UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2003

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

Commission file number 0-25890

CENTURY BUSINESS SERVICES, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	22-2769024
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

6480 Rockside Woods Boulevard South, Suite 330, Cleveland, Ohio	44131
(Address of Principal Executive Offices)	(Zip Code)

(Registrant's Telephone Number, Including Area Code) 216-447-9000

Former Name, Former Address and Former Fiscal Year, if Changed since Last Report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the proceeding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes X No ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class of Common Stock	Outstanding at October 31, 2003
Par value $.01 per share	86,266,856

CENTURY BUSINESS SERVICES, INC. AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CENTURY BUSINESS SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	(UNAUDITED) SEPTEMBER 30, 2003	DECEMBER 31, 2002
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,422	$ 6,351
Restricted cash	12,830	16,980
Accounts receivable, net	112,271	102,196
Notes receivable - current	334	2,029
Income taxes recoverable	-	4,957
Deferred income taxes	3,669	3,567
Other current assets	7,303	7,026
Assets of businesses held for sale	13,708	14,702
Current assets before funds held for clients	154,537	157,808
Funds held for clients	30,895	49,217
Total current assets	185,432	207,025
Property and equipment, net	40,618	44,418
Notes receivable - non-current	3,964	7,585
Deferred income taxes - non-current	5,363	6,495
Goodwill and other intangible assets, net	167,246	163,706
Other assets	3,218	3,882
Total assets	$ 405,841	$ 433,111
LIABILITIES		
Current liabilities:		
Accounts payable	$ 23,570	$ 22,482
Income taxes payable	6,607	-
Other current liabilities	33,527	37,202
Liabilities of businesses held for sale	6,574	7,456
Current liabilities before client fund obligations	70,278	67,140
Client fund obligations	30,895	49,217
Total current liabilities	101,173	116,357
Bank debt	23,000	17,500
Other non-current liabilities	6,504	4,936
Total liabilities	130,677	138,793
STOCKHOLDERS' EQUITY		
Common stock	955	951
Additional paid-in capital	440,938	439,684
Accumulated deficit	(131,744)	(144,754)
Treasury stock	(34,981)	(1,308)
Accumulated other comprehensive loss	(4)	(255)
Total stockholders' equity	275,164	294,318
Commitments and contingencies		
Total liabilities and stockholders' equity	$ 405,841	$ 433,111

See the accompanying notes to the consolidated financial statements.

CENTURY BUSINESS SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2002	2003	2002
Revenue	$ 119,488	$ 115,318	$ 390,109	$ 380,479
Operating expenses	109,596	106,982	338,355	332,382
Gross margin	9,892	8,336	51,754	48,097
Corporate general and administrative expense	4,567	4,835	14,589	14,864
Depreciation and amortization expense	4,117	5,417	12,725	15,303
Operating income (loss)	1,208	(1,916)	24,440	17,930
Other income (expense):				
Interest expense	(234)	(501)	(854)	(1,972)
Gain (loss) on sale of operations, net	207	(237)	1,991	873
Other income (expense), net	31	(1,921)	(662)	(315)
Total other income (expense), net	4	(2,659)	475	(1,414)
Income (loss) from continuing operations before income tax expense (benefit)	1,212	(4,575)	24,915	16,516
Income tax expense (benefit)	1,007	(506)	11,076	8,568
Income (loss) from continuing operations	205	(4,069)	13,839	7,948
Loss from operations of discontinued businesses, net of tax	(233)	(134)	(436)	(479)
Loss on disposal of discontinued businesses, net of tax	(210)	(1,905)	(393)	(3,141)
Income (loss) before cumulative effect of change in accounting principle	(238)	(6,108)	13,010	4,328
Cumulative effect of a change in accounting principle, net of tax	-	-	-	(80,007)
Net income (loss)	$ (238)	$ (6,108)	$ 13,010	$ (75,679)
Earnings (loss) per share:				
Basic:				
Continuing operations	$ -	$ (0.04)	$ 0.15	$ 0.08
Discontinued operations	-	(0.02)	(0.01)	(0.04)
Cumulative effect of change in accounting principle	-	-	-	(0.84)
Net income (loss)	$ -	$ (0.06)	$ 0.14	$ (0.80)
Diluted:				
Continuing operations	$ -	$ (0.04)	$ 0.15	$ 0.08
Discontinued operations	-	(0.02)	(0.01)	(0.04)
Cumulative effect of change in accounting principle	-	-	-	(0.82)
Net income (loss)	$ -	$ (0.06)	$ 0.14	$ (0.78)
Basic weighted average shares outstanding	86,228	95,109	92,118	95,000
Diluted weighted average shares outstanding	88,971	95,109	94,267	97,233

See the accompanying notes to the consolidated financial statements.

CENTURY BUSINESS SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(IN THOUSANDS)

	NINE MONTHS ENDED SEPTEMBER 30, 2003	NINE MONTHS ENDED SEPTEMBER 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 13,010	$ (75,679)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Loss from operations of discontinued businesses	436	479
Loss on disposal of discontinued businesses	393	3,141
Gain on sale of operations	(1,991)	(873)
Bad debt expense, net of recoveries	3,684	5,916
Impairment of notes receivable	1,625	-
Cumulative effect of change in accounting principle	-	80,007
Depreciation and amortization	12,725	15,303
Deferred income taxes	1,030	5,940
Changes in assets and liabilities, net of acquisitions and dispositions:		
Restricted cash	4,018	2,788
Accounts receivable, net	(14,221)	(1,922)
Other assets	(654)	1,606
Accounts payable	1,389	(1,081)
Income taxes	11,567	1,137
Accrued expenses and other liabilities	(3,043)	(34)
Net cash provided by continuing operations	29,968	36,728
Net cash provided by discontinued operations	456	603
Net cash provided by operating activities	30,424	37,331
CASH FLOWS FROM INVESTING ACTIVITIES:		
Business acquisitions including contingent consideration, net of cash acquired	(3,256)	-
Proceeds from divested operations	5,045	3,622
Additions to property and equipment, net	(7,670)	(7,379)
Net decrease in notes receivable	1,473	1,588
Net cash used in investing activities	(4,408)	(2,169)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from bank debt	165,200	48,900
Proceeds from notes payable and capitalized leases	383	595
Payment of bank debt	(159,700)	(78,900)
Payment of notes payable and capitalized leases	(1,038)	(811)
Payment for acquisition of treasury stock	(33,523)	-
Proceeds from exercise of stock options and warrants	733	532
Net cash used in financing activities	(27,945)	(29,684)
Net increase (decrease) in cash and cash equivalents	(1,929)	5,478
Cash and cash equivalents at beginning of year	6,351	4,340
Cash and cash equivalents at end of year	$ 4,422	$ 9,818

See the accompanying notes to the consolidated financial statements.

CENTURY BUSINESS SERVICES, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited consolidated interim financial statements reflect all adjustments (consisting of only normal and recurring adjustments) necessary to present fairly the financial position of Century Business Services, Inc. and Subsidiaries (CBIZ) as of September 30, 2003 and December 31, 2002, and the results of their operations for the three and nine months ended September 30, 2003 and 2002, and cash flows for the nine months ended September 30, 2003 and 2002. The results of operations for such interim periods are not necessarily indicative of the results for the full year. The accompanying unaudited consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial reporting and the instructions to Form 10-Q, and accordingly do not include all disclosures required by GAAP. For further information, refer to the consolidated financial statements and footnotes thereto included in CBIZ's annual report on Form 10-K for the year ended December 31, 2002. Also, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a discussion of critical accounting policies.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain reclassifications have been made to the 2002 consolidated financial statements to conform to the 2003 presentation.

New Accounting Pronouncements

Effective January 1, 2003, CBIZ adopted Statement of Financial Accounting Standards (SFAS) 146, "Accounting for Costs Associated with Exit or Disposal Activities." The standard requires companies to recognize costs associated with exit or disposal activities when costs are incurred rather than at the date of a commitment to an exit or disposal plan. The implementation of SFAS 146 did not have a material impact on CBIZ's results of operations, financial position or cash flows.

Effective January 1, 2003, CBIZ adopted SFAS 148, "Accounting for Stock-Based Compensation - Transition and Disclosures," an amendment to SFAS 123, "Accounting for Stock-Based Compensation." SFAS 148 provides alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. CBIZ has elected not to voluntarily change to the fair value based method of accounting for stock options, but has adopted the disclosure requirements. See Note 7 for the applicable disclosures.

