>
Equity securities	\$ <u>13,426</u>	\$ <u>14,523</u>	\$ <u>(18,786)</u>	\$ <u>9,163</u>

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

2007

	<u>Amortized</u> <u>Cost</u>	<u>Unrealized</u> <u>Gains</u>	<u>Unrealized</u> <u>Losses</u>	<u>Market</u> <u>Value</u>
Equity securities	\$ <u>13,426</u>	\$ <u>14,523</u>	\$ <u>-0-</u>	\$ <u>27,949</u>

Investment income and gains for assets whose use is limited, cash equivalents, and long-term investments are comprised of the following for the years ending December 31, 2008 and 2007:

	2008	2007
Income:		
Interest income	\$ 24,857	\$ 62,706
Dividend and other investment income	153,585	229,690
Realized (losses) and gains on sales of securities	(43,952)	112,362
Unrealized (losses) and gains on other than trading securities	<u>(893,733)</u>	<u>-0-</u>
	<u>\$ (759,243)</u>	<u>\$ 404,758</u>
	2008	2007

Other Changes in Unrestricted Net Assets:

Unrealized (losses) and gains on other than trading securities	\$ <u>-0-</u>	\$ <u>(74,650)</u>
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7. Land, Property and Equipment

The following is a summary of land, property and equipment at December 31,:

	2008	2007
Land	\$ 29,608	\$ 29,608
Buildings	26,874	26,874
Leasehold improvements	774,906	706,261
Furniture and fixtures	318,768	317,723
Equipment	<u>1,581,536</u>	<u>1,421,370</u>
	2,731,692	2,501,836
Less: Accumulated depreciation	<u>(1,943,529)</u>	<u>(1,742,866)</u>
Total	<u>\$ 788,163</u>	<u>\$ 758,970</u>

Depreciation expense for the years ended December 31, 2008 and 2007 amounted to \$200,662 and \$269,911, respectively.

UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

10. Net Patient Service Revenues

The following is a summary of net patient service revenues:

	Year ended Dec. 31, 2008	Year ended Dec. 31, 2007
General patient revenue	\$ 27,151,635	\$ 23,364,099
Less: Provision for charity care	(4,159,476)	(4,175,926)
	22,992,159	19,188,173
Less: Provision for contractual allowances	(9,949,842)	(8,315,699)
Net patient service revenues	\$ <u>13,042,317</u>	\$ <u>10,872,474</u>

11. Operating Leases

The Center has various leases for equipment and buildings which are classified as operating leases. Total rent expense for the year ended December 31, 2008 and 2007 for these operating leases amounted to \$356,221 and \$328,463, respectively. Future minimum lease payments under the operating leases are as follows:

2009	\$ 114,263
2010	87,387
2011	72,125
2012	27,125
Thereafter	<u>135,625</u>
Total	\$ <u>436,525</u>

United Summit Center, Inc. leases the building known as 6 Hospital Plaza, Clarksburg, WV 26301 from the West Virginia Department of Health and Human Resources for the consideration of one dollar (\$1.00) per year. United Summit Center does not reflect any value related to this lease in the financial statements, i.e. there is no asset being capitalized and depreciated, there is no revenue or offsetting expense, which could have been determined by use of a fair market value.

**UNITED SUMMIT CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)**

12. Affiliation

The United Hospital Center, Inc. acquired assets on behalf of the United Summit Center, Inc. in November 1996 for \$323,505. Further equity contributions from the United Hospital Center, Inc. to the United Summit Center, Inc. for the period November 1, 1996 to December 31, 1997, amounted to \$800,000.

No equity contributions were made to United Summit Center, Inc. by United Hospital Center, Inc. for the years ended December 31, 2008 or 2007.

