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NEW ORLEANS RESOURCES FOR INDEPENDENT LIVING, INC.

AUDIT REPORT

SEPTEMBER 30, 1967

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4.15.98

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Charles L. Lacoste, Jr.

Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Orleans Resources for Independent Living, Inc.

I have audited the accompanying statement of financial position of New Orleans Resources for Independent Living, Inc. as of September 30, 1987, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the New Orleans Resources for Independent Living, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Orleans Resources for Independent Living, Inc. as of September 30, 1987, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated March 23, 1998 on my consideration of New Orleans Resources for Independent Living, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the basic financial statements of New Orleans Resources for Independent Living, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



New Orleans, Louisiana
March 23, 1998

New Orleans Resources for Independent Living, Inc.

STATEMENT OF FINANCIAL POSITION

September 30, 1997

ASSETS	
Cash and cash equivalents	\$ 101,461
Accounts receivable	107,318
Prepaid expense	1,883
Property and equipment	67,118
Mortgage notes receivable	?
Deposits	<u>338</u>
Total Assets	\$ <u>317,926</u>
LIABILITIES	
Accounts payable	\$ 54,943
Deferred revenue	37,551
accrued compensation	<u>46,102</u>
Total Liabilities	<u>138,596</u>
NET ASSETS	
Unrestricted-	
Designated for fund development	\$ 59,493
Other unrestricted	<u>24,788</u>
Total Unrestricted	\$ 84,281
Temporarily restricted	<u>144,657</u>
Total Net Assets	<u>228,938</u>
Total Liabilities and Net Assets	\$ <u>317,926</u>

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

New Orleans Resources for Independent Living, Inc.

STATEMENT OF ACTIVITIES
Year Ended September 30, 1997

UNRESTRICTED NET ASSETS	
Support -	
Donations	\$ 51,455
Program income	2,315,935
Sales of real estate from program to acquire and rehabilitate for agency clients	\$ 277,498
Less: Cost of acquiring and rehabilitating	<u>288,088</u>
Net	(<u>10,590</u>)
Net assets released from restrictions -	
Restrictions satisfied by payments	<u>38,318</u>
Total	<u>2,024,120</u>
Expenses -	
Program services -	
Housing	289,340
Independent Living Skills	557,268
Service Coordination	<u>1,439,830</u>
Total for program services	<u>2,286,438</u>
Supporting services -	
Management and general	162,336
Fund-raising	<u>43,787</u>
Total for supporting services	<u>206,123</u>
Total expenses	<u>2,492,561</u>
Decrease in Unrestricted Net Assets	(<u>46,441</u>)
TEMPORARILY RESTRICTED NET ASSETS	
Mortgage notes receivable	4
Support for Accessible Dream	29
Restrictions satisfied by payments	(<u>38,318</u>)
Total	(<u>38,285</u>)
Decrease in Net Assets	(<u>38,281</u>)
NET ASSETS AT BEGINNING OF YEAR (see restated)	<u>310,352</u>
NET ASSETS AT END OF YEAR	\$ <u>272,071</u>

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

New Orleans Resources for Independent Living, Inc.

STATEMENT OF CASH FLOWS
Year Ended September 30, 1997

Cash Flows from Operating Activities -	
Decrease in net assets	\$ (81,024)
Adjustments to reconcile change in net assets to net cash provided by operating activities -	
Depreciation	2,746
Decrease in operating assets	78,363
Increase in operating liabilities	33,519
Net cash provided by operating activities	31,505
Cash Flows from Investing Activities -	
Decrease in property and equipment	5,604
Increase in mortgage notes receivable	(40)
Cash Flows from Financing Activities -	
Decrease in notes payable	(18,000)
Net increase in cash and cash equivalents	\$ <u>21,385</u>

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

See Outside Services for Independent Listing, cont.

