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**VOLUNTEERS OF AMERICA OF
GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**

**FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2008 AND 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 1/28/09

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

We have audited the accompanying consolidated statements of financial position of **Volunteers of America of Greater New Orleans, Inc. and Subsidiaries** (a nonprofit organization) inclusive of Tulane Avenue Single Room Occupancy (SRO) and Canal Street Single Room Occupancy (SRO) Limited Partnerships (Louisiana limited partnerships) collectively referred to as **the Organization** as of June 30, 2008 and 2007, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended. These consolidated financial statements are the responsibility of **the Organization's** management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of **Volunteers of America of Greater New Orleans, Inc. and Subsidiaries** as of June 30, 2008 and 2007 and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT, continued

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

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In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2008, on our consideration of **the Organization's** internal control over financial reporting and on our test of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were made for the purposes of forming an opinion on the basic consolidated financial statements 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 consolidated financial statements. The accompanying consolidating supplementary information in Schedule I through Schedule XVIII is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities. The accompanying supplementary information in Exhibit I through Exhibit VI is also presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. The consolidating supplementary information on Schedule I through Schedule XVIII and other supplementary information on Exhibit I through Exhibit VI, except for Exhibit III and Exhibit VI marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

October 10, 2008



FINANCIAL STATEMENTS

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 and 2007**

	2008	2007
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 2,976,763	\$ 2,730,321
Grants receivable, net of allowance for doubtful accounts of \$191,379 and \$108,000 at June 30, 2008 and 2007 (NOTE 3)	2,855,020	2,558,961
Pledges receivable, net of allowance for doubtful accounts of \$15,624 and \$47,594 at June 30, 2008 and 2007 (NOTE 4)	38,776	52,076
Prepaid expenses	37,477	3,310
Other current assets	64,590	50,095
Total current assets	5,972,626	5,394,763
Fixed assets:		
Land and buildings (NOTE 6)	13,757,261	13,288,305
Furnishings and equipment (NOTE 6)	1,679,435	1,476,164
Accumulated depreciation (NOTE 6)	(3,780,922)	(3,530,322)
Total fixed assets	11,655,774	11,234,147
Other assets:		
Designated and restricted assets (NOTE 7)	152,228	137,414
Long-term investments (NOTE 5)	3,090,305	2,501,467
Notes and accounts receivable	308,939	23,630
Investment in joint ventures (NOTE 13)	0	105,680
Total other assets	3,551,472	2,768,191
Total assets	\$ 21,179,872	\$ 19,397,101

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 and 2007**

	2008	2007
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Bank overdrafts	\$ 370,418	\$ 202,211
Accounts payable	871,527	501,818
Mortgages and notes payable (NOTES 8 and 10)	769,395	155,294
Accrued expenses	1,737,606	1,540,121
Other current liabilities	1,290,041	1,304,197
Total current liabilities	5,038,987	3,703,641
Other liabilities:		
Mortgages and notes payable (NOTES 8 and 10)	3,471,848	3,616,035
Other liabilities	6,725	6,725
Total other liabilities	3,478,573	3,622,760
Total liabilities	8,517,560	7,326,401
Net Assets:		
Unrestricted net assets	12,662,312	12,070,700
Total net assets	12,662,312	12,070,700
Total liabilities and net assets	\$ 21,179,872	\$ 19,397,101

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	Unrestricted	
<u>REVENUES</u>	2008	2007
Revenues from operations:		
Public support received directly:		
Contributions	\$ 1,527,535	\$ 1,847,463
Special events, net of direct benefit cost of \$7,683 and \$25,581 for the years ended June 30, 2008 and 2007	74,482	107,849
Legacies and bequests	36,847	6,132
Public support received indirectly:		
United way:		
Allocations	85,142	171,848
Designations	7,628	12,336
Volunteers of America	939,692	1,184,635
Total public support	2,671,326	3,330,263
 Revenues and grants from governmental agencies	 20,897,175	 21,136,761
Other revenue:		
Program service fees	727,312	502,051
Rental income	498,116	168,630
Other operating income	330,197	138,970
Total other revenue	1,555,625	809,651
Total operating revenue	25,124,126	25,276,675