13. Functional Expenses

The Center provides mental health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	12/31/08	12/31/07
Mental health care services	\$ 12,685,280	\$ 12,070,872
Management and general	<u>3,951,828</u>	<u>3,216,745</u>
	\$ <u>16,637,108</u>	\$ <u>15,287,617</u>

14. Litigation

The Center is a party to various legal actions arising in the ordinary course of its services. In management's opinion, the Center has adequate legal defenses and/or external or self-insurance coverage respecting each of these actions and does not believe that this will materially affect the Center's operations or financial position. However, the Center is aware of unasserted claims, which could have a material impact on the Centers operations or financial position.

Such legal actions resulted in \$100,000 and \$400,000 settlements in 2008 and 2007, respectively, which were paid by the Center's self-insurance program.

SUPPLEMENTARY SCHEDULES

UNITED SUMMIT CENTER, INC.
CUMULATIVE SCHEDULE OF PROPERTY AND EQUIPMENT
PURCHASED WITH BHHF - ADMINISTERED FUNDING
DECEMBER 31, 2008

<u>Description of Equipment</u>	<u>Vendor Name</u>	<u>Vendor Identification Number</u>	<u>Provider Identification Number</u>	<u>Date of Acquisition</u>	<u>Cost</u>	<u>State Account Number</u>
(8) Computers and Accessories	Computerland	0138	97520	06/27/97	\$ 12,554	8793-1997-2885-096-252 8793-1997-2886-096-252 8793-1997-2892-096-252
(2) Video Cameras & Tripods	Champion Industries	0046	97520	06/30/97	1,477	8793-1997-2885-096-252 8793-1997-2886-096-252 8793-1997-2892-096-252
(2) Desk, File Cabinet, Bookshelf	H.L. Heaster, Inc.	0017	97520	06/30/98	1,505	8793-1998-2885-096-252
(2) PC, Printer, Monitor	User Friendly	0394	97520	06/09/98	3,185	8793-1998-2885-096-252
Proscreen Computer Projector	User Friendly	0394	97520	05/29/98	2,885	8793-1998-2892-096-252
1998 Ford Paratransit Shuttle Bus	WV Trans. Sales, Inc.	0411	97520	06/26/98	41,638	8793-1998-2892-096-252
(4) Bedroom Sets - to include bed, mattress, dresser, lamps, linens	H.L. Heaster, Inc.	0017	97520	06/30/98	7,000	8723-1998-2852-096-252-03001
Kitchen - pots, pans, plates, table, chairs, toaster, utensils	H.L. Heaster, Inc.	0017	97520	06/30/98	1,000	8723-1998-2852-096-252-03001
Living Room - couch, chairs, tables, lamps, TV, clock	H.L. Heaster, Inc.	0017	97520	06/30/98	1,500	8723-1998-2852-096-252-03001
Various home furnishings	Star Furniture Co.	0531	97520	06/10/99	8,820	8723-1999-2852-096-252-04062
Storage Building (for bikes, canoes, and other IOP activity supplies)	Timberline Construction	0438	97520	06/30/99	8,500	8793-1999-2892-096-252-03087
Toshiba Laptop	Insight	0385	97520	02/09/01	1,209	8794-2001-2852-096-128-05286
1997 Landrover Discovery	Colonial Motor Carrier	0889	97520	06/01/01	28,971	8794-2001-2852-096-128-05286
(4) Computers and accessories	Insight	0385	97520	06/30/01	6,156	8793-2001-2885-096-128-05287
(3) Computers and accessories	Insight	0385	97520	06/30/01	4,617	8793-2001-2892-096-128-05287

UNITED SUMMIT CENTER, INC.
CUMULATIVE SCHEDULE OF PROPERTY AND EQUIPMENT
PURCHASED WITH BHHF - ADMINISTERED FUNDING (CONT'D)
DECEMBER 31, 2008