Effective January 1, 2003, CBIZ adopted Financial Interpretation 45 (FIN 45), "Guarantor's Accounting and Disclosure Requirements for Guarantees, including Indirect Guarantees of Indebtedness of Others," which addresses the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under guarantees. The implementation of the accounting pronouncement did not have a material impact on CBIZ's results of operations, financial position, or cash flows.

In January 2003, the Financial Accounting Standards Board (FASB) issued Interpretation 46 (FIN 46), "Consolidation of Variable Interest Entities." FIN 46 addresses the consolidation of variable interest entities (VIEs) that have the characteristics of equity investments at risk not sufficient to permit the entity to finance its activities without additional financial support from other parties, or VIEs in which the equity investor lacks essential characteristics of a controlling financial interest. The consolidation requirements of FIN 46 apply immediately to VIE's created after January 31, 2003. The consolidation requirements apply to entities existing prior to January 31, 2003 in the first fiscal year or interim period beginning after June 15, 2003. Certain of the disclosure requirements apply to all financial statements issued after January 31, 2003 regardless of when the VIE was established. In October 2003, the FASB issued FASB Staff Position FIN 46-6 which deferred the application of FIN 46 for public entities until the first interim period ending after December 15, 2003, for VIEs acquired before February 1, 2003. In addition to the issuance of FIN 46-6, the FASB has also proposed significant changes regarding the scope of FIN 46, clarification of certain provisions, and added disclosures, for which the comment period ends December 1, 2003. CBIZ has evaluated FIN 46 as of September 30, 2003 and does not believe it holds any interest in VIEs that would require consolidation. However, CBIZ will continue to evaluate the standard based on additional guidance and potential changes provided by the FASB.

In January 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." The Statement will improve financial reporting by requiring that contracts with comparable characteristics be accounted for similarly, and will result in more consistent reporting of contracts as either derivatives or hybrid instruments. This Statement is effective for contracts entered into or modified after June 30, 2003. The implementation of this accounting pronouncement did not have an impact on CBIZ's results of operations, financial position, or cash flows.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." This Statement affects the accounting for three types of freestanding financial instruments that could previously be accounted for as equity: mandatorily redeemable shares; put options and forward purchase contracts; and obligations that can be settled with shares. This Statement is effective for all financial instruments entered into or modified after May 31, 2003 and otherwise is effective July 1, 2003. The implementation of this accounting pronouncement did not have an impact on CBIZ's results of operations, financial position, or cash flows.

2. ACCOUNTS RECEIVABLE

Accounts receivable balances were as follows (in thousands):

	SEPTEMBER 30, 2003	DECEMBER 31, 2002
Trade accounts receivable	$ 84,690	$ 82,022
Unbilled revenues	37,420	28,943
Total accounts receivable	122,110	110,965
Less allowance for doubtful accounts	(9,839)	(8,769)
Accounts receivable, net	$ 112,271	$ 102,196

3. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

The components of intangible assets, net were as follows (in thousands):

	SEPTEMBER 30, 2003	DECEMBER 31, 2002
Goodwill	$ 157,647	$ 157,035
Intangibles:		
Client lists	13,025	9,217
Other intangibles	687	484
Total Intangibles	13,712	9,701
Total goodwill and other intangibles assets	171,359	166,736
Less accumulated amortization	(4,113)	(3,030)
Total goodwill and other intangible assets, net	$ 167,246	$ 163,706

Client lists are amortized over periods not exceeding ten years. Other intangibles, which consist primarily of non-compete agreements, expirations, trademarks and website costs are amortized over periods ranging from two to ten years.

4. BANK DEBT

Bank debt balances were as follows (in thousands, except percentages):

	SEPTEMBER 30, 2003	DECEMBER 31, 2002
Bank debt:		
Revolving credit facilities, effective rates of 3.09% to 6.63%................................	$ 23,000	$ 17,500
Weighted average rates.........................	4.72%	5.60%

The bank agreement contains financial covenants that require CBIZ to meet certain requirements with respect to (i) minimum net worth; (ii) maximum leverage ratio; and (iii) a minimum fixed charge coverage ratio. Limitations are also placed on CBIZ's ability to acquire, as well as to divest operations. As of September 30, 2003, CBIZ was in compliance with its covenants.

In the ordinary course of business, CBIZ provides letters of credit to certain lessors in lieu of security deposits. Letters of credit under the credit facility were $4.2 million and $1.9 million as of September 30, 2003 and December 31, 2002, respectively. Management does not expect any material charges to result from these instruments because performance is not expected to be required.

At September 30, 2003, based on the borrowing base calculation, CBIZ had approximately $33.8 million of available funds under its credit facility.

Effective June 6, 2003, CBIZ completed an amendment to its credit facility with its lenders. The amendment was completed for purposes of increasing restricted payments to allow CBIZ to repurchase up to $52.5 million of capital stock through December 31, 2003, in addition to the current provision permitting the purchase of stock for up to 50% of trailing twelve months net income. In conjunction with the amendment to allow for increased repurchase of capital stock, the following changes were made to the credit facility: (i) the minimum tangible net worth requirement was revised to a minimum net worth test with a beginning base of $260 million, and (ii) the borrowing base tied to levels of accounts receivable and WIP was revised to permit an over-advance of $5 million to the total borrowing base for up to 10 consecutive business days during each month through December 31, 2003.

5. CONTINGENCIES

CBIZ is from time to time subject to claims and suits arising in the ordinary course of business. CBIZ is involved in certain legal proceedings as described in Part I, "Item 3 - Legal Proceedings" in our Annual Report on Form 10-K for the year ended December 31, 2002. There have been no significant developments in such claims or suits during the first nine months of 2003, other than an adjustment recorded to certain legal reserves as a result of a favorable judgment received in April of 2003. Reserve adjustments are recorded in other income (expense), net. Although the ultimate disposition of such proceedings is not presently determinable, management does not believe that the ultimate resolution of these matters will have a material adverse effect on the financial condition, results of operations or cash flows of CBIZ.

6. CONSOLIDATION AND INTEGRATION CHARGES

The 1999 Plan -- During the fourth quarter of 1999, CBIZ's Board of Directors approved a plan to consolidate several operations in multi-office markets and integrate certain back-office functions into a shared-services center. The plan included the consolidation of approximately 60 locations, the elimination of more than 200 positions, and the divestiture of four non-core businesses.

Other Plans -- Since adoption of the 1999 Plan, management has continued to evaluate market areas in order to meet its strategy to deliver services to clients conveniently, and to promote cross-serving between various service groups. CBIZ has initiated consolidation activities in several markets and has incurred expenses related to noncancellable lease obligations, severance obligations, and expense-reduction initiatives.

During the first nine months of 2002, CBIZ initiated plans for the consolidation of the Kansas City market which resulted in $1.7 million of charges related to noncancellable lease obligations. During the first nine months of 2003, CBIZ completed plans to consolidate two accounting firms in the Orange county market which resulted in $0.2 million of charges related to the termination of a future lease obligation. Management continually evaluates and adjusts certain reserve estimates for noncancellable lease obligations based on changes in market conditions and sublease arrangements.

Consolidation and integration reserve balances as of December 31, 2002, and activity during the nine-month period ended September 30, 2003 was as follows (in thousands):

	LEASE CONSOLIDATIONS	
	1999 PLAN	OTHER PLANS
Reserve balance at December 31, 2002	$ 64	$ 3,705
Reserve estimate adjustments to expense	20	393
Payments	(78)	(1,016)
Reserve balance at September 30, 2003	$ 6	$ 3,082

Consolidation and integration charges incurred for the three and nine months ended September 30, 2003 and 2002, which are included in operating expenses in the consolidated statements of operations, were as follows (in thousands):

	THREE MONTHS ENDED SEPTEMBER 30,	
	2003	2002
CONSOLIDATION AND INTEGRATION CHARGES NOT IN 1999 PLAN:		
Severance expense	$ (9)	$ 4
Lease consolidation and abandonment	493	371
Other consolidation charges	412	117
Total consolidation and integration charges	$ 896	$ 492

	NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2002
CONSOLIDATION AND INTEGRATION CHARGES NOT IN 1999 PLAN:		
Severance expense	$ 85	$ 33
Lease consolidation and abandonment	1,079	2,799
Other consolidation charges	387	449
Subtotal	1,551	3,281
CONSOLIDATION AND INTEGRATION CHARGES FOR THE 1999 PLAN:		
Adjustment to lease accrual	20	80
Total consolidation and integration charges	$ 1,571	$ 3,361

7. STOCK-BASED COMPENSATION

CBIZ accounts for the stock-based compensation plans under the intrinsic value method of APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation cost has been reflected in net income (loss), as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income (loss) and earnings (loss) per share as if CBIZ had applied the fair value recognition provisions of SFAS 123 to stock-based employee compensation (in thousands, except per share data).

