

# STATE OF MINNESOTA

## Office of the State Auditor



**Patricia Anderson**  
**State Auditor**

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**SOUTHEAST COMO**  
**IMPROVEMENT ASSOCIATION**  
**MINNEAPOLIS, MINNESOTA**

FOR THE YEAR ENDED MARCH 31, 2005

## **Description of the Office of the State Auditor**

The Office of the State Auditor serves as a watchdog for Minnesota taxpayers by helping to ensure financial integrity, accountability, and cost-effectiveness in local governments throughout the state.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 250 financial and compliance audits per year and has oversight responsibilities for over 4,300 local units of government throughout the state. The office currently maintains five divisions:

**Audit Practice** - conducts financial and legal compliance audits for local governments;

**Government Information** - collects and analyzes financial information for cities, towns, counties, and special districts;

**Legal/Special Investigations** - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

**Pension** - monitors investment, financial, and actuarial reporting for over 700 public pension funds; and

**Tax Increment Financing, Investment and Finance** - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employee's Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

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This document can be made available in alternative formats upon request. Call 651-296-2551 [voice] or 1-800-627-3529 [relay service] for assistance; or visit the State Auditor's web site: [www.auditor.state.mn.us](http://www.auditor.state.mn.us).

**SOUTHEAST COMO  
IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**For the Year Ended March 31, 2005**



**Audit Practice Division  
Office of the State Auditor  
State of Minnesota**

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**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

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**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**ORGANIZATION SCHEDULE  
2005**

<u>Board Members</u>	<u>Term Expires</u>
Donna Anderson	November 2006
Lynn Anderson, Treasurer	November 2006
Frederik Bethke	November 2005
Mark Brooks	November 2005
Gary Burns, Co-Vice President	November 2006
Marilyn Burns, Co-Vice President	April 2006
Bill Dane	November 2006
Marie Eller	November 2005
Jeff Haberer	November 2006
Lee Hibbard, President	November 2006
Jake Jacobi	November 2005
Abu Jalal	April 2005
Joan Menken	November 2006
Wendy Menken	March 2005
Daniel Miller	April 2005
Todd Reubold	November 2005
Connie Sullivan, Secretary	November 2005
Amy Thornton	April 2006
Tom Vaith	November 2005
Grant Vaith	November 2005
Katie White	April 2006
<u>Neighborhood Coordinator</u>	
James De Sota	Indefinite

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**STATE OF MINNESOTA**  
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PATRICIA ANDERSON  
STATE AUDITOR

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Southeast Como Improvement Association

We have audited the statement of financial position of the Southeast Como Improvement Association (SECIA) (a nonprofit corporation) as of March 31, 2005, and the related statements of activity, functional expenses, and cash flows for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the SECIA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SECIA as of March 31, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of NRP Activity listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the SECIA. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*/s/Pat Anderson*

PATRICIA ANDERSON  
STATE AUDITOR

*/s/Greg Hierlinger*

GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

End of Fieldwork: December 6, 2005

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## **FINANCIAL STATEMENTS**

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**EXHIBIT 1**

**STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2005**

<u>Assets</u>	
<b>Current assets</b>	
Cash	\$ 89,267
Grants receivable	21,677
Prepaid expenses	856
	<hr/>
<b>Total current assets</b>	<b>\$ 111,800</b>
<b>Property and equipment</b>	
Property and equipment - net of depreciation	1,121
	<hr/>
<b>Total Assets</b>	<b><u>\$ 112,921</u></b>
 <u>Liabilities and Net Assets</u>	
<b>Liabilities</b>	
Current liabilities	
Accounts payable	\$ 2,023
Accrued payroll	3,945
Deferred revenue	28,809
	<hr/>
<b>Total Liabilities</b>	<b>\$ 34,777</b>
<b>Net Assets</b>	
Unrestricted	\$ 55,739
Temporarily restricted	22,405
	<hr/>
<b>Total Net Assets</b>	<b>\$ 78,144</b>
	<hr/>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 112,921</u></b>