<u>Description of Equipment</u>	<u>Vendor Name</u>	<u>Vendor Identification Number</u>	<u>Provider Identification Number</u>	<u>Date of Acquisition</u>	<u>Cost</u>	<u>State Account Number</u>
Toshiba Notepad	Insight	0385	97520	06/30/01	\$ 2,550	8793-2001-2885-096-128-05287
Toshiba Notepad	Insight	0385	97520	06/30/01	2,550	8793-2001-2892-096-128-05287
	Insight	0385	97520	06/30/01	4,037	8793-2005-2885-096-128-05287
(3) Net servers & accessories	Insight	0385	97520	06/30/01	4,038	8794-2005-2852-096-128-05286
Home furniture	Star Furniture	0921	97520	09/14/01	8,956	8794-2005-2852-096-128-05286
Home appliances	Star Furniture	0921	97520	09/19/01	2,267	8794-2005-2852-096-128-05286
Beds and mattresses	Mattress Warehouse	MATT	97520	04/04/05	1,153	0525-2005-3448-219-258-6885
Bedroom furniture sets	Grandmas House Furn	GRAND	97520	05/11/05	1,800	0525-2005-3448-219-258-6885
Building renovations	High Country Contractors		97520	05/01/05	79,130	0525-2006-2890-219-252/258
Phone system	High-Line Supply		97520	05/27/05	1,913	0525-2006-2890-219-252/258
Home furnishings	Star Furnitures	0921	97520	06/26/05	2,146	0525-2005-3448-219-258-6885
Building renovations	High Country Contractors		97520	07/26/05	37,015	0525-2005-2890-219-252-06958
	High Country Contractors		97520	09/12/05	6,942	0525-2005-2890-219-252-06958
	High Country Contractors		97520	09/12/05	11,461	0525-2006-2890-219-252-06958
	High Country Contractors		97520	10/26/05	8,592	0525-2006-2890-219-252-06958
	High Country Contractors		97520	12/29/05	16,329	0525-2006-2890-219-252-06958
Building renovations	High Country Contractors		97520	02/07/2006	13,972	0525-2005-2890-219-252-06858
	Cullison Communications		97520	02/20/2006	7,434	0525-2005-2890-219-252-06958
	American Fence Company		97520	03/16/2006	5,485	0525-2005-2890-219-252-06958
Master Key/Lock System	Key Lock		97520	03/18/2006	2,792	0525-2005-2890-219-252-06958
Building Renovations	High Country Contractors		97520	04/05/2006	8,037	0525-2005-2890-219-252-06958
Computers (3) and Accessories	Insight		97520	09/07/2007	<u>3,093</u>	8794-2007-2852-096-128-12989
					\$ <u>362,709</u>	

UNITED SUMMIT CENTER, INC.
STATEMENT OF BHHF FUNDING STATUS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

2008

FOR STATE FISCAL YEAR-END JUNE 30, 2008

<u>Grant Name</u>	<u>Account Number</u>	<u>Amount of Award</u>	<u>Earned & Billed Through Period End</u>	<u>Not Earned But Billed Through Period End</u>	<u>Not Billed Through Period End</u>	<u>Collected</u>
M. H. CORE Funds	0525-2008-2851-219-252/258	\$ 118,890	\$ 118,890	\$ -0-	\$ -0-	\$ 118,890
Crisis Improvement Package	0525-2008-2851-219-252/258	165,121	165,121	-0-	-0-	165,121
MR/DD CORE Services	0525-2008-2867-219-252/258	86,419	86,419	-0-	-0-	86,419
Uncompensated Care	0525-2008-3065-219-252/258	915,540	915,540	-0-	-0-	915,540
Support & Alternative Services	0525-2008-3041-219-252/258	281,003	281,003	-0-	-0-	281,003
Family Support	0525-2008-2870-221-252/258	75,012	75,012	-0-	-0-	75,012
Special needs (J.B.)	0525-2008-2877-219-252/258	51,966	51,966	-0-	-0-	51,966
Special needs (T.P.)	0525-2008-2877-219-252/258	35,994	35,994	-0-	-0-	35,994
Care Coordinators Improvement	0525-2008-3701-219-252/258	163,937	163,937	-0-	-0-	163,937
Community Supports Improvements	0525-2008-3702-219-252/258	19,879	19,879	-0-	-0-	19,879
Clinical Outreach Services Liaison	0525-2008-3702-219-252/258	60,000	60,000	-0-	-0-	60,000
PI Services	0525-2008-2885-219-252/258	110,000	110,000	-0-	-0-	110,000
Transitional Supportive Living	0525-2008-3448-219-252/258	663,000	663,000	-0-	-0-	663,000
Case Management Liaison	0525-2008-2851-219-252/258	25,000	25,000	-0-	-0-	25,000
SA – Residential	0525-2008-2891-219-252/258	859,834	859,834	-0-	-0-	859,834
Community Placement Former Colin Anderson	0525-2008-2874-803-252/258	8,404	8,404	-0-	-0-	8,404
SA – Adult	8793-2008-2885-096-128-14152	156,049	156,049	-0-	-0-	156,049
SA – Adolescent	8793-2008-2892-096-128-14152	<u>143,354</u>	<u>143,354</u>	<u>-0-</u>	<u>-0-</u>	<u>143,354</u>
		\$ <u>3,939,402</u>	\$ <u>3,939,402</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>3,939,402</u>