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	Unrestricted	
	2008	2007
<u>EXPENSES</u>		
Operating expenses:		
Program services:		
Encouraging positive development	\$ 1,708,193	\$ 1,308,820
Fostering independence	9,743,193	8,295,013
Promoting self-sufficiency	10,349,621	10,836,898
	<u>21,801,007</u>	<u>20,440,731</u>
Total program services		
Supporting services:		
Management and general	2,108,708	1,842,748
Fundraising	720,525	788,028
	<u>2,829,233</u>	<u>2,630,776</u>
Total supporting services		
Affiliate fees:		
Fees paid to national organization	328,140	320,423
	<u>328,140</u>	<u>320,423</u>
Total affiliate fees		
Total operating expenses	<u>24,958,380</u>	<u>23,391,930</u>
Excess (deficit) from operations	<u>165,746</u>	<u>1,884,745</u>

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	Unrestricted	
	2008	2007
<u>OTHER ACTIVITIES</u>		
Non-operating gains (losses) and other revenue:		
Interest and dividend income	\$ 158,488	\$ 177,271
Gain (loss) on disposition of assets	(74,760)	(105,436)
Gain (loss) on investments	(175,592)	295,107
Capital grants and contributions	0	1,188,000
Other non-operating gains (losses)	725,109	106,510
Surplus (deficit) from other activities	633,245	1,661,452
Change in net assets	798,991	3,546,197
Other changes in net assets (NOTE 17)	(207,379)	100,000
Net assets, beginning of year	12,070,700	8,424,503
Net assets, end of year	\$ 12,662,312	\$ 12,070,700

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	PROGRAM SERVICES			SUPPORTING SERVICES		
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Management and General	Fundraising	Total
Salaries	\$ 802,292	\$ 5,934,616	\$ 5,821,787	\$ 921,924	\$ 130,837	\$ 1,052,761
Pension	20,056	71,010	62,792	44,677	3,066	47,743
Other employee benefits	42,727	240,249	267,259	56,650	5,655	62,305
Payroll taxes	56,909	591,930	447,514	47,606	8,498	56,104
Legal fees	10,657	6,635	2,033	10,934	465	11,399
Accounting fees	102	13,685	0	76,534	0	76,534
Other professional fees	330,295	534,909	94,287	306,631	424,466	731,997
Supplies	106,996	319,895	189,556	64,592	2,453	67,045
Telecommunications	29,108	96,906	129,262	34,981	2,135	37,116
Postage	3,794	6,334	5,169	14,536	3,417	17,953
Occupancy	111,258	744,682	562,335	88,753	970	89,723
Interest	0	132,028	51,223	59,327	0	59,327
Insurance	41,155	258,618	260,516	76,785	5,812	82,597
Equipment rental and maintenance	12,301	42,981	55,190	48,491	4,179	52,670
Printing and publications	4,900	8,869	20,908	45,367	4,909	50,276
Travel and transportation	25,215	233,458	254,057	9,781	116,848	126,629
Conferences and meetings	33,239	20,366	13,865	82,904	5,511	88,415
Specific assistance to individuals	53,931	336,913	1,636,889	493	0	493
Other	(190)	36,307	229,664	65,170	1,304	66,474
Depreciation	23,448	112,802	245,315	52,572	0	52,572
Total functional expenses	\$ 1,708,193	\$ 9,743,193	\$ 10,349,621	\$ 2,108,708	\$ 720,525	\$ 2,829,233
						\$ 24,630,240

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	2007				
	PROGRAM SERVICES		SUPPORTING SERVICES		
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Management and General	Total
Salaries	\$ 669,878	\$ 4,967,352	\$ 5,419,989	\$ 843,832	\$ 997,853
Pension	10,101	60,678	27,836	45,806	50,045
Other employee benefits	42,664	204,572	261,033	60,304	65,072
Payroll taxes	49,801	465,657	427,326	51,071	61,978
Legal fees	17,858	14,029	16,503	25,699	25,699
Accounting fees	1,800	11,547	0	52,245	52,245
Other professional fees	293,394	484,807	106,513	206,623	619,291
Supplies	64,253	251,229	135,822	45,809	46,723
Telecommunications	14,397	72,975	119,668	29,777	31,499
Postage	546	3,391	1,922	23,887	29,448
Occupancy	45,819	725,006	377,176	76,805	72,389
Interest	0	39,899	56,217	74,632	74,632
Insurance	34,050	207,995	248,127	57,798	64,493
Equipment rental and maintenance	2,543	23,773	41,757	17,099	384
Printing and publications	5,773	7,551	10,557	64,444	7,760
Travel and transportation	13,722	249,785	202,701	13,862	139,339
Conferences and meetings	11,501	22,055	15,128	45,823	869
Specific assistance to individuals	28,436	323,803	3,030,820	11,783	0
Other	(2,501)	40,702	161,327	38,141	34,147
Depreciation	4,785	118,007	176,476	63,308	2,450
Total functional expenses	\$ 1,308,820	\$ 8,295,013	\$ 10,836,898	\$ 1,842,748	\$ 2,630,776
			\$ 20,440,731		\$ 23,071,507