**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**EXHIBIT 2**

**STATEMENT OF ACTIVITY  
FOR THE YEAR ENDED MARCH 31, 2005**

	Unrestricted	Temporarily Restricted	Total
<b>Public Support and Other Revenue</b>			
<b>Public support</b>			
Government grants			
Community Planning and Economic Development (CPED)	\$ 2,552	\$ -	\$ 2,552
Neighborhood Revitalization Program (NRP)	127,860	-	127,860
Mississippi Watershed Management Organization	5,856	-	5,856
Minnesota Office of Environmental Assistance	3,547	-	3,547
Satisfaction of time and purpose restrictions	47,363	(47,363)	-
<b>Total public support</b>	<b>\$ 187,178</b>	<b>\$ (47,363)</b>	<b>\$ 139,815</b>
<b>Other revenue</b>			
Interest (Hawkins)	\$ 337	\$ -	\$ 337
Miscellaneous	3,146	-	3,146
<b>Total other revenue</b>	<b>\$ 3,483</b>	<b>\$ -</b>	<b>\$ 3,483</b>
<b>Total Public Support and Other Revenue</b>	<b>\$ 190,661</b>	<b>\$ (47,363)</b>	<b>\$ 143,298</b>
<b>Expenses</b>			
<b>Program services</b>			
NRP	\$ 127,388	\$ -	\$ 127,388
CPED	3,235	-	3,235
Hawkins	2,727	-	2,727
Bush Foundation	47,363	-	47,363
Mississippi Watershed Management Organization	5,853	-	5,853
Minnesota Office of Environmental Assistance	3,547	-	3,547
<b>Total program services</b>	<b>\$ 190,113</b>	<b>\$ -</b>	<b>\$ 190,113</b>
<b>Support services</b>			
Management and general	2,190	-	2,190
<b>Total Expenses</b>	<b>\$ 192,303</b>	<b>\$ -</b>	<b>\$ 192,303</b>
<b>Increase (Decrease) in Net Assets</b>	<b>\$ (1,642)</b>	<b>\$ (47,363)</b>	<b>\$ (49,005)</b>
<b>Net Assets - April 1, 2004</b>	<b>57,381</b>	<b>69,768</b>	<b>127,149</b>
<b>Net Assets - March 31, 2005</b>	<b>\$ 55,739</b>	<b>\$ 22,405</b>	<b>\$ 78,144</b>

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2005**

	<b>Minneapolis Neighborhood Revitalization Program</b>	<b>Community Planning and Economic Development</b>	<b>Hawkins</b>
<b><u>Expenses</u></b>			
Depreciation	\$ -	\$ -	\$ -
Equipment rental	158	1,784	-
Grants	30,318	-	-
Insurance	-	1,451	-
Meetings	1,748	-	1,621
Miscellaneous	45	-	5
Payroll			
Salaries	60,054	-	-
Benefits	2,154	-	-
Taxes	4,038	-	-
Postage	3,830	-	-
Printing and copying	8,146	-	-
Professional services	1,466	-	-
Rent	10,857	-	-
Supplies	2,316	-	1,101
Telephone	2,258	-	-
<b>Total Expenses</b>	<b><u>\$ 127,388</u></b>	<b><u>\$ 3,235</u></b>	<b><u>\$ 2,727</u></b>

**EXHIBIT 3**

<b>Bush Foundation</b>	<b>Mississippi Watershed Management Organization</b>	<b>Minnesota Office of Environmental Assistance</b>	<b>Management and General</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ 411	\$ 411
288	-	-	294	2,524
-	-	-	-	30,318
-	-	-	-	1,451
-	-	-	1,111	4,480
-	-	-	2	52
39,723	-	3,295	-	103,072
2,347	-	-	-	4,501
3,025	-	252	20	7,335
-	-	-	-	3,830
-	-	-	113	8,259
-	5,853	-	239	7,558
1,980	-	-	-	12,837
-	-	-	-	3,417
-	-	-	-	2,258
<b>\$ 47,363</b>	<b>\$ 5,853</b>	<b>\$ 3,547</b>	<b>\$ 2,190</b>	<b>\$ 192,303</b>