**UNITED SUMMIT CENTER, INC.
STATEMENT OF BHHF FUNDING STATUS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

2008

FOR STATE FISCAL YEAR-END JUNE 30, 2009

<u>Grant Name</u>	<u>Account Number</u>	<u>Amount of Award</u>	<u>Earned & Billed Through Period End</u>	<u>Not Earned But Billed Through Period End</u>	<u>Not Billed Through Period End</u>	<u>Collected</u>
M. H. CORE Funds	0525-2009-2851-219-252/258	\$ 118,890	\$ 59,494	\$ -0-	\$ 59,396	\$ 59,494
Crisis Improvement Package	0525-2009-2851-219-252/258	165,121	82,560	-0-	82,561	82,560
MR/DD CORE Services	0525-2009-2867-219-252/258	86,419	43,208	-0-	43,211	43,208
Uncompensated Care	0525-2009-3065-219-252/258	688,103	457,770	-0-	230,333	457,770
Support & Alternative Services	0525-2009-3041-219-252/258	281,003	140,501	-0-	140,502	140,501
Family Support	0525-2009-2870-221-252/258	74,285	30,223	-0-	44,062	14,750
Special needs (T.P.)	0525-2009-2851-219-252/258	54,000	21,100	-0-	32,900	14,898
Community Placement Former Colin Anderson	0525-2009-2870-803-252/258	10,900	5,199	-0-	5,701	3,646
Care Coordinators Improvement	0525-2009-3701-219-252/258	165,725	51,162	-0-	114,563	27,563
Community Supports Improvements	0525-2009-3702-219-252/258	27,621	5,255	-0-	22,366	4,037
Clinical Outreach Services Liaison	0525-2009-3702-219-252/258	60,000	44,809	-0-	15,191	26,842
Transitional Supportive Living	0525-2009-2851-219-252/258	663,000	341,272	-0-	321,728	275,841
Case Management Liaison	0525-2009-2851-219-252/258	25,000	21,029	-0-	3,971	12,353
PI Services	0525-2009-2885-219-252/258	110,000	63,425	-0-	46,575	25,620
SA - Residential	0525-2009-2891-219-252/258	859,834	583,702	-0-	276,132	379,483
SA - Adult	8793-2009-2885-096-128-15582	156,049	109,631	-0-	46,418	72,177
SA - Adolescent	8793-2009-2892-096-128-15582	143,354	89,437	-0-	53,917	54,903
Electronic Health Records	0525-2009-2849-219-252	8,000	-0-	-0-	8,000	-0-
WV Data Infrastructure	8723-2009-2849-096-128-14014	25,500	-0-	-0-	25,500	-0-
		\$ 3,722,804	\$ 2,149,777	\$ -0-	\$ 1,573,027	\$ 1,695,646