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

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 and 2007

	2008	2007
Cash flows from operating activities		
Change in net assets	\$ 798,991	\$ 3,546,197
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	434,137	365,026
Other changes in net assets	(207,379)	100,000
Net (gain) loss on long-term investments	175,592	(295,107)
Net (gain) loss on disposition of assets	74,760	105,436
Provision for doubtful accounts	105,710	124,000
Other changes in assets and liabilities:		
(Increase) decrease in grants receivable	(401,769)	687,737
(Increase) decrease in pledges receivable	13,300	30,950
(Increase) decrease in notes receivable	(285,309)	1,001
(Increase) decrease in prepaid expenses	(34,167)	(1,476)
(Increase) decrease in other assets	(14,995)	(8,866)
(Increase) decrease in designated assets	(14,814)	299,243
Increase (decrease) in accounts payable	369,709	(499,742)
Increase (decrease) in accrued expenses	197,485	450,005
Increase (decrease) in other liabilities	(14,156)	(1,099,707)
Net cash (used in) provided by operating activities	1,197,095	3,804,697
Cash flows from investing activities:		
Proceeds from sale of investments	909,500	629,293
Purchase of investments	(1,673,930)	(931,834)
Purchase of fixed assets	(930,524)	(4,202,114)
Proceeds from investments in joint ventures	105,680	0
Net cash (used in) provided by investing activities	(1,589,274)	(4,504,655)

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

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 and 2007**

	2008	2007
Cash flows from financing activities:		
Increase (decrease) in bank overdrafts	\$ 168,207	\$ (337,910)
Proceeds from long-term debt	2,503,227	1,110,004
Principal payments on long-term debt	(2,033,313)	(653,636)
Net cash (used in) provided by financing activities	638,121	118,458
Net increase (decrease) in cash and cash equivalents	245,942	(581,500)
Cash and cash equivalents, beginning of year	2,730,321	3,311,821
Cash and cash equivalents, end of year	\$ 2,976,263	\$ 2,730,321
Supplemental disclosure for cash flow purposes:		
Interest paid	\$ 242,578	\$ 170,748

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

**NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS**

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1- ORGANIZATION

Volunteers of America of Greater New Orleans, Inc. (VOAGNO) is a non-profit spiritually based human services organization recognized as a church, incorporated in the State of Louisiana. **VOAGNO** provides social services with the Greater New Orleans and Southeast Louisiana areas under a charter from Volunteers of America, Inc., a national non-profit spiritually based organization providing human services programs, and opportunities for individual and community involvement. **VOAGNO** provides (a) services to children in order to encourage positive development; (b) services to individuals with mental health problems, developmentally disabled and elderly members of the community to foster their independence; and (c) substance abuse treatment, community corrections services, affordable housing and homeless services to promote self-sufficiency for affected individuals. Affiliated organizations controlled by **VOAGNO** include **Community Living Centers, Inc.**, **VOA Development, Inc.**, and **VOA Development 2, Inc.** and **Tulane Avenue Single Room Occupancy (SRO)** and **Canal Street Single Room Occupancy (SRO) Limited Partnerships**.

Community Living Centers, Inc. (CLC) is a non-profit corporation organized under the laws of the State of Louisiana and sponsored by **VOAGNO**. No capital stock is authorized, issued or outstanding. **CLC** was formed as a 501(c)(3) corporation to acquire an interest in real property and to construct and operate thereon two six-unit group homes under Section 202 of the National Housing Act in order to provide housing for persons developmentally disabled. **CLC** operates FHA Project No. 064-EH036-WHC-NP-L8.

VOA Development, Inc. is a non-profit corporation organized under the laws of the State of Louisiana and sponsored by **VOAGNO**. No capital stock is authorized, issued or outstanding. **VOA Development, Inc.** was formed as a 501(c)(3) corporation to acquire interest in real property.