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2003	2002	2003	2002
Net income (loss) as reported	$ (238)	$ (6,108)	$ 13,010	$ (75,679)
Fair value of stock-based compensation, net of tax	816	905	2,435	2,612
Pro forma net income (loss)	$ (1,054)	$ (7,013)	$ 10,575	$ (78,291)
Earnings (loss) per share:				
Basic -- as reported	$ -	$ (0.06)	$ 0.14	$ (0.80)
Basic -- pro forma	$ (0.01)	$ (0.07)	$ 0.11	$ (0.82)
Diluted -- as reported	$ -	$ (0.06)	$ 0.14	$ (0.78)
Diluted -- pro forma	$ (0.01)	$ (0.07)	$ 0.11	$ (0.81)

The above results may not be representative of the effects on net income for future years.

8. EARNINGS PER SHARE

CBIZ presents both basic and diluted earnings per share. The following data shows the amounts used in computing earnings per share and the effect on the weighted average number of dilutive potential common shares (in thousands):

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2002 (A)	2003	2002
NUMERATOR:				
Net income (loss)	$ (238)	$ (6,108)	$ 13,010	$ (75,679)
DENOMINATOR:				
BASIC				
Weighted average common shares	86,228	95,109	92,118	95,000
DILUTED				
Options	2,743	-	2,149	2,233
Total	88,971	95,109	94,267	97,233

(a) The effect of the incremental shares from options of 1,829 for the three months ended September 30, 2002 have been excluded from diluted weighted average shares, as the net loss from continuing operations for the period would cause the incremental shares to be anti-dilutive.

9. ACQUISITIONS

During the nine months ended September 30, 2003, CBIZ completed the acquisition of benefits and insurance firms in Boca Raton, Florida and Salt Lake City, Utah, as well as Accounting Tax & Advisory firms in Orange County, California and Stamford, Connecticut. In addition to the acquisitions of these businesses, CBIZ purchased the client lists of three benefits agencies. The aggregate purchase price of these acquisitions and client lists was approximately $10.8 million, comprised of $2.6 million in cash and 177,000 shares of restricted common stock (estimated stock value of $0.3 million at acquisition) paid at closing, $2.1 million of notes contributed, and up to an additional $5.8 million payable in cash which is contingent on the businesses meeting certain future revenue targets. The excess of purchase price over fair value of net assets acquired was allocated to the purchased client lists, which are being amortized periods not exceeding ten years, to certain non-compete agreements, which are being amortized over two years to five years, and to goodwill. The operating results of these firms have been included in the accompanying consolidated financial statements since the dates of acquisition.

10. DIVESTITURES

During the first quarter of 2003, there were no transactions related to the sale of a business, commitment to sell a business, or classification of a unit as a discontinued operation. During the second quarter of 2003, CBIZ sold Health Administrative Services (HAS), with offices in Dallas and Houston, Texas, and a small 401(k) recordkeeping business in Denver, Colorado. CBIZ completed the sale of these two businesses for an aggregate price of $4.2 million in cash, resulting in a pretax gain of $1.8 million. During the third quarter of 2003, CBIZ sold two client lists and related assets within the Accounting, Tax and Advisory (ATA) practice group for an aggregate price of $0.9 million in cash and stock resulting in a pretax gain of $0.2 million.

During the first quarter of 2002, CBIZ sold, closed or committed to sale, eight businesses. Of these eight operations, CBIZ completed the sale or closing of five ATA operations, one Benefits and Insurance operation, and two National Practices operations for an aggregate price of $5.7 million which included $3.6 million in notes receivable. These divestitures resulted in a pretax gain of $1.1 million. During the second quarter of 2002, CBIZ completed the sale of one non-core business operation for an aggregate price of $1.2 million, resulting in a pretax gain of $0.1 million. During the third quarter of 2002, CBIZ elected to close one non-core business operation which resulted in a pretax loss of $0.2 million.

The sale of these businesses was either initiated before CBIZ adopted SFAS No. 144 "Accounting for the Impairment of or the Disposal of Long-Lived Assets", or did not meet the criteria for treatment as a discontinued operation and were reported under gain on divested operations from continuing operations.

11. SEGMENT REPORTING

CBIZ business units are aggregated into three operating practice groups: ATA, Benefits and Insurance, and National Practices. CBIZ MMP, which is CBIZ's medical practice management unit within the National Practices Group, exceeded the quantitative threshold of aggregation (10% of total revenues) as defined under SFAS No. 131, "Disclosures About Segments of Enterprise and Related Information," in 2002, therefore requiring separate segment disclosure. In addition, certain technology operations were transferred from the ATA division to the National Practices division effective January 1, 2003. Historical financial data for all balance sheet and income statement accounts was not available for all of these technology operations for all prior periods; therefore, prior period data is included in the ATA results and was not reclassified between ATA and National Practices. However, revenue information is available for 2002, as discussed within the Management, Discussion and Analysis of the Operating Practice Groups.

In addition to the four reportable segments disclosed, corporate and other is also reported separately. Corporate and other includes certain operating expenses that are not allocated to any individual unit or segment, such as insurance costs, audit fees, consolidation and integration charges, and costs related to other company-wide initiatives. Segment information for the three and nine-month periods ended September 30, 2003 and 2002 were as follows (in thousands):

THREE MONTHS ENDED SEPTEMBER 30, 2003

	ACCOUNTING TAX & ADVISORY	BENEFITS & INSURANCE	NATIONAL PRACTICE GROUP MEDICAL PRACTICE MGMT.	NATIONAL PRACTICE GROUP NATIONAL PRACTICE - OTHER	CORPORATE AND OTHER	TOTAL
Revenue	$ 43,089	37,363	19,503	19,533	-	$ 119,488
Operating expenses	43,318	30,846	15,362	18,567	1,503	109,596
Gross margin	(229)	6,517	4,141	966	(1,503)	9,892
Corporate general & administrative	-	-	-	-	4,567	4,567
Depreciation and amortization	943	757	676	279	1,462	4,117
Operating income (loss)	(1,172)	5,760	3,465	687	(7,532)	1,208
Other income (expense):						
Interest expense	(13)	(10)	(1)	-	(210)	(234)
Gain on sale of operations, net	-	-	-	-	207	207
Other income (expense), net	95	(91)	(3)	136	(106)	31
Total other income (expense), net	82	(101)	(4)	136	(109)	4
Income (loss) from continuing operations before income taxes	$ (1,090)	5,659	3,461	823	(7,641)	$ 1,212

THREE MONTHS ENDED SEPTEMBER 30, 2002

	ACCOUNTING TAX & ADVISORY	BENEFITS & INSURANCE	NATIONAL PRACTICE GROUP MEDICAL PRACTICE MGMT.	NATIONAL PRACTICE GROUP NATIONAL PRACTICE - OTHER	CORPORATE AND OTHER	TOTAL
Revenue	$ 43,945	34,423	17,109	19,841	-	$ 115,318
Operating expenses	42,881	29,361	13,814	19,619	1,307	106,982
Gross margin	1,064	5,062	3,295	222	(1,307)	8,336
Corporate general & administrative	-	-	-	-	4,835	4,835
Depreciation and amortization	1,256	878	512	452	2,319	5,417
Operating income (loss)	(192)	4,184	2,783	(230)	(8,461)	(1,916)
Other income (expense):						
Interest expense	(13)	(17)	(2)	(9)	(460)	(501)
Loss on sale of operations, net	-	-	-	-	(237)	(237)
Other income (expense), net	89	148	(5)	(865)	(1,288)	(1,921)
Total other income (expense), net	76	131	(7)	(874)	(1,985)	(2,659)
Income (loss) from continuing operations before income taxes	$ (116)	4,315	2,776	(1,104)	(10,446)	$ (4,575)