UNITED SUMMIT CENTER, INC.
STATEMENT OF BHHF FUNDING STATUS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

2007

FOR STATE FISCAL YEAR-END JUNE 30, 2007

<u>Grant Name</u>	<u>Account Number</u>	<u>Amount of Award</u>	<u>Earned & Billed Through Period End</u>	<u>Not Earned But Billed Through Period End</u>	<u>Not Billed Through Period End</u>	<u>Collected</u>
M. H. CORE Funds	0525-2007-2851-219-252/258	\$ 118,890	\$ 118,890	\$ -0-	\$ -0-	\$ 118,890
Crisis Improvement Package	0525-2007-2851-219-252/258	165,121	165,121	-0-	-0-	165,121
MR/DD CORE Services	0525-2007-2867-219-252/258	86,419	86,419	-0-	-0-	86,419
Uncompensated Care	0525-2007-3065-219-252/258	961,701	961,701	-0-	-0-	961,701
Substance Abuse Core	0525-2007-2884-219-252/258	14,288	14,288	-0-	-0-	14,288
Support & Alternative Services	0525-2007-3041-219-252/258	281,003	281,003	-0-	-0-	281,003
Family Support	0525-2007-2870-221-252/258	71,100	71,100	-0-	-0-	71,100
Special needs (J.B.)	0525-2007-2877-219-252/258	185,000	185,000	-0-	-0-	185,000
Care Coordinators Improvement	0525-2007-3701-219-252/258	151,379	151,379	-0-	-0-	151,379
Community Supports Improvements	0525-2007-3702-219-252/258	10,280	10,280	-0-	-0-	10,280
Therapeutic Community Terra Alta	0525-2007-3702-219-252/258	140,166	140,166	-0-	-0-	140,166
Therapeutic Community Terra Alta	0525-2007-2891-219-252/258	279,834	279,834	-0-	-0-	279,834
SA – Residential	0525-2007-2891-219-252/258	580,000	580,000	-0-	-0-	580,000
SA – Adult	8793-2007-2885-096-128-10596	156,049	156,049	-0-	-0-	156,049
SA – Adolescent	8793-2007-2892-096-128-10596	143,354	143,354	-0-	-0-	143,354
PI Services	0525-2007-2885-219-252/258	110,000	110,000	-0-	-0-	110,000
Transitional Supportive Living	0525-2007-3448-219-258 6885	598,531	598,531	-0-	-0-	598,531
Case Management Improvement Package	0525-2007-2851-219-252/258(7219)	25,000	25,000	-0-	-0-	25,000
MI Child	8794-2007-2914-096-128-12989	1,500	1,500	-0-	-0-	1,500
ACT Team Start Up and Expansion	0525-2006-3448-219-252	50,000	50,000	-0-	-0-	50,000
Room & Board Former Colin Anderson	0525-2004-2874-803-252/258	7,545	7,545	-0-	-0-	7,545
Alternative Treatment	8794-2007-2852-096-128-12989	93,522	93,522	-0-	-0-	93,522
TP Special Needs Project	0525-2007-2877-219-252/258	6,667	6,667	-0-	-0-	6,667
Family Preservation Program	8794-2007-2913-096-128-12989	<u>106,704</u>	<u>106,704</u>	<u>-0-</u>	<u>-0-</u>	<u>106,704</u>
		\$ 4,344,053	\$ 4,344,053	\$ -0-	\$ -0-	\$ 4,344,053