STATEMENT OF OPERATIONS, CONTINUED
Year Ended September 30, 1997

Program Services

Accounting and Auditing	Independent			Supporting Services		
	Listing Fees	Services Contributions	Total	Accounting Fees	Field Fees	Total
\$	\$	\$	\$	\$	\$	\$
28,187	88,850	117,037	117,037	-	-	117,037
141,154	1,189	142,343	142,343	-	-	142,343
123	8,781	8,904	8,904	-	-	8,904
-	1,746	1,746	1,746	-	-	1,746
-	2,885	2,885	2,885	-	-	2,885
-	1,188	1,188	1,188	-	-	1,188
194	3,427	3,621	3,621	-	-	3,621
1,382	16,820	18,202	18,202	-	-	18,202
489	8,181	8,670	8,670	-	-	8,670
1,487	95,143	96,630	96,630	1,188	-	97,818
55,484	1,124,121	1,179,605	1,179,605	1,188	-	1,180,793
1,287	118,888	120,175	120,175	4,821	-	124,996
8	8,889	8,897	8,897	-	-	8,897
8	8,828	8,836	8,836	-	-	8,836
1,857	2,168	4,025	4,025	-	-	4,025
7	15,889	15,896	15,896	-	-	15,896
181	8,827	8,998	8,998	-	-	8,998
288,421	1,818,848	2,107,269	2,107,269	4,778	-	2,112,047
58	1,881	1,939	1,939	32	-	1,971
\$1,212	\$1,818,830	\$3,030,812	\$3,030,812	\$4,810	\$4,810	\$3,035,622

Total

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

New Orleans Resources for Independent Living, Inc.

NOTES TO FINANCIAL STATEMENTS

September 30, 1987

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

New Orleans Resources for Independent Living, Inc. was incorporated June 27, 1968, under the provisions of the Louisiana Nonprofit Corporation Law. On October 18, 1983, the Internal Revenue Service notified the Organization that the Service determined that the Organization would be recognized as a publicly supported organization, as described in Section 501(c)(3) and that the Organization was exempt from Federal income tax under Section 501(a). The Organization is also exempt from income tax under Louisiana laws.

Programs

Housing - concentrates on providing safe and accessible housing to eligible parties. It involves the modification or rehabilitation of housing to meet the needs of the disabled.

Independent Living - includes home skills training, medical self-help, and other skills essential to consumers' self-esteem, self-reliance and their ability to live independently successfully.

Service Coordination - provides services to assist with activities of daily living. Absent these services many would live in an institutional setting.

Significant Accounting Policies

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

New Orleans Resources for Independent Living, Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 1997

Contributed Services - The Organization received valuable services from its dedicated volunteers. However, these services are not recognized as revenue as they do not create nonfinancial assets nor are they specialized services as described in SFAS 116.

Property and Equipment - Donations of property and equipment are recorded as support at their estimated fair value. Such assets are recorded as unrestricted support unless the donor imposes a restriction. If such restriction exists the support is reported in accord with the nature of the restriction. Property and equipment purchases having a value of less than \$500 are not recorded as an asset. All other property and equipment is depreciated using the straight line method.

Income Taxes - The Organization is a nonprofit corporation that is exempt from both Federal and Louisiana income taxes under Section 501(c)(3) of the Internal Revenue Code and R. S. 12:101.

Cash and Cash Equivalents - The Organization considers all funds in bank accounts, money market accounts or certificates of deposit as cash or its equivalent.

Financial Statement Presentation - The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets and permanently restricted net assets (if each is applicable). In addition, the Organization is required to present a statement of cash flows.

New Orleans Resources for Independent Living, Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 1987

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

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

NOTE B - ACCOUNTS RECEIVABLE

Accounts receivable represent primarily revenues earned and receivable under government funded contracts. No allowance for uncollectibles is recorded because of the nature of these contracts.

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consists of the following components:

Equipment	\$193,028
Furniture	28,431
Computers	<u>3,408</u>
	193,598
Accumulated depreciation	<u>(68,417)</u>
	<u>\$ 125,181</u>

New Orleans Resources for Independent Living, Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 1987

Property and equipment are recorded at cost. Maintenance and repairs are expensed as incurred. Major renewals and improvements are capitalized. When property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gains and losses are recognized in income. Depreciation is provided using the straight line method over the estimated service life.

The state government funded revenue contracts provide that property and equipment purchased with funds they provide must be used for rehabilitation purposes for ten years or the assets will revert to the contracting agency.

NOTE D - DEFERRED REVENUE

Deferred revenues represent funds advanced to the Organization by the State of Louisiana. These funds are recognized from revenues from contractual services.

NOTE E - RELATED PARTIES

Various members or former members of the Board of Directors and certain employees receive disability related direct assistance under various Organization programs. Such benefits and eligibility therefor are on the same terms and conditions as unrelated parties.