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**EXHIBIT 4**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2005**

<b>Cash Flows From Operating Activities</b>	
<b>Increase (Decrease) in net assets</b>	<b>\$ (49,005)</b>
<b>Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities</b>	
Depreciation	\$ 411
(Increase) decrease in grants receivable	(4,190)
(Increase) decrease in pledges receivable	37,550
(Increase) decrease in prepaid expenses	(2)
Increase (decrease) in accounts payable	123
Increase (decrease) in accrued payroll	(1,360)
Increase (decrease) in deferred revenue	(5,667)
<b>Total adjustments</b>	<b>\$ 26,865</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (22,140)</b>
<b>Cash Flows From Investing Activities</b>	
Purchase of equipment	(865)
<b>Net Increase (Decrease) in Cash</b>	<b>\$ (23,005)</b>
<b>Cash - April 1, 2004</b>	<b>112,272</b>
<b>Cash - March 31, 2005</b>	<b>\$ 89,267</b>

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED MARCH 31, 2005**

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1. Summary of Significant Accounting Policies

A. Organization

The Southeast Como Improvement Association (SECIA) was organized to stimulate the interests of residents in the welfare of the community and to actively support the improvement of the community. In addition, the SECIA wants to create an awareness of the problems and challenges of the community; to actively encourage widespread participation of residents; and to represent the community for constructive development in areas of neighborhood beautification, zoning and land use, traffic control, police protection, transportation, community relations, code enforcement, overall community planning and development, and community services including schools, parks, and libraries. The SECIA is governed by a 15-member Community Council.

B. Basis of Presentation

The provisions of Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*, have been applied to the amounts presented in these financial statements. Under these provisions, net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the SECIA and changes therein are classified and reported as follows:

Unrestricted - Those resources over which the SECIA has discretionary control.

Temporarily Restricted - Those resources subject to donor-imposed restrictions which will be satisfied by actions of the SECIA or passage of time.

Permanently Restricted - Those resources subject to a donor-imposed restriction that they be maintained permanently by the SECIA. The donors of these resources permitted the SECIA to use all or part of the income earned, including capital appreciation or related investments, for unrestricted or temporarily restricted purposes.

C. Basis of Accounting

The SECIA reports on the accrual method of accounting where revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

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1. Summary of Significant Accounting Policies (Continued)

D. Expense Allocation

Salaries and related expenses are allocated based on job descriptions and the best estimates of management. Expenses other than salaries and related expenses, which are not directly identifiable by program or supporting service, are allocated based on the best estimates of management in relation to grant budgets. Fund raising expenses are considered to be minimal, and those costs are included in management and general.

E. Income Taxes

The SECIA is a not-for-profit corporation exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and comparable state statutes.

F. Cash

Cash consists of deposits in a checking account and two money market accounts. These deposits are covered by FDIC insurance. At no time during the year did such deposits exceed FDIC insurance coverage.

G. Equipment

All purchased equipment is valued at cost. Donated equipment is valued at fair value at the date of contribution. Depreciation is computed using the straight-line method over estimated useful lives of three years for computer equipment and five years for other equipment.

H. Grants and Contracts

The SECIA's funding includes cost-reimbursement grants primarily from the Minneapolis Community Planning and Economic Development Department (CPED) and the Minneapolis Neighborhood Revitalization Program (NRP). Government grants and contracts recognize revenue as earned when eligible expenses, as defined in each grant or contract, are made. Funds advanced on the above grants but not yet earned are shown as deferred revenue. Expenses under government grants are subject to review by the granting authority. To the extent, if any, that such a review reduces expenses allowed under these grants, the SECIA will record such disallowances at the time the final assessment is made.