UNITED SUMMIT CENTER, INC.
STATEMENT OF BHHF FUNDING STATUS (CONTD)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

2007

FOR STATE FISCAL YEAR-END JUNE 30, 2008

<u>Grant Name</u>	<u>Account Number</u>	<u>Amount of Award</u>	<u>Earned & Billed Through Period End</u>	<u>Not Earned But Billed Through Period End</u>	<u>Not Billed Through Period End</u>	<u>Collected</u>
M. H. CORE Funds	0525-2008-2851-219-252/258	\$ 118,890	\$ 59,444	\$ -0-	\$ 59,446	\$ 59,444
Crisis Improvement Package	0525-2008-2851-219-252/258	165,121	82,560	-0-	82,561	82,560
MR/DD CORE Services	0525-2008-2867-219-252/258	86,419	43,208	-0-	43,211	43,208
Uncompensated Care	0525-2008-3065-219-252/258	915,540	457,770	-0-	457,770	457,770
Support & Alternative Services	0525-2008-3041-219-252/258	281,003	140,500	-0-	140,503	140,500
Family Support	0525-2008-2870-221-252/258	75,012	29,607	-0-	45,405	29,607
Special needs (J.B.)	0525-2008-2877-219-252/258	185,000	51,966	-0-	133,034	32,123
Special needs (T.P.)	0525-2008-2877-219-252/258	54,809	10,017	-0-	44,792	4,543
Care Coordinators Improvement	0525-2008-3701-219-252/258	165,725	81,020	-0-	84,705	36,985
Community Supports Improvements	0525-2008-3702-219-252/258	27,621	7,296	-0-	20,325	4,251
Clinical Outreach Liaison	0525-2008-3702-219-252/258	60,000	39,047	-0-	20,953	15,517
PI Services	0525-2008-2885-219-252/258	110,000	71,443	-0-	38,557	38,397
Transitional Supportive Living	0525-2008-3448-219-252/258	663,000	414,845	-0-	248,155	269,835
Case Management Liaison	0525-2008-2851-219-252/258	25,000	19,193	-0-	5,807	8,686
SA - Residential	0525-2008-2891-219-252/258	859,834	566,977	-0-	292,857	187,889
Community Placement Former Colin Anderson	0525-2008-2874-803-252/258	10,900	4,269	-0-	6,631	2,490
SA – Adult	8793-2008-2885-096-128-14152	156,049	64,922	-0-	91,127	29,579
SA – Adolescent	8793-2008-2892-096-128-14152	143,354	57,404	-0-	85,950	27,002
		<u>\$ 4,103,277</u>	<u>\$ 2,201,488</u>	<u>\$ -0-</u>	<u>\$ 1,901,789</u>	<u>\$ 1,470,386</u>

**BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES
STANDARDIZED FINANCIAL STATEMENTS - BALANCE SHEET
FOR COMPREHENSIVE AND MR/DD FACILITIES
ACCRUAL BASIS
UNITED SUMMIT CENTER**

ASSETS		Period Ending 12/31/2008 (YEAR-TO-DATE)
CURRENT ASSETS:		
1.	Cash	2,897,616
2.	Short Term Investments	
3.	Accounts Receivable - OBHS	0
4.	Accounts Receivable - Client	11,872
5.	Accounts Receivable - Medicaid	522,800
6.	Accounts Receivable - Medicaid MR/DD Waiver	658,917
7.	Accounts Receivable - Other	245,359
8.	Inventory	
9.	Prepaid/Other	714,119
10.	TOTAL CURRENT ASSETS <small>(Total of lines 1-9)</small>	5,050,683
NON-CURRENT ASSETS:		
FIXED ASSETS		
11.	Property, Land and Equipment - OBHS	362,709
12.	Less Accumulated Depreciation	(187,619)
13.	Property, Land and Equipment - Other	2,368,983
14.	Less Accumulated Depreciation	(1,755,910)
15.	Total Property, Land and Equipment (NET)	788,164
OTHER NON-CURRENT ASSETS		
16.	Long-Term Investments	4,021,760
17.	Other	
18.	TOTAL ASSETS <small>(Total of lines 10, 15, 16 and 17)</small>	9,860,607
LIABILITIES		
CURRENT LIABILITIES:		
19.	Accounts Payable	347,178
20.	Taxes Payable	258,904
20 A.	Provider Taxes Payable	
21.	Line of Credit - Payable	
22.	Short-Term Notes Payable	6,461
23.	Accrued Expenses	1,933,192
24.	Other Current Liabilities	14,255
25.	TOTAL CURRENT LIABILITIES <small>(Total of lines 19 through 24)</small>	2,559,991
LONG-TERM LIABILITIES:		
26.	Long-Term Notes Payable	14,141
27.	Other Long-Term Liabilities	
28.	TOTAL LIABILITIES <small>(Total of lines 25, 26 and 27)</small>	2,574,132
NET ASSETS		
29.	Unrestricted Net Assets	7,286,475
30.	Temporarily Restricted Net Assets	
31.	Permanently Restricted Net Assets	
32.	TOTAL LIABILITIES AND NET ASSETS <small>(Total of lines 28 through 31)</small>	9,860,607