NOTE F - RESTRICTION ON ASSETS

As of September 30, 1987 certain assets are restricted as to purpose and are available for the following purposes:

Housing	\$ 74,854
Independent Living Skills	90,406
Service Coordination	<u>19,997</u>
	<u>\$185,257</u>

New Orleans Resources for Independent Living, Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 1987

NOTE G - MORTGAGE NOTES RECEIVABLE

As a component of one of the housing programs the Organization acquires, rehabilitates and sells to qualified individuals real estate. The Organization receives as part of its compensation second mortgage notes which bear numerous restrictions. They are non-interest bearing, no payments are made on the principal and in the seventh year begin a fourteen year schedule of forgiveness. If the underlying collateral is sold to a non-qualified purchaser the Organization has the option of purchasing the property at the same price. If the property is sold the Organization can realize some value from these notes, after the owner realizes a return of their equity investment adjusted for inflation. Any such realization by the Organization is shared equally with HUD. Due to the highly contingent nature of this asset each note is reported at the nominal value of \$1. The face value of the notes is \$147,336.

NOTE H - OPERATING LEASE

The Organization leases office space under operating lease agreements. In the New Orleans region the lease is for 72 months beginning June 1, 1986 and ending May 31, 2002. In Baton Rouge, the lease is for three years, February 1, 1988 to January 1990. The future obligations are:

<u>Fiscal Year Ended</u> <u>September 30,...</u>	<u>New Orleans</u>	<u>Baton Rouge</u>
1988	112,140	6,086
1989	118,145	-
2000	118,348	-
2001	120,961	-

New Orleans Resources for Independent Living, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 1987

Federal Grantor/ Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
<u>Major Programs</u>			
<u>for Cluster of Programs:</u>			
U. S. Department of Education - Title VII Direct	84.132A	8132A-30993 8132A-40012	\$ 280,188
Pass through - State of Louisiana		374-3806	34,814
Medicaid - FCA Waiver			952,393
Medicaid - DMR/DB Waiver			588,333
- Elderly Waiver			18,978
<u>Other Federal Awards:</u>			
U. S. Department of Housing and Urban Development - Hope 3: Implementation Grant	14.209	N/A	88,292
U. S. Department of Housing and Urban Development - pass through from New Orleans Office of Housing and Urban Affairs - Community Development Block Grant-Project Open House: 14.218		CD-19-803	89,805
-Emergency Home Repair:		CD-19-9097	128,175
			<u>\$1,808,593</u>

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors of
New Orleans Resources for Independent Living, Inc.

Compliance

I have audited the compliance of New Orleans Resources for Independent Living, Inc. with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 1997. New Orleans Resources for Independent Living, Inc.'s major federal programs are identified in the schedule of expenditures of federal awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of New Orleans Resources for Independent Living, Inc.'s management. My responsibility is to express an opinion on New Orleans Resources for Independent Living, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Orleans Resources for Independent Living, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on New Orleans Resources for Independent Living, Inc.'s compliance with those requirements.

In my opinion, New Orleans Resources for Independent Living, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 1987.

Internal Control Over Compliance

The management of New Orleans Resources for Independent Living, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered New Orleans Resources for Independent Living, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance with OMB Circular A-133.

I noted a certain matter involving the internal control over compliance and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect New Orleans Resources for Independent Living, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The organization has not been able to prepare timely interim financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I do not believe that the reportable condition described above is a material weakness.

This report is intended for the information of the board of directors, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



New Orleans, Louisiana
March 23, 1998

Charles L. Lacoste, Jr.

Certified Public Accountant
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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
New Orleans Resources for Independent Living, Inc.

I have audited the financial statements of New Orleans Resources for Independent Living, Inc. as of and for the year ended September 30, 1997, and have issued my report thereon dated March 23, 1998.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered New Orleans Resources for Independent Living, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses. However, I noted a certain matter that I classified as a reportable condition that I reported to management in a separate letter dated March 23, 1988.

This report is intended for the information of the board of directors, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



New Orleans, Louisiana
March 23, 1988

New Orleans Resources for Independent Living, Inc.