VOA Development 2, Inc. is a non-profit corporation organized under the laws of the State of Louisiana and sponsored by **VOAGNO**. No capital stock is authorized, issued or outstanding. **VOA Development 2, Inc.** was formed as a 501(c)(3) corporation to acquire interest in real property.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1- ORGANIZATION, continued

Tulane Avenue SRO Limited Partnership (the Project) was formed as a limited partnership under the laws of the State of Louisiana for the purpose of constructing and operating single room occupancy and efficiency housing for the homeless and elderly. All leases between **the Project** and tenants are operating leases. **The Project** consists of eighty-two (82) units. **The Project** qualified and has been allocated low-income housing tax credits pursuant to the Internal Revenue Code, Section 42, which regulates the use of **the Project** as to occupant eligibility and unit gross rent, among other requirements. The financial statements of **the Project**, which operates on a calendar year-end, are audited by other auditors.

Canal Street SRO Limited Partnership (the Project) was formed as a limited partnership under the laws of the State of Louisiana for the purpose of constructing and operating single room occupancy and efficiency housing for the homeless and elderly. All leases between **the Project** and tenants are operating leases. **The Project** consists of seventy (70) units. **The Project** qualified and has been allocated low-income housing tax credits pursuant to the Internal Revenue Code, Section 42, which regulates the use of **the Project** as to occupant eligibility and unit gross rent, among other requirements. The financial statements of **the Project**, which operates on a calendar year-end, are audited by other auditors.

The consolidated financial statements include the accounts of **Volunteers of America of Greater New Orleans, Inc.**, its wholly owned non-profit subsidiaries, **Community Living Centers, Inc.**, **VOA Development, Inc.** and **VOA Development 2, Inc.** and the for-profit entities **Tulane Avenue SRO Limited Partnership** and **Canal Street SRO Limited Partnership**, in which **Volunteers of America of Greater New Orleans, Inc.**, has a controlling interest, will be collectively referred to as **the Organization**. All material inter-company transactions have been eliminated.

The Organization operates and maintains programs to meet a wide variety of needs for individuals in **the Organization's** service areas. These programs provide numerous social services which are describes as follows:

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1- ORGANIZATION, continued

Encouraging Positive Development

The Organization provides services to promote healthy development of children, adolescent and their families through a continuum of services from early prevention to intensive intervention approaches through the following program:

Children and Youth Services: The program provides services to children with developmental disabilities from birth to age eighteen (18) to enhance their functioning by living in small, typical homes in the community. The program also provides young women with viable positive alternatives when facing single parenthood by providing counseling for pregnant young women and providing adoption services.

Fostering Independence

The Organization provides services designed to provide care when needed, while supporting independence to the degree possible. These services are offered to the elderly and to those individuals with disabilities, mental illness and HIV/AIDS through the following programs:

Disabilities Services: The program serves adults with developmental disabilities and mental illnesses by helping them maintain their own residence in the community and provides training in personal, vocational and social skills and supportive counseling. The program also assist in meeting the medical, employment, financial, recreational and mobilization needs.

Elderly Services: This program fosters independent living with dignity and a sense of self-reliance for the elderly. The program also sponsors educational and health related activities, homemaker services, repairs on wheels and elderly protective services.

Mental Health Services: The program provides pre-vocational and vocational placement, employment support and a day treatment program placement for adults with developmental disabilities in an effort to enhance their self-esteem and functional productivity in a small, community based residential setting.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1- ORGANIZATION, continued

Promoting Self-Sufficiency

The **Organization** provides services to promote self-sufficiency to those who have experienced homelessness or other personal crisis including chemical dependency, involvement with the corrections system and unemployment, through the following programs:

Correctional Services: The program re-establishes family relationships and support and gainful employment and drug abstinence for men and women that are being released from federal institutions.

Employment and Training Services: The program identifies, facilitates and coordinates training to ensure that staff members are equipped to perform their jobs.

Homeless Services: The program provides shelter for homeless individuals.

Housing Services: The program provides housing management services for multi-family housing complexes.

Substance Abuse Services: The program provides shelter, employment and a mission program for homeless alcoholic men in a supportive drug and alcohol free environment to promote personal self-worth and dignity through productive work and sobriety.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1- ORGANIZATION, continued

Management and General

This program facilitates and coordinates the operations of **the Organization** and is used to fund operations of **the Organization** that are not directly covered by specific programs administered by **the Organization**.