PREPARED BY -- TERENCE P. DEL SIGNORE

DATE

Name of Provider: UNITED SUMMIT CENTER

BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES
STANDARDIZED FINANCIAL STATEMENTS - INCOME STATEMENT
FOR COMPREHENSIVE AND MR/DD FACILITIES
ACCRUAL BASIS
UNITED SUMMIT CENTER

<u>REVENUE AND SUPPORT</u>	<u>Period Ending 12/31/2008</u> <u>(YEAR-TO-DATE - 12 mos)</u>
1. Charity Care	
1a Charity Care - Account 4311.1	1,529,304
1b Charity Care - Account 4311.2	841,509
1c. Charity Care - Account 4312.1	0
1d. Charity Care - Account 4312.2	62,854
1e. Charity Care - Account 4314.1	85,008
1f. Charity Care - Account 4314.2	18,583
1g Charity Care - Account 4315.1	288,389
1h. Contr. Write-Off Account 4337.1	1,333,830
1i. Charity Care Revenue - Account 4329	4,412,977
1j Supprt/Alt Revenue - Account 4358	288,023
Total	8,860,477
2. Gross Client Service Revenue	27,151,635
3 Contractual Adjustments (Target Funds)	(1,529,304)
3a. Contractual Adjustments (Non-Target Funds)	(12,580,014)
5. Net Client Service Revenue	13,042,317
Net Client Service Revenue	
6. Medicaid (Target Funds)	176,286
6a. Medicaid (Non-Target Funds)	4,344,079
7. Medicaid MR/DD Waiver (Non-Target Funds)	7,368,558
8. ICF/MR (Non-Target Funds)	
9. Private Pay (Non-Target Funds)	
9a. Private Pay (OBHS Target Funds)	542,555
9b. Private Pay (OBHS Non-Target Funds)	206,056
10. Other Client Service Revenue (Target Funds)	
10a. Other Client Service Revenue (Non-Target Funds)	404,783
11. Total Net Client Service Revenue	13,042,317
(Line 11 must agree with line 5)	
12. OBHS Support	3,887,691
13. Other/Public Support	43,429
14. Other	(561,091)
15. TOTAL REVENUE AND SUPPORT	16,412,346
(Total of line 11 through line 14)	
<u>EXPENSES</u>	
16. Salaries	9,477,778
17. Fringe Benefits	2,178,755
18. Contractual Services	1,845,619
19. Provider Tax	74,378
19ABad Debts	153,557
19BBad Debts (BHFF Target Funds)	205,822
19CBad Debts (BHFF Non-Target Funds)	78,169
20. Depreciation Expense	200,662
21. Other Expenses	2,422,367
22. TOTAL EXPENSES	16,637,107
(Total of line 16 through line 21)	
23. NET INCOME (LOSS)	(224,761)
(Line 15 minus line 22)	

PREPARED BY -- TERENCE P. DEL SIGNORE
Name of Provider: UNITED SUMMIT CENTER

DATE

UNITED SUMMIT CENTER, INC.
 SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
 FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Identifying State Grant Information</u>	<u>Period of Time</u>	<u>Amount of Award</u>	<u>Receipt of Funds</u>	<u>Expenditure of Funds</u>
Grant # G090260	07/01/2008 - 06/30/2009	\$ 3,397,901	\$ 1,505,025	\$ 1,950,709
Grant # G080031	07/01/2007 - 06/30/2008	3,639,999	<u>2,226,194</u>	<u>1,560,837</u>
Total			\$ <u>3,731,219</u>	\$ <u>3,511,546</u>



**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***

Board of Directors
United Summit Center, Inc.
Clarksburg, West Virginia

We have audited the financial statements of United Summit Center, Inc. (a nonprofit organization) as of and for the year ended December 31, 2008, and have issued our report thereon dated March 5, 2009. We conducted our 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 our audit, we considered United Summit Center, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United Summit Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the United Summit Center, Inc.'s internal control over financial reporting.