NINE MONTHS ENDED SEPTEMBER 30, 2003

	ACCOUNTING TAX & ADVISORY	BENEFITS & INSURANCE	NATIONAL PRACTICE GROUP: MEDICAL PRACTICE MGMT.	NATIONAL PRACTICE GROUP: NATIONAL PRACTICE - OTHER	CORPORATE AND OTHER	TOTAL
Revenue	$ 162,942	115,734	55,751	55,682	-	$ 390,109
Operating expenses	137,515	93,651	45,746	55,922	5,521	338,355
Gross margin	25,427	22,083	10,005	(240)	(5,521)	51,754
Corporate general & administrative	-	-	-	-	14,589	14,589
Depreciation and amortization	3,431	2,241	1,923	874	4,256	12,725
Operating income (loss)	21,996	19,842	8,082	(1,114)	(24,366)	24,440
Other income (expense):						
Interest expense	(40)	(54)	(2)	(1)	(757)	(854)
Gain on sale of operations, net	-	-	-	-	1,991	1,991
Other income (expense), net	217	(6)	(94)	537	(1,316)	(662)
Total other income (expense), net	177	(60)	(96)	536	(82)	475
Income (loss) from continuing operations before income taxes	$ 22,173	19,782	7,986	(578)	(24,448)	$ 24,915

NINE MONTHS ENDED SEPTEMBER 30, 2002

	ACCOUNTING TAX & ADVISORY	BENEFITS & INSURANCE	NATIONAL PRACTICE GROUP: MEDICAL PRACTICE MGMT.	NATIONAL PRACTICE GROUP: NATIONAL PRACTICE - OTHER	CORPORATE AND OTHER	TOTAL
Revenue	$ 166,614	108,392	48,854	56,619	-	$ 380,479
Operating expenses	138,619	90,557	39,998	56,642	6,566	332,382
Gross margin	27,995	17,835	8,856	(23)	(6,566)	48,097
Corporate general & administrative	-	-	-	-	14,864	14,864
Depreciation and amortization	3,594	2,793	1,411	1,191	6,314	15,303
Operating income (loss)	24,401	15,042	7,445	(1,214)	(27,744)	17,930
Other income (expense):						
Interest expense	(40)	(59)	(6)	(39)	(1,828)	(1,972)
Gain on sale of operations, net	-	-	-	-	873	873
Other income (expense), net	247	266	(12)	(420)	(396)	(315)
Total other income (expense), net	207	207	(18)	(459)	(1,351)	(1,414)
Income (loss) from continuing operations before income taxes	$ 24,608	15,249	7,427	(1,673)	(29,095)	$ 16,516

12. DISCONTINUED OPERATIONS

During 2002, CBIZ adopted formal business plans to sell or close five business operations that were no longer part of CBIZ's strategic long-term growth objectives. During the third quarter of 2003, CBIZ adopted formal plans to divest four additional operations. These business operations are reported as discontinued operations and the net assets and liabilities and results of operations are reported separately in the consolidated financial statements. One operation was closed during the first quarter of 2002 for a loss on disposal of $0.3 million and three additional operations were subsequently closed during the remainder of the year 2002. Five operations still remain available for sale as of September 30, 2003.

Revenue from the discontinued operations for the three and nine-months ended September 30, 2003 were $1.1 million and $3.9 million, respectively, compared to $3.0 million and $10.7 million for the comparable periods in 2002.

The assets and liabilities of the business units classified as discontinued operations consisted of the following (in thousands):

	SEPTEMBER 30, 2003	DECEMBER 31, 2002
Accounts receivable, net	$ 5,702	$ 6,285
Property and equipment, net	602	690
Deferred tax asset, net	7,342	7,639
Other assets	62	88
Assets of discontinued operations	$ 13,708	$ 14,702
Accounts payable	$ 138	$ 490
Accrued expenses	6,436	6,966
Liabilities of discontinued operations	$ 6,574	$ 7,456

13. SUBSEQUENT EVENTS

On October 31, 2003, CBIZ completed the sale of an ATA business that was classified as a discontinued operation as of September 30, 2003. CBIZ received approximately $0.4 million in cash and stock for consideration of the sale.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to assist in the understanding of CBIZ's financial position and results of operations for the three and nine months ended September 30, 2003 and 2002.

RESULTS OF OPERATIONS - CONTINUING OPERATIONS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

OPERATING PRACTICE GROUPS

CBIZ currently delivers products and services through three practice groups. A brief description of these groups' operating results and factors affecting their businesses is provided below.

Accounting, Tax and Advisory Services. The Accounting, Tax and Advisory (ATA) group contributed approximately $43.1 million and $43.9 million of revenue, or approximately 36.1% and 38.1% of CBIZ's total revenue for the quarters ended September 30, 2003 and 2002, respectively. The decrease in revenue attributable to divestitures completed during or subsequent to the third quarter 2002 was $0.1 million, offset by an increase in revenues of $0.5 million due to acquisitions. In addition, revenue decreased by $1.2 million as a result of the transfer of certain information technology operations to the National Practices - - Other Segment in January 2003. For ATA businesses with a full period of operations for the three months ended September 30, 2003 and 2002, revenue was flat. The current weak business environment has hampered growth in this segment, particularly in consulting and special project engagements which clients have delayed. The ATA group reported gross margins of -0.5% and 2.4% for the three months ended September 30, 2003 and 2002. Margins are traditionally low in the third quarter based on the seasonality and lower revenue base during the third quarter.

Benefits and Insurance Services. The Benefits and Insurance group contributed approximately $37.4 million and $34.4 million of revenue, or approximately 31.3% and 29.9% of CBIZ's total revenue for the quarter ended September 30, 2003 and 2002, respectively. Revenue growth of $2.6 million related to acquisitions completed subsequent to the third quarter of 2002, offset by revenue decline from divestitures of $3.4 million. For Benefits and Insurance businesses with a full period of operations for the three-months ended September 30, 2003 and 2002, same-unit revenue increased $3.8 million, or 12.2%. Same unit revenue increase was attributable primarily to strong sales in the specialty life insurance and voluntary worksite units. Growth in the benefits and insurance group is due in part to rising premium rates continuing through 2003. Since CBIZ's commission revenue is generally based upon a percentage of premiums, this increase in pricing has been favorable to CBIZ. Gross margin for the Benefits and Insurance group for the three months ended September 30, 2003 was 17.4% as compared to 14.7% for the three-months ended September 30, 2002. Improvements in gross margin are a result of higher revenue, leveraged by the current infrastructure costs that have not increased along with revenue increases.

National Practices Services- Medical Management Practice. CBIZ Medical Management Professionals (CBIZ MMP), which is part of the National Practices operating group, contributed approximately $19.5 million and $17.1 million, or 16.3% and 14.8% of CBIZ's total revenue for the quarters ended September 30, 2003 and 2002, respectively. CBIZ MMP's revenue growth of $2.4 million, or 14.0%. This increase is primarily attributable to the addition of new clients and the expansion into new markets, such as entrance into the western region of the United States during the later part of 2002. The gross margin for the three months ended September 30, 2003 was 21.2% as compared to 19.3% for the three months ended September 30, 2002. CBIZ MMP's gross margin improvement is primarily attributable to cost containment initiatives.

National Practices Services- Other. The other units within the National Practices group, excluding CBIZ MMP, contributed approximately $19.5 million and $19.8 million of revenue, or approximately 16.3% and 17.2% of CBIZ's total revenue for the quarter ended September 30, 2003 and 2002, respectively. The decrease in revenue was primarily attributable to delays in transactions and depressed market conditions in CBIZ's mergers and acquisitions and valuation businesses, offset in part by the increase in revenue attributable to the information technology businesses transferred from the ATA division to National Practices effective January 1, 2003. The gross margin for the three months ended September 30, 2003 was 4.9% as compared to 1.1% for the three months ended September 30, 2002. The increase is mainly attributable to the write-off of inventory during the third quarter of 2002 that did not reoccur during the third quarter of 2003.

Revenue

Total revenue for the three months ended September 30, 2003 was $119.5 million as compared to $115.3 million for the three months ended September 30, 2002, representing an increase of $4.2 million, or 3.6%. The increase in revenue attributable to acquisitions completed subsequent to June 30, 2002 was $3.1 million, and was offset by a decrease in revenue of $3.5 million due to divestitures completed subsequent to June 30, 2002. For business units with a full period of operations for the three months ended September 30, 2003 and 2002, revenue increased $4.6 million or 4.1%. A more comprehensive analysis of revenue by each operating practice group is discussed above.