SCHEDULE OF FINDINGS

1. SUMMARY -

- (i) I have issued an unqualified opinion on the financial statements as of and for the year ended September 30, 1993.
- (ii) In the course of my audit of the financial statements, I noted a certain matter which I classified as a reportable condition in internal control. However, I did not consider it a material weakness.
- (iii) The audit did not disclose any noncompliance which is material to the financial statements.
- (iv) My audit disclosed what I considered a reportable condition in internal control over major programs. However, I did not consider it a material weakness.
- (v) I have issued an unqualified opinion on compliance for major programs.
- (vi) The audit disclosed a condition that is reportable under section 510(a).
- (vii) The major programs were the pass-through expenditures from the waiver programs (Medicaid). Programs from the Department of Education and Housing and Urban Development (of the cluster of such programs) were treated as major programs for determining audit coverage.
- (viii) The dollar threshold for distinguishing between Type A and B programs was \$150,000.
- (ix) I did not consider the auditee a low-risk auditee under section .510.

2. My audit was made in accordance with generally accepted government auditing standards and resulted in an unqualified opinion.

3. Finding Relative to Federal Awards -

The auditee has not been able to prepare timely interim financial statements which I considered to be a reportable condition. I did not consider this to be a material weakness. It affects all programs, major or otherwise, and is pervasive by its nature. The review of timely financial statements is, inherently, a control activity. It is the major component of the communication of financial data and it is an important element of establishing the control environment.

Charles L. Lacoste, Jr.

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To the Senior Management and the Board of Directors
New Orleans Resources for Independent Living, Inc.

In planning and performing my audit of the financial statements of New Orleans Resources for Independent Living, Inc. for the year ended September 30, 1987, I considered its internal control in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control. However, I noted certain matters involving the internal control and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control that, in my judgement, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The organization has not been able to prepare timely interim financial statements. Timely financial statements are integral to the proper operation of a system of internal control. The review of timely financial statements is, inherently, a control activity. It is the major component of the communication of financial data, and it is an important element of establishing the control environment. Although I have not undertaken to evaluate the reasons, I have some impressions that are worth noting. In order to accomplish the total operation of the accounting system, the staff has worked long hours, senior staff, e.g. executive director and development director, have assisted in the clerical process. It is admirable and commendable that they have the commitment to assist, but their efforts are more valuable in other uses.

This condition existed last year and management addressed it in accord with their previous response. There is marked improvement in many areas, however the work load still surpasses capacity.

In addition to the above, perhaps as a by-product, there is a discrepancy between the amount recorded for a second mortgage and the amount of the actual note. It should be noted that the closing documents list an amount that appears to be proper, and that the entries were made from that source document. However, in the file is a copy of the mortgage note for the wrong amount. It appears that this matter should be referred to legal counsel for resolution as the notary may be responsible. It should also be noted that for financial statement purposes this note is being carried at the nominal value of \$1, due to the terms which make it unlikely that it will be collected. It is a fulfillment of the mission if the note is never collected.

This report is intended for the information and use of the Board of Directors of New Orleans Resources for Independent Living, Inc., its management and staff and the appropriate oversight agencies of state and federal government. However, this report is a matter of public record and its distribution is not limited.



New Orleans, Louisiana
March 28, 1998



RESOURCES
FOR INDEPENDENT LIVING

The key to independence

March 25, 1998

Mr. Charles L. Lacoste, Jr.
8118 Burthe Street
New Orleans, LA 70118

Dear Mr. Lacoste:

I have received your management letter and appreciate your insight into the staffing situation we have been managing. We have recognized for approximately one year that we have a personnel shortage in our finance department. As I have stated, I have the utmost faith in the competence of our Director of Finance; however without the clerical and accounting support required she has not been able to produce timely financial statements. This has been brought to the attention of Resources for Independent Living's Board of Directors and to senior staff.

Resources for Independent Living is committed to solving the staffing problem in the accounting department. To correct this problem, Resources for Independent Living will adjust administrative costs to accommodate the expense of adding an accounting clerk. The accounting clerk will be hired by June 30, 1998.

To the issue of the discrepancy between the settlement statement and the promissory note, I have requested an explanation from the attorney who handled the transaction. As yet, I have not received that response. If Resources for Independent Living does not receive a satisfactory response from this attorney by April 15, 1998, we will seek legal counsel to determine our next step.

Thank you for the opportunity to respond to this letter. If more information should be required in answer to the concerns, I will be happy to provide it.

Sincerely,



Marie Abadie
Executive Director