Our 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, we identified a certain deficiency in internal control over financial reporting that we 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 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. The identified significant deficiency is described in the accompanying schedule of findings and responses as item one.

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 over financial reporting was for the limited purpose described in the first paragraph in this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, we believe that the significant deficiency described in the accompanying schedule is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Summit Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

United Summit Center, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit United Summit Center, Inc.'s responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the board of directors, others within the Organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Tetuck & Bartlett, PLLC

March 5, 2009

UNITED SUMMIT CENTER, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2008

1. Significant Deficiency - Segregation of Duties

Criteria: Internal control should be implemented to the degree possible to assign to different individuals the responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction.

Condition: Responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction should be assigned to different individuals.

Cause: Responsibilities of approval, execution, recording and custody be distributed among the staff to the degree possible. However, complete segregation of duties is not economically feasible.

Effect: Because of the failure to segregate duties, internal control structure elements do not reduce to a relatively low level the risk that errors or irregularities in amounts that would be more than inconsequential in relation to the financial statements being audited may occur and not be detected within a timely period by management in the normal course of performing their assigned functions.

Entity's Response: The size of the Organization's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were larger. The Board agrees that complete segregation of duties is not economically feasible. However, to mitigate the effects of this significant deficiency, management will continue to segregate duties to the extent possible.



Tetrick & Bartlett, PLLC
Certified Public Accountants
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March 5, 2009

To the Audit Committee
United Summit Center, Inc.

We have audited the financial statements of the of United Summit Center, Inc. for the year ended December 31, 2008, and have issued our report thereon dated March 5, 2009. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility Under U.S. Generally Accepted Auditing Standards and
Government Auditing Standards**

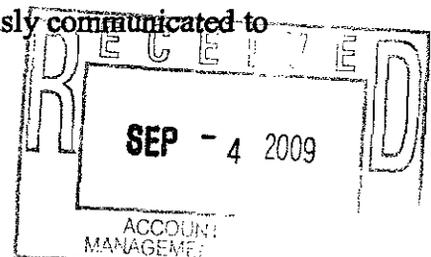
As stated in our engagement letter dated December 1, 2008, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of United Summit Center, Inc. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of United Summit Center, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.



Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by United Summit Center, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2008. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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. The most sensitive estimates affecting the financial statements was:

Management's estimate of the contractual and bad debt allowances for accounts receivable is based on management's evaluation of the collectability of the receivables including historical collection rates. We evaluated the key factors and assumptions used to develop the contractual and bad debt allowances for accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the professional and general liability self insurance accrual is based on management's evaluation of the possibility of claims for malpractice. We evaluated the key factors and assumptions used to develop the professional and general liability self insurance accrual in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are 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 financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 5, 2009.

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

Other Audit Findings or Issues

We 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 auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Audit Committee, Board of Directors, and management of United Summit Center, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Tetrick & Bartlett, PLLC

Tetrick & Bartlett, PLLC

UNITED SUMMIT CENTER, INC.
SUMMARY OF AUDIT DIFFERENCES
Year Ended December 31, 2008

	Current Year Over (Under) Statement
Statement of activities misstatements:	
Understatement of accounts receivable	-75,000
Cumulative effect (before effect of prior year differences)	-75,000
Effect of unadjusted audit differences—prior year:	
Cumulative effect (after effect of prior year differences)	<u><u>\$-75,000</u></u>
Reclassification adjustments:	
	\$0
Statement of financial position misstatements (including reclassifications):	
Current assets	\$-75,000
Total assets	\$75,000
Current liabilities	0
Total liabilities	0
Net assets:	
Beginning	-75,000
Ending	-75,000