



GILMORE, JASION & MAHLER, LTD

Dr. David Grossman, Health Commissioner
Joanne Melamed, Chief Financial Officer
Lucas County Regional Health District
Toledo, OH

In planning and performing our audit of the combined statement of cash receipts, cash disbursements, and changes in fund cash balances – all governmental and fiduciary fund types of Lucas County Regional Health District as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the District's 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, but not for the purpose of expressing an opinion on the effectiveness of the District's control. Accordingly, we do not express an opinion on the effectiveness of the District's control.

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 and correct misstatements on a timely basis. A deficiency in design exists when a control necessary to meet the control objective is missing, or when an existing control is not properly designed so that even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

Certain control deficiencies that have been previously communicated to you, in writing, by us or by others within your organization are not repeated herein.

Following are descriptions of other identified control deficiencies that we determined did not constitute significant deficiencies or material weaknesses:

Fraud Reporting

Effective May 4, 2012, section 117.103 of the Ohio Revised Code (ORC) requires "a public office shall provide information about the Ohio fraud-reporting system and the means of reporting fraud to each new employee upon employment with the public office. Each new employee shall confirm receipt of this information within thirty days after beginning employment." During our audit, it was noted the District had not yet adopted the policy and had not made employees aware of it. They did implement the policy after being made aware of it. We recommend that someone within the District be designated to monitor the bulletins that come out from the Auditor of State so they are aware of new requirements.

This communication is intended solely for the information and use of management, the Board of Directors, others within the organization, 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.

Dilmore, Jason & Mahler, LTD

May 17, 2013