Fundraising

This program facilitates and coordinates the fundraising activities of **the Organization**. Its activities primarily consist of fundraising activities and sales of automobiles donated to **the Organization**.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of **the Organization** conform to accounting principles generally accepted in the United States of America as applicable to voluntary health and welfare organizations. The more significant accounting policies of **the Organization** are described as follows:

Principles of Consolidation

The consolidated financial statements include the accounts of **Volunteers of America of Greater New Orleans, Inc.**, its wholly owned non-profit subsidiaries, **Community Living Centers, Inc.**, **VOA Development, Inc.** and **VOA Development 2, Inc.** and the for-profit entities **Tulane Avenue SRO Limited Partnership** and **Canal Street SRO Limited Partnership** in which **Volunteers of America of Greater New Orleans, Inc.**, has a controlling interest and will be collectively referred to as **the Organization**. All material inter-company transactions have been eliminated.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property and Equipment

Land, buildings and equipment purchased by the **Organization** are recorded at cost. The **Organization** follows the practice of capitalizing all expenditures for land, buildings and equipment over \$1,000. The fair value of donated fixed assets is similarly capitalized. Depreciation and amortization is computed using the straight-line method based upon the following estimated useful lives of the assets:

Building and improvements	15 - 30 years
Vehicles	5 years
Furnishings and equipment	5 - 8 years

Cash Equivalents

The **Organization** considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, unless held for reinvestment as part of the investment portfolio, pledged to secure loan agreements or otherwise designated or restricted. The carrying amount approximates fair value because of the short-term maturity of those instruments.

Contributions

In accordance with *Statement of Financial Accounting Standards (SFAS) No. 116 "Accounting for Contributions Received and Contributions Made"*, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence of donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified or released to unrestricted net assets.

In accordance with *SFAS No. 136 "Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others"*, the **Organization** recognizes gross revenues earned and the related expenses associated with its Direct Mail and Enterprise Auto programs through its national affiliate.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Contributed Services

The Organization recognizes contribution revenue for certain services received at the fair value of those services provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically needed to be purchased if not provided by donation.

Designated and Restricted Assets

Designated and restricted assets represent the total of all assets that are encumbered by donor restrictions, legal agreements, Board of Directors' designation or otherwise unavailable for general use by **the Organization**. This category generally includes assets such as client or custodial funds, escrow and reserve account funds, temporarily or permanently restricted assets and securities that are pledged and held by the lender as collateral for financing.

Net Assets

The Organization classifies net assets into three categories: unrestricted, temporarily restricted and permanently restricted net assets. All net assets are considered to be available for unrestricted use unless specifically restricted by the donor or by law. Temporarily restricted net assets include contributions with temporary donor imposed time or purpose restrictions. Temporary restricted net assets become unrestricted and are reported in the statement of activities as net assets released from restrictions when the time restrictions expire or the contributions are used for the restricted purpose. Permanently restricted net assets include contributions with donor imposed restrictions requiring resources to be maintained in perpetuity, but permitting use of all or part of the investment income earned in the contributions. At June 30, 2008 and 2007, **the Organization** had no temporarily or permanently restricted net assets.

Operations

The Organization defines operations as all program and supporting service activities undertaken. Revenues that result from these activities and their related expenses are reported as operations. Gains, losses and other revenue that result from ancillary activities, such as investing liquid assets and disposing of fixed or other assets are reported as non-operating.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Operations, continued

Under provisions of Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the State of Louisiana, **the Organization** is exempt from income taxes, except for net income from unrelated business income, as a subordinate unit of Volunteers of America, Inc. Volunteers of America, Inc. is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code as a religious organization described in Section 501(c)(3). There was no material unrelated business income in 2008 and 2007 and accordingly, no tax expense was incurred during the years ended June 30, 2008 and 2007.

Under the provisions of the Internal Revenue Code, the Partnerships are taxable entities and accordingly, the net income or (loss) of the Partnerships are included in the tax returns of the partners.

Investments

Investments in all debt and equity securities with readily determinable fair values are reported at their fair value. All other investments are reported at historical cost, if purchased, or, if contributed, at fair value at the date of contribution.

Investment income, gains and losses are reported as increases or decreases in unrestricted net assets unless a donor or law temporarily or permanently restrict their use.

Public Support and Revenue

A significant portion of support for **the Organization** is provided by fees from Federal, State and Local governmental agencies. **The Organization** relies on continued funding in order to provide ongoing and continued programs.

Allocation of Expenses

The cost of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the various functions.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promises are received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Use of Estimates in Financial Statement Preparation

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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.