Expenses

Operating expenses increased to $109.6 million for the three-month period ended September 30, 2003, from $107.0 million for the comparable period in 2002, an increase of $2.6 million, or 2.4%. As a percentage of revenue, operating expenses for the three-month period ended September 30, 2003 were 91.7%, compared to 92.8% for the comparable period in 2002. The primary components of operating expenses are personnel costs and occupancy expense. Operating expenses included consolidation, integration and severance charges for the three months ended September 30, 2003 and 2002 of $0.9 million and $0.5 million, respectively. Excluding consolidation and integration charges, operating expenses were $108.7 million or 91.0% as a percentage of revenue, for the three-month period ended September 30, 2003, compared to $106.5 million, or 92.3% as a percentage of revenue, for the comparable period in 2002. CBIZ believes that this information may provide additional meaningful information in evaluating the company's performance.

Corporate general and administrative expenses decreased to $4.6 million for the three-month period ended September 30, 2003, from $4.8 million for the comparable period in 2002. Corporate general and administrative expenses represented 3.8% of total revenues for the three-month period ended September 30, 2003, down from 4.2% for the comparable period in 2002. The decrease in corporate general and administrative costs was primarily due to a decrease in legal costs, as the level of legal expenses to pursue cases concerning non-competition violations by former employees and other cases in which CBIZ is involved, was higher in 2002.

Depreciation and amortization expense decreased to $4.1 million for the three-month period ended September 30, 2003, from $5.4 million for the comparable period in 2002, a decrease of $1.3 million, or 24.0%. The decrease is attributable to asset retirements, fully depreciated assets, and the shift from purchasing computer-related items and furniture to leasing such items. These operating lease costs are recorded as operating expenses, rather than capitalized and recorded as depreciation. As a percentage of total revenues, depreciation and amortization expense was 3.4% for the three-month period ended September 30, 2003, compared to 4.7% for the comparable period in 2002.

Interest expense decreased to $0.2 million for the three-month period ended September 30, 2003, from $0.5 million for the comparable period in 2002, a decrease of $0.3 million, or 53.3%. The decrease is the result of a lower average outstanding debt of $21.6 million during the third quarter of 2003, compared to $30.2 million during the third quarter of 2002, and average interest rates were approximately 3.3% during the third quarter of 2003, as compared to 5.7% during the third quarter 2002.

Gain on sale of operations, net was $0.2 million for the three months ended September 30, 2003, and was related to the sale of two operations in the ATA division. Loss on sale of operations, net was $0.2 million for the three months ended September 30, 2002, and was related to the closing of one business operation. See Note 10 to CBIZ's consolidated financial statements included herewith.

CBIZ reported other income of $31,000 for the three-month period ended September 30, 2003, compared to other expense of $1.9 million for the comparable period in 2002, a decrease in expenses of $2.0 million. Other income (expense), net is comprised primarily of interest income earned on funds held for clients at CBIZ's payroll business, gain and losses on sale of assets, charges for legal reserves and settlements and miscellaneous income such as contingent royalties from previous divestitures. The change is primarily related to $2.4 million of impairment charges to notes receivable and investments during the third quarter of 2002 that did not recur in the third quarter of 2003.

CBIZ recorded income tax expense from continuing operations of $1.0 million for the three-month periods ended September 30, 2003 compared to an income tax benefit of $0.5 million and 2002. Income taxes were adjusted in the third quarter of 2003 based on an annual effective tax rate of 44.5% for 2003, compared to an annual effective tax rate of 51.9% for the comparable period in 2002. The annual effective tax rate for 2003 is higher than the statutory federal and state tax rates primarily due to capital losses resulting from certain impairment charges that are not offset by capital gains, and therefore not deductible and are not expected to be deductible in future periods. See "For the nine months ended September 30, 2003 and 2002" for further discussion regarding the annual effective tax rate.

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

OPERATING PRACTICE GROUPS

Accounting, Tax and Advisory Services. The Accounting, Tax and Advisory (ATA) group contributed approximately $162.9 million and $166.6 million of revenue, or approximately 41.8% and 43.8% of CBIZ's total revenue for the nine months ended September 30, 2003 and 2002, respectively. The decrease in revenue attributable to divestitures completed subsequent to June 30, 2002 was $1.4 million, offset by an increase in revenues of $0.8 million due to acquisitions. In addition, revenue decreased by $4.4 million as a result of the transfer of the certain information technology operations to the National Practices - Other Segment in January 2003. For ATA businesses with a full period of operations for the nine months ended September 30, 2003 and 2002, revenue increased $1.2 million, or 0.7%. The current weak business environment has hampered growth in this segment, particularly in consulting and special project engagements which clients have delayed. The ATA group reported gross margins of 15.6% and 16.8% for the nine months ended September 30, 2003 and 2002. Margins have declined due to decreased revenue, resulting in increased compensation expense as a percent of revenue during 2003. A portion of compensation expense is related to achieving annual performance targets, and therefore may be adjusted if such annual performance targets are not met.

Benefits and Insurance Services. The Benefits and Insurance group contributed approximately $115.7 million and $108.4 million of revenue, or approximately 29.7% and 28.5% of CBIZ's total revenue for the nine months ended September 30, 2003 and 2002, respectively. Revenue growth of $6.8 million related to acquisitions completed subsequent to the September 30, 2002, offset by revenue decline from divestitures of $4.1 million. For Benefits and Insurance businesses with a full period of operations for the three-months ended September 30, 2003 and 2002, same-unit revenue increased $4.7 million, or 4.7%. Same unit revenue increase was attributable primarily to strong sales in single premium life insurance, specialty life insurance, and voluntary worksite units. Growth in the benefits and insurance group is due in part to the rising premium rates continuing through 2003. Since CBIZ's commission revenue is generally based upon a percentage of premiums, this increase in pricing has been favorable to CBIZ. Gross margin for the Benefits and Insurance group for the nine months ended September 30, 2003 was 19.1% as compared to 16.5% for the nine months ended September 30, 2002. Improvements in gross margin are a result of higher revenue, leveraged by the current infrastructure costs that have not increased along with revenue increases.

National Practices Services- Medical Management Practice. CBIZ Medical Management Professionals (CBIZ MMP), which is part of the National Practices operating group, contributed approximately $55.7 million and $48.9 million, or 14.3% and 12.8%, of CBIZ's total revenue for the nine months ended September 30, 2003 and 2002, respectively. CBIZ MMP's revenue growth of $6.8 million, or 14.0%. This increase is primarily attributable to the addition of new clients and the expansion into new markets, such as entrance into the western region of the United States during the later part of 2002. The gross margin for the nine months ended September 30, 2003 was 17.9% as compared to 18.1% for the nine months ended September 30, 2002.

National Practices Services- Other. The other units within the National Practices group, excluding CBIZ MMP, contributed approximately $55.7 million and $56.6 million of revenue, or approximately 14.3% and 14.9% of CBIZ's total revenue for the nine months ended September 30, 2003 and 2002, respectively. The decrease in revenue was primarily attributable to delays in transactions and depressed market conditions in CBIZ's mergers and acquisitions and valuation businesses, offset in part by the increase in revenue attributable to the information technology businesses transferred from the ATA division to National Practices effective January 1, 2003. The gross margin for the nine months ended September 30, 2003 and 2002 was flat due to continued weakness in CBIZ's mergers and acquisition, valuation, and IT consulting businesses.

Revenue

Total revenue for the nine months ended September 30, 2003 was $390.1 million as compared to $380.5 million for the nine months ended September 30, 2002, representing an increase of $9.6 million, or 2.5%. The increase in revenue attributable to acquisitions completed subsequent to June 30, 2002 was $7.5 million, and was offset by a decrease in revenue of $5.5 million due to divestitures completed subsequent to June 30, 2002. For business units with a full period of operations for the nine months ended September 30, 2003 and 2002, revenue increased $7.6 million or 2.1%. A more comprehensive analysis of revenue by each operating practice group is discussed above.