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

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1. Summary of Significant Accounting Policies (Continued)

I. Contributions

Cash, promises to give, certain contributed services, and gifts of long-lived assets are recorded as revenue at their fair value when they are received unconditionally. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

J. Accrued Vacation

Employees of the SECIA earn from 104 to 160 hours of vacation each year depending on length of service. Since the SECIA cannot change its primary granting authorities for accrued vacation until it is used, no provision has been made in the accompanying financial statements for recording the accrued liability and related expenses at year-end. At March 31, 2005, the amount of the accrued vacation was \$4,367.

2. Property and Equipment

Property and equipment at March 31, 2005, were:

Equipment	\$ 6,462
Less: accumulated depreciation	<u>(5,341)</u>
Total Equipment	<u>\$ 1,121</u>

3. Deferred Revenue

Deferred revenue at March 31, 2005, consisted of the following:

NRP - Full Action	\$ 15,000
NRP - First Step	8,876
Minnesota Office of Environmental Assistance	<u>4,933</u>
Total	<u>\$ 28,809</u>

4. Restricted Net Assets

Restricted net assets at March 31, 2005, consisted solely of the Bush Foundation in the amount of \$22,405.

**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

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5. Operating Leases

The SECIA leased office space for fiscal year 2005 at a monthly rate of \$1,001 for April and May; the monthly rate for June through March was \$1,025 plus 60 percent of utilities. Rental expense related to this lease was \$12,837 for fiscal year 2005. The SECIA has also entered into a lease for a copier. This lease commenced May 5, 2000, and will be in effect for five years with monthly payments of \$147. The lease payments for the year ended March 31, 2005, were \$1,764.

The future minimum lease payments as of March 31, 2005, are as follows:

	Office Space	Copier	Total
2006	\$ 12,300	\$ 147	\$ 12,447
2007	2,050	-	2,050
Total	\$ 14,350	\$ 147	\$ 14,497

6. Commercial Improvement Grant Program

The SECIA has initiated the Commercial Improvement Matching Grant Program. Funding for this program was provided to the SECIA by the NRP in the amount of \$25,110 for fiscal year 2004 and \$29,318 for fiscal year 2005, with a maximum funding amount of \$70,000 through December 31, 2004. The program consists of grants up to a maximum of \$5,000 that must be matched at 50 percent by the borrower for enhancing the exterior of business properties.



**SCHEDULE OF NRP ACTIVITY**

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**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

*Schedule 1*

**SCHEDULE OF NRP ACTIVITY  
FOR THE YEAR ENDED MARCH 31, 2005**

	<b>Contract #15283 Action Plan</b>	<b>Contract #019141 Commercial Improvement Grant Program</b>	<b>Total</b>
<b>Revenues</b>	<b>\$ 98,542</b>	<b>\$ 29,318</b>	<b>\$ 127,860</b>
<b>Expenses</b>			
Equipment rental	\$ 158	\$ -	\$ 158
Grants	1,000	29,318	30,318
Meetings	1,748	-	1,748
Miscellaneous	45	-	45
Payroll			
Salaries	60,054	-	60,054
Benefits	2,154	-	2,154
Taxes	4,038	-	4,038
Postage	3,830	-	3,830
Printing and copying	8,146	-	8,146
Professional services	1,466	-	1,466
Rent	10,857	-	10,857
Supplies	2,316	-	2,316
Telephone	2,258	-	2,258
<b>Total Expenses</b>	<b>\$ 98,070</b>	<b>\$ 29,318</b>	<b>\$ 127,388</b>
<b>Revenues Over (Under) Expenses</b>	<b>\$ 472</b>	<b>\$ -</b>	<b>\$ 472</b>

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**SOUTHEAST COMO IMPROVEMENT ASSOCIATION  
MINNEAPOLIS, MINNESOTA**

**Schedule 2**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED MARCH 31, 2005**

**I. COMPLIANCE**

None.