Expenses

Operating expenses increased to $338.4 million for the nine months ended September 30, 2003, from $332.4 million for the comparable period in 2002, an increase of $6.0 million, or 1.8%. As a percentage of revenue, operating expenses for the nine months ended September 30, 2003 were 86.7%, compared to 87.4% for the comparable period in 2002. The primary components of operating expenses are personnel costs and occupancy expense. Operating expenses were impacted by consolidation and integration charges of $1.6 million and $3.4 million for the nine months ended September 30, 2003 and 2002, respectively. Excluding consolidation and integration charges, operating expenses were $336.8 million or 86.3% as a percentage of revenue, for the nine months ended September 30, 2003, compared to $329.0 million, or 86.4% as a percentage of revenue, for the comparable period in 2002. CBIZ believes that this information may provide additional meaningful information in evaluating the company's performance. Operating expenses increased primarily due to increased compensation expense of $9.6 million related to (i) additional hires to CBIZ's medical practice management unit to support its growth, (ii) higher commission expense in the Benefits and Insurance practice group related to the increased revenue and, (iii) the addition of several former Arthur Andersen, LLP professionals to the ATA practice group. The increase was also offset by general staff reductions at certain business units, as well as a decrease in bad debt expense of $2.2 million.

Corporate general and administrative expenses decreased to $14.6 million for the nine months ended September 30, 2003, from $14.9 million for the comparable period in 2002. Corporate general and administrative expenses represented 3.7% of total revenues for the nine months ended September 30, 2003, down from 3.9% for the comparable period in 2002. Changes in corporate general and administrative costs were primarily driven by an increase in severance costs of approximately $0.7 million incurred related to reductions in corporate staff during the first quarter of 2003, offset by a decrease of $1.7 million in certain legal expenses, as the level of legal expenses to pursue non-competition violations by former employees was higher in 2002.

Depreciation and amortization expense decreased to $12.7 million for the nine months ended September 30, 2003, from $15.3 million for the comparable period in 2002, a decrease of $2.6 million, or 16.8%. The decrease is attributable to asset retirements, fully depreciated assets, and the shift from purchasing computer-related items to leasing such items. These operating lease costs are recorded as operating expenses, rather than capitalized and recorded as depreciation. As a percentage of total revenues, depreciation and amortization expense was 3.3% for the nine months ended September 30, 2003, compared to 4.0% for the comparable period in 2002.

Interest expense decreased to $0.9 million for the nine months ended September 30, 2003, from $2.0 million for the comparable period in 2002, a decrease of $1.1 million, or 56.7%. The decrease is the result of a lower average outstanding debt of $17.2 million during the first nine months of 2003, compared to $43.6 million during the comparable period in 2002, and a lower average interest rate of 4.7% during the first nine months of 2003, compared to 5.6% during the comparable period in 2002.

Gain on sale of operations, net was $2.0 million for the nine months ended September 30, 2003, and was related to the sale or closing of four business operations. Gain on sale of operations, net was $0.9 million for the nine months ended September 30, 2002, and was related to the sale or closing of ten businesses operations. See Note 10 to CBIZ's consolidated financial statements included herewith.

CBIZ reported other expense of $0.7 million for the nine months ended September 30, 2003, compared to other expense of $0.3 million for the comparable period in 2002, an increase in expense of $0.4 million. Other income (expense), net is comprised primarily of interest income earned on funds held for clients at CBIZ's payroll business, gains and losses on sale of assets, charges for legal reserves and settlements, and miscellaneous income such as contingent royalties from previous divestitures. For the nine months ended September 30, 2003, other expense is primarily related to $2.0 million of impairment charges to notes receivable, offset by interest income of $0.8 million. For the nine months ended September 30, 2002, other expense is primarily related to $2.4 million of impairment charges related to notes receivable and investments the company previously made in high tech start-up ventures, offset by interest income of $1.0 million.

CBIZ recorded income taxes from continuing operations of $11.1 million for the nine months ended September 30, 2003, compared to $8.6 million recorded for the nine months ended September 30, 2002. The effective tax rate decreased to 44.5% for the nine months ended September 30, 2003, from 51.9% for the comparable period in 2002. Income taxes are provided based on CBIZ's anticipated annual effective tax rate. The estimated annual effective tax rate is subject to a number of factors and may change based on changes in annual estimated pretax income, revisions to tax positions taken as a result of further analysis, or changes resulting from audits by taxing authorities The effective tax rate for the nine-months ended September 30, 2003, is higher than the statutory federal and state tax rates of approximately 40% primarily due capital losses resulting from certain impairment charges, that are not offset by capital gains, and therefore currently not deductible. The effective tax rate for the nine-months ended September 30, 2002, is higher than the statutory federal and state tax rates of approximately 40% due to permanent differences, such as the write-down of non-deductible goodwill upon disposition of businesses.

RESULTS OF OPERATIONS - DISCONTINUED OPERATIONS

During 2002, CBIZ adopted formal plans to divest five non-core operations which were no longer part of CBIZ's strategic long-term growth objectives. During the third quarter of 2003, CBIZ adopted formal plans to divest four additional operations. These operations have been classified as discontinued operations in accordance with the adoption of Statement of Financial Accounting Standards (SFAS) 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," and the assets, liabilities, and results of operations are reported separately in the consolidated financial statements. One of these operations was closed during the first quarter of 2002 and an additional three units were subsequently sold or closed as of December 31, 2002. Five operations still remain available for sale as of September 30, 2003. Based on the estimated cost of closure, CBIZ recorded a loss on disposal from discontinued operations, net of tax, of $0.2 million and $0.4 million for the three and nine months ended September 30, 2003, compared to $1.9 million and $3.1 million for the comparable periods in 2002. Revenue associated with these eight discontinued operations for the three and nine months ended September 30, 2003 was $1.1 million and $3.9 million, respectively, compared to $3.0 million and $10.7 million for the comparable periods in 2002, respectively. The loss from operations, net of tax, associated with these divestitures for the three months ended September 30, 2003 and 2002 was $0.2 million and $0.1 million, respectively, compared to a loss from operations, net of tax, of $0.4 million and $0.5 million for the nine months ended September 30, 2003 and 2002, respectively.

RESULTS OF OPERATIONS -- CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

Effective January 1, 2002, CBIZ adopted SFAS No. 142, "Goodwill and Other Intangible Assets", which requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead be tested for impairment at least annually at the reporting unit level. SFAS 142 also requires intangible assets with finite useful lives to be amortized over their respective estimated useful lives and reviewed for impairment in accordance with SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." CBIZ finalized the required transitional tests of goodwill during 2002, and recorded an impairment charge of $88.6 million on a pre-tax basis. This non-cash charge is reflected as a cumulative effect of a change in accounting principle, net of tax benefit, of $80.0 million.

FINANCIAL CONDITION

Restricted cash at September 30, 2003 was $12.8 million, a decrease of $4.2 million from December 31, 2002. Restricted cash represents those funds held in connection with CBIZ's NASD regulated operations and funds held in connection with the pass through of insurance premiums to the carrier. Funds held for clients were $30.9 million at September 30, 2003, a decrease of $18.3 million from December 31, 2002. Funds held for clients represent funds collected from clients for payroll and related services administered by CBIZ, and are offset by client fund obligations. Restricted cash and funds held for clients fluctuate during the year based on the timing of cash receipts and related payments. Accounts receivable, net were $112.3 million at September 30, 2003 compared to $102.2 million at December 31, 2002, an increase of $10.1 million. The increase in receivables is primarily attributed to increased revenue from internal growth and acquisitions. Income tax receivable decreased by $5.0 million, based on tax refunds received during 2003. Notes receivable (current and non-current) at September 30, 2003 decreased $5.3 million from December 31, 2002, primarily related to a $2.0 million impairment charge, and a $2.1 million note contributed towards the acquisition of HarborView Partners in Stamford, Connecticut.

Current liabilities before client fund obligations increased $3.2 million from December 31, 2002 primarily related to an increase in income taxes payable of $6.6 million. Client fund obligations were $30.9 million, a decrease of $18.3 million from December 31, 2002. Client fund obligations fluctuate during the year based on the timing of cash receipts and related payments. CBIZ's bank debt balance was $23.0 million at September 30, 2003, compared to $17.5 million at December 31, 2002, an increase of $5.5 million. The increase is primarily related to $30 million borrowed during the third quarter of 2003 to fund the repurchase of CBIZ common stock through the modified Dutch Auction tender offer, offset by payments on the debt during the nine months ended September 30, 2003 based on positive cash flow.

Stockholders' equity decreased by $19.2 million, primarily related to the $33.7 million of additional treasury stock acquired through the modified Dutch Auction tender offer, as well as open market purchases. This decrease was offset by net income of $13.0 million earned for the nine months ended September 30, 2003, and $1.2 million related to the exercise of stock options.

LIQUIDITY AND CAPITAL RESOURCES

CBIZ's bank line of credit is a $73.0 million revolving credit facility with Bank of America as the agent bank. The credit facility carries an option to increase the total commitment to $80 million and allows for the allocation of funds for strategic initiatives, including acquisitions and the repurchase of CBIZ common stock. CBIZ expects to use the facility for working capital, internal growth initiatives, and its acquisition program. The facility has a three-year term with an expiration date of September 2005. CBIZ is currently in compliance with all covenants under its credit facility.

At September 30, 2003, CBIZ had $23.0 million outstanding under its credit facility, leaving approximately $33.8 million of available funds under the facility based on the borrowing base calculation. Management believes that those available funds, along with cash generated from operations, will be sufficient to meet its liquidity needs in the foreseeable future. See Note 4 to CBIZ's consolidated financial statements included herewith for additional information regarding the credit facility.

SOURCES AND USES OF CASH

Cash provided by operating activities and funds available from CBIZ's credit facility provide the resources to support current operations, projected growth, acquisitions, capital expenditures, and share repurchases. Net cash provided by operating activities was $30.4 million and $37.3 million for the nine months ended September 30, 2003 and 2002, respectively, and was the primary source of funds used to fund acquisitions and the repurchase of CBIZ common stock. CBIZ's principal source of net operating cash is derived from the collection of fees from professional services rendered to its clients and commissions earned in the areas of accounting, tax, valuation and advisory services, benefits consulting and administration services, insurance, human resources and payroll solutions, capital advisory, retirement and wealth management services and technology solutions.

Net cash used in investing activities during the nine months ended September 30, 2003 of $4.4 million primarily consisted of $7.7 million used for capital expenditures and $3.3 million used toward the acquisitions of two benefits and insurance firms, an ATA firm, and several client lists. Cash provided by investing activities include $5.0 million of proceeds from the divestiture of four businesses. Capital expenditures consisted of leasehold improvements and equipment in connection with the consolidation of certain offices, IT capital to support the growth of the medical practice management unit and equipment purchases in relation to normal replacement. During the nine months ended September 30, 2003, the majority of the capital expenditures were related to the build-out of the new Kansas City facility completed in June and software expenditures to support the CNECT project. Net cash used in investing activities during the nine months ended September 30, 2002 of $2.2 million consisted of $7.4 million used for capital expenditures, offset by the proceeds from the divestiture of ten business units of $3.6 million and the collections of notes receivable of $1.6 million.

Net cash used in financing activities was $27.9 million in 2003 compared to $29.7 million in 2002. Proceeds from bank debt and net cash provided by operating activities were primarily used to fund the repurchase of $33.5 million of CBIZ stock. In July of 2003, CBIZ completed its modified Dutch Auction tender offer which resulted in the purchase of approximately 9.9 million shares of common stock at a purchase price of $3.30 per share, or a total cost (including expenses) of approximately $33.2 million. In addition, CBIZ repurchased approximately 104,000 shares in the open market for approximately $0.3 million.

INTEREST RATE RISK MANAGEMENT

CBIZ entered into an interest rate swap agreement in the third quarter of 2001 to reduce the impact of potential rate increases on variable rate debt through its credit facility. Based on the company's continued strong cash flow and its ability to completely pay down its credit facility, the remaining notional amount of $10 million under the swap was unwound during the quarter ended June 30, 2003. As a result, $0.2 million previously recorded as accumulated other comprehensive loss in stockholders' equity was charged to interest expense during the nine months ended September 30, 2003.

CRITICAL ACCOUNTING POLICIES

The policies discussed below are considered by management to be critical to the understanding of CBIZ's consolidated financial statements because their application places significant demand on management's judgment, and financial reporting results rely on estimation about the effects of matters that are inherently uncertain. Specific risks for these critical accounting policies are described in the following paragraphs. For all of these policies, management cautions that estimates may require adjustment if future events develop differently than expected.

REVENUE RECOGNITION AND VALUATION OF UNBILLED REVENUES

Revenue is recognized only when all of the following are present: (i) persuasive evidence of an arrangement exists; (ii) delivery has occurred or services have been rendered; (iii) our fee to the client is fixed or determinable; and (iv) collectibility is reasonably assured, which is in accordance with generally accepted accounting principles and SEC Staff Accounting Bulletin No. 101. CBIZ offers a vast array of products and outsourced business services to its clients. Those services are delivered through three segments. A description of revenue recognition, as it relates to those segments, is provided below:

ACCOUNTING, TAX AND ADVISORY SERVICES - Revenue consists primarily of fees for accounting services, preparation of tax returns and consulting services. Revenues are recorded in the period in which they are earned. CBIZ bills clients based upon a predetermined agreed upon fixed fee or actual hours incurred on client projects at expected net realizable rates per hour, plus any out-of-pocket expenses. The cumulative impact on any subsequent revision in the estimated realizable value of unbilled fees for a particular client project is reflected in the period in which the change becomes known.

BENEFITS & INSURANCE - Revenue consists primarily of brokerage and agency commissions, and fee income for administering health and retirement plans. A description of the revenue recognition, based on insurance products and billing arrangements, is described below:

- Commissions relating to brokerage and agency activities whereby CBIZ has primary responsibility for the collection of premiums from insured's (agency or indirect billing) are generally recognized as of the earlier of the effective date of the insurance policy or the date billed to the customer.

- Commissions to be received directly from insurance companies (direct billing) are generally recognized when the amounts are determined.

- Life insurance commissions are generally recognized when the amounts are determined.

- Commission revenue is reported net of sub-broker commissions.

- Contingent commissions are recognized at the earlier of notification or cash collection.

- Fee income is recognized in the period earned, and may be based on actual hours incurred on an hourly fee basis, fixed fee arrangements or asset-based fees.

NATIONAL PRACTICES - The business units that comprise this division offer a variety of services. A description of revenue recognition associated with the primary services is provided below:

- Mergers & Acquisitions and Capital Advisory - Revenue associated with non-refundable retainers are recognized on a pro rata basis over the life of the engagement. Revenue associated with success fee transactions are recognized when the transaction is completed.

- Technology Consulting - Revenue associated with hardware and software sales is recognized upon delivery and acceptance of the product. Revenue associated with installation and service agreements are recognized as services are performed. Consulting revenue is recognized on an hourly or per diem fee basis.

- Valuation and Property Tax - Revenue associated with retainer contracts are recognized on a pro rata basis over the life of the contract, which is generally twelve months. Revenue associated with contingency arrangements is recognized when written notification is received from an outside third party (e.g., the assessor in the case of a property tax engagement) acknowledging that the contingency has been completed).

- Medical Practice Management - Revenue is recognized when payments are received on our clients' patient accounts.

VALUATION OF ACCOUNTS RECEIVABLE AND NOTES RECEIVABLE

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amount 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. Specifically, management must make estimates of the collectibility of our accounts receivable, including unbilled accounts receivable, related to current period service revenue. Management analyzes historical bad debts, client credit-worthiness, and current economic trends and conditions when evaluating the adequacy of the allowance for doubtful accounts and the collectibility of notes receivable. Significant management judgments and estimates must be made and used in connection with establishing the allowance for doubtful accounts in any accounting period. Material differences may result if management made different judgments or utilized different estimates.

VALUATION OF GOODWILL

Effective January 1, 2002, CBIZ adopted the provisions of SFAS 142 and accordingly ceased amortization of our remaining goodwill balance. During 2002, CBIZ completed the process of evaluating our goodwill for impairment using the new fair market impairment guidelines of SFAS 142. This change to a new method of accounting for goodwill resulted in a non-cash impairment charge of $88.6 million on a pretax basis ($80.0 million net of tax), which was recorded as a cumulative effect of a change in accounting principle. CBIZ conducts a formal impairment test of goodwill on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value.