**II. INTERNAL CONTROL**

**PREVIOUSLY REPORTED ITEMS NOT RESOLVED**

99-2 **Segregation of Duties**

Due to the limited number of office personnel within the Southeast Como Improvement Association (SECIA), segregation of the accounting functions necessary to ensure adequate internal control is not possible. This is not unusual in operations the size of the SECIA; however, management should constantly be aware of this condition and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from an accounting point of view.

**Client's Response:**

*SECIA's Board has an active Treasurer, Executive Committee, and Neighborhood Coordinator whose charge is to meet and review SECIA's financial status. Currently, our Vice Presidents, who are not designated check signors, are reconciling the bank statements. This change was made after the previous audit recommended a segregation of duties. To further the process, we will endeavor to also have the Treasurer initial the bank reconciliations after the Vice Presidents have completed the documentation.*

04-1 **Bank Reconciliations**

Our previous report noted that some of the bank reconciliations were not prepared in a timely manner. Also, reconciliation forms were not initialed and dated by the preparer.

Our current review found that most reconciliations were prepared in a timely manner. However, the reconciliation forms were not initialed and dated by the preparer. We again recommend that the preparer of the bank reconciliations initial and date the forms.

Client's Response:

*The bank reconciliations are completed by the newly appointed Vice Presidents. They will be reviewed by the Treasurer after they have been completed. SECIA's Neighborhood Coordinator will endeavor to inform the Vice Presidents of the status of available and necessary paperwork as soon as it becomes appropriate. The SECIA Vice Presidents and Treasurer will sign and date all bank reconciliations after they have been completed and reviewed.*

04-2 Reimbursement for NRP Program Expenses

Our previous report indicated that the SECIA had not requested reimbursement from the Minneapolis Neighborhood Revitalization Program (NRP) Action Plan grant for expenses totaling \$5,702. In reviewing this condition with the NRP specialist for the SECIA, we found that the neighborhood was still eligible to receive \$5,489 of the above amount.

We recommend that the SECIA submit a request to the NRP for reimbursement of \$5,489 for expenses incurred under the Action Plan grant.

Client's Response:

*SECIA's NRP Representative is working with the SECIA to reconcile the reimbursable total of \$5,489 with an outstanding advancement from NRP First Step Funds. The two amounts have a difference of less than \$300. Agreement has been reached to submit a reimbursement request for the remaining funds from the NRP.*





# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

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PATRICIA ANDERSON  
STATE AUDITOR

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE**

Board of Directors  
Southeast Como Improvement Association

We have audited the financial statements of the Southeast Como Improvement Association (SECIA) (a nonprofit corporation) as of and for the year ended March 31, 2005, and have issued our report thereon dated December 6, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

### Internal Control Over Financial Reporting

The management of the SECIA is responsible for establishing and maintaining internal control. In fulfilling this responsibility, management must make estimates and judgments to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that:

- assets are safeguarded against loss from unauthorized use or disposition,
- transactions are executed in accordance with management's authorization, and
- transactions are recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the controls to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit, we considered the SECIA's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial

reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the SECIA's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying Schedule of Findings and Recommendations as items 99-2, 04-1, and 04-2.

A material weakness is a reportable 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 caused by error or fraud 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. Our consideration of the internal control over financial reporting 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, of the reportable conditions listed above, we consider item 99-2 to be a material weakness.

#### Compliance

As part of obtaining reasonable assurance about whether the SECIA's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance.

This report is intended solely for the information and use of the SECIA's Board of Directors, its management, and the Neighborhood Revitalization Policy Board and is not intended to be, and should not be, used by anyone other than those specified parties.

*/s/Pat Anderson*

PATRICIA ANDERSON  
STATE AUDITOR

*/s/Greg Hierlinger*

GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

End of Fieldwork: December 6, 2005