VALUATION OF INVESTMENTS

CBIZ has held certain investments in privately held companies during their start-up or development stages, which are included in "other assets" in the accompanying unaudited consolidated balance sheets. These investments are inherently risky as the market for the technologies or products these companies have under development are typically in the early stages. The value of these investments is influenced by many factors, including the operating effectiveness of these companies, the overall health of the companies' industries, the strength of the private equity markets and general market conditions. Although the market value of these investments are not readily determinable, management believes their current fair values approximate their carrying values at the respective balance sheet dates. At September 30, 2003, CBIZ held one investment for approximately $0.6 million. In light of the circumstances noted above, particularly with respect to the current economic environment, it is possible that the fair value of this investment could decline in future periods, and further impairment could occur.

LOSS CONTINGENCIES

Loss contingencies, including litigation claims, are recorded as liabilities when it is probable that a liability has been incurred and the amount of the loss is reasonably estimable. Contingent liabilities are often resolved over long time periods. Estimating probable losses requires analysis that often depends on judgment regarding potential actions by third parties.

ESTIMATES OF INCENTIVE COMPENSATION COSTS AND EFFECTIVE INCOME TAX RATES

Incentive compensation costs and income tax expense are two significant expense categories that are highly dependent upon management estimates and judgments, particularly at each interim reporting date. In arriving at the amount of expense to recognize, management believes it makes reasonable estimates and judgments using all significant information available. Incentive compensation costs are accrued on a monthly basis; however, the ultimate determination is made after our year-end results are finalized; thus, estimates are subject to change. Circumstances that could cause our estimates of effective income tax rates to change include the impact of information that subsequently becomes available as we prepared our corporate income tax returns; the level of actual full-year pre-tax income; revisions to tax positions taken as a result of further analysis and consultation; and changes mandated as a result of audits by taxing authorities.

OTHER SIGNIFICANT POLICIES

Other significant accounting policies not involving the same level of measurement uncertainties as those discussed above are nevertheless important to understanding the consolidated financial statements. Those policies are described in Note 1 to the consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2002.

NEW ACCOUNTING PRONOUNCEMENTS

In January 2003, FASB issued Interpretation 46 (FIN 46), "Consolidation of Variable Interest Entities." FIN 46 addresses the consolidation of variable interest entities (VIEs) that have the characteristics of equity investments at risk not sufficient to permit the entity to finance its activities without additional financial support from other parties, or VIEs in which the equity investor lacks essential characteristics of a controlling financial interest. The consolidation requirements of FIN 46 apply immediately to VIE's created after January 31, 2003. The consolidation requirements apply to entities existing prior to January 31, 2003 in the first fiscal year or interim period beginning after June 15, 2003. Certain of the disclosure requirements apply to all financial statements issued after January 31, 2003 regardless of when the VIE was established. In October 2003, the FASB issued FASB Staff Position FIN 46-6 which deferred the application of FIN 46 for public entities until the first interim period ending after December 15, 2003, for VIEs acquired before February 1, 2003. In addition to the issuance of FIN 46-6, the FASB has also proposed significant changes regarding the scope of FIN 46, clarification of certain provisions, and added disclosures, for which the comments period ends December 1, 2003. CBIZ has evaluated FIN 46 as of September 30, 2003 and does not believe it holds any interest in VIEs that would require consolidation. However, CBIZ will continue to evaluate the standard based on additional guidance and potential changes provided by the FASB.

In January 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." The Statement will improve financial reporting by requiring that contracts with comparable characteristics be accounted for similarly, and will result in more consistent reporting of contracts as either derivatives or hybrid instruments. This Statement is effective for contracts entered into or modified after September 30, 2003. CBIZ does not believe this Statement will have a material impact on its financial position, results of operations, or cash flows.

FORWARD-LOOKING STATEMENTS

This 10-Q Report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this 10-Q Report, including without limitation, "Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding CBIZ's financial position, business strategy and plans and objectives for future performance are forward-looking statements. Forward-looking statements are commonly identified by the use of such terms and phrases as "intends," "believes," "estimates," "expects," "projects," "anticipates," "foreseeable future," "seeks," and words or phases of similar import. Such statements are subject to certain risks, uncertainties or assumptions. Should one or more of these risks or assumptions materialize, or should the underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Such risks and uncertainties include, but are not limited to, CBIZ's ability to adequately manage its growth; CBIZ's dependence on the services of its CEO and other key employees; competitive pricing pressures; general business and economic conditions; and changes in governmental regulation and tax laws affecting its operations. Consequently, no forward-looking statement can be guaranteed. A more detailed description of risks and uncertainties may be found in CBIZ's Annual Report on Form 10-K. CBIZ undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995.

ITEM 3. QUANTITATIVE AND QUALITATIVE INFORMATION ABOUT MARKET RISK

Quantitative Information About Market Risk. CBIZ's floating rate debt under its credit facility exposes the Company to interest rate risk. A change in the Federal Funds Rate, or the Reference Rate set by the Bank of America (San Francisco), would affect the rate at which CBIZ could borrow funds under its credit facility. CBIZ had entered into an interest rate swap during 2001 to minimize the potential impact of future increases in interest rates. This interest rate swap was terminated during the second quarter of 2003, in concert with the reduction in debt. See Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Interest Rate Risk Management," for a further discussion of this financial instrument.

CBIZ does not engage in trading market risk sensitive instruments. Except for the interest rate swap discussed above, CBIZ does not purchase instruments, hedges, or "other than trading" instruments that are likely to expose CBIZ to market risk, whether foreign currency exchange, commodity price or equity price risk. CBIZ has not issued debt instruments, entered into forward or futures contracts or purchased options.

Qualitative Information About Market Risk. CBIZ's primary market risk exposure is that of interest rate risk. A change in the Federal Funds Rate, or the reference rate set by the Bank of America (San Francisco), would affect the rate at which CBIZ could borrow funds under its credit facility. See "Quantitative Information about Market Risk" for a further discussion on the potential impact of a change in interest rates.

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer have evaluated the disclosure controls and procedures pursuant to Rule 13a-15 of the Securities Exchange Act of 1934, as of the end of the period covered by this quarterly report. Based on this evaluation they concluded that the disclosure controls and procedures effectively ensure that information required to be disclosed in our filings and submissions under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no significant changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect the internal control over financial reporting, during the quarter covered by this report. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

PART II - OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

- 31.1 Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

The following Current Reports on Form 8-K were filed during the three months ended September 30, 2003:

On July 31, 2003, CBIZ filed a current report on Form 8-K to provide investors with its second quarter earnings, as released to the public and discussed on a conference call on July 29, 2003.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Century Business Services, Inc.
(Registrant)

Date: November 13, 2003

By: /s/ WARE H. GROVE
Ware H. Grove
Chief Financial Officer

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

OF CENTURY BUSINESS SERVICES, INC.

I, Steven L. Gerard, Chief Executive Officer, certify that:

1. I have reviewed this report on Form 10-Q of Century Business Services, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2003

By: /s/ Steven L. Gerard
Steven L. Gerard
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

OF CENTURY BUSINESS SERVICES, INC.

I, Ware H. Grove, Chief Financial Officer, certify that:

1. I have reviewed this report on Form 10-Q of Century Business Services, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2003

By: /s/ Ware H. Grove
Ware H. Grove
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF CENTURY BUSINESS SERVICES, INC.

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and accompanies the quarterly report on Form 10-Q for the quarter ended September 30, 2003 (the "Form 10-Q") of Century Business Services, Inc. (the "Issuer").

I, Steven L. Gerard, the Chief Executive Officer of the Issuer, certify that to the best of my knowledge:

(i) the Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: November 13, 2003

/s/ Steven L. Gerard

Steven L. Gerard, CEO

Subscribed and sworn to before me
this 13th day of November, 2003.

/s/ Michael W. Gleespen
- ---
Name: Michael W. Gleespen
Title: Notary Public & Attorney-At-Law
Registered in Franklin County, Ohio
No Expiration Date

Exhibit 32.2

CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF CENTURY BUSINESS SERVICES, INC.

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and accompanies the quarterly report on Form 10-Q for the quarter ended September 30, 2003 (the "Form 10-Q") of Century Business Services, Inc. (the "Issuer").

I, Ware H. Grove, the Chief Financial Officer of the Issuer, certify that to the best of my knowledge:

(i) the Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: November 13, 2003

/s/ Ware H. Grove

Ware H. Grove, CFO

Subscribed and sworn to before me
this 13th day of November, 2003.

/s/ Michael W. Gleespen
- ---
Name: Michael W. Gleespen
Title: Notary Public & Attorney-At-Law
Registered in Franklin County, Ohio
No Expiration Date