Reclassifications

Certain 2007 amounts have been reclassified to conform to the 2008 financial statement presentation.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 3- GRANTS RECEIVABLE

At June 30, 2008 and 2007, amounts included in grants receivable were as follows:

	<u>2008</u>	<u>2007</u>
Grants receivable	\$ 3,046,399	\$ 2,666,961
Less: Allowance for doubtful accounts	<u>(191,379)</u>	<u>(108,000)</u>
Grants receivable, net	<u>\$ 2,855,020</u>	<u>\$ 2,558,961</u>

The following represents an analysis of the allowance for doubtful accounts for the years ended June 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Balance, beginning of year	\$ 108,000	\$ 227,486
Provision for bad debts	105,710	124,000
Charge-offs	<u>(22,331)</u>	<u>(243,486)</u>
Balance, end of year	<u>\$ 191,379</u>	<u>\$ 108,000</u>

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 4- PLEDGES RECEIVABLE

At June 30, 2008 and 2007, amounts included in pledges receivable were as follows:

	<u>2008</u>	<u>2007</u>
Pledges receivable	\$ 54,400	\$ 99,670
Less: Allowance for doubtful accounts	<u>(15,624)</u>	<u>(47,594)</u>
Pledges receivable, net.	<u>\$ 38,776</u>	<u>\$ 52,076</u>

NOTE 5- INVESTMENTS

Investments at June 30, 2008 and 2007 are stated at fair value and summarized as follows:

	<u>2008</u>		
	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Equities	\$ 1,440,701	\$ 1,753,226	\$ 1,753,226
Bonds	<u>1,356,942</u>	<u>1,337,079</u>	<u>1,337,079</u>
Total	<u>\$ 2,797,643</u>	<u>\$ 3,090,305</u>	<u>\$ 3,090,305</u>
	<u>2007</u>		
	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Equities	\$ 1,311,111	\$ 1,800,676	\$ 1,800,676
Bonds	<u>735,939</u>	<u>700,791</u>	<u>700,791</u>
Total	<u>\$ 2,047,050</u>	<u>\$ 2,501,467</u>	<u>\$ 2,501,467</u>

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 5- INVESTMENTS, continued

The following summarizes the investment return and its classification in the statements of activities for the years ended June 30, 2008 and 2007:

	2008	
	Unrestricted	Total
Interest income	\$ 158,488	\$ 158,488
Loss on investments	<u>(175,592)</u>	<u>(175,592)</u>
Total	<u>\$ (17,104)</u>	<u>\$ (17,104)</u>
	2007	
	Unrestricted	Total
Interest income	\$ 177,271	\$ 177,271
Gain on investments	<u>295,107</u>	<u>295,107</u>
Total	<u>\$ 472,378</u>	<u>\$ 472,378</u>

The primary investment objective of **the Organization** is to preserve and protect its assets by earning a total return appropriate to time horizon, liquidity needs and risk tolerance. To accomplish this objective, **the Organization** utilizes portfolios of equity securities, fixed income securities and short-term investments.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 6- FIXED ASSETS

At June 30, 2008 and 2007, fixed assets consist of the following:

	<u>2008</u>	<u>2007</u>
Land	\$ 929,336	\$ 1,020,473
Buildings and building improvements	12,827,925	12,267,832
Vehicles	350,892	296,061
Furnishings and equipment	<u>1,328,543</u>	<u>1,180,103</u>
	15,436,696	14,764,469
Less: Accumulated depreciation	<u>(3,780,922)</u>	<u>(3,530,322)</u>
Total	<u>\$ 11,665,774</u>	<u>\$ 11,234,147</u>

Depreciation expense was \$434,137 and \$365,026 for the years ended June 30, 2008 and 2007, respectively.

NOTE 7- DESIGNATED AND RESTRICTED ASSETS

The Organization has agreements with agencies that require funded reserves and the restriction of certain deposits which are custodial in nature. At June 30, 2008 and 2007, designated and restricted assets were as follows:

	<u>2008</u>	<u>2007</u>
Custodial funds	\$ 129,481	\$ 116,778
Security deposits	1,404	1,404
Replacement reserve funds	19,207	17,096
Escrow deposits	<u>2,136</u>	<u>2,136</u>
	<u>\$ 152,228</u>	<u>\$ 137,414</u>

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 8- MORTGAGES AND NOTES PAYABLE

The following is a summary of mortgages and notes payable at June 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Mortgages payable to banks and the U.S. Department of Housing and Urban Development secured by land and buildings with interest rates ranging from 4.25% to 9.25%, payable in monthly installments ranging from \$3,622 to \$15,593 with maturity dates ranging from August, 2010 to June, 2024	\$ 2,701,560	\$ 2,809,814
Mortgages payable to foundations secured by land and buildings with an interest rate of 5.5% payable in annual installments ranging from \$803 to \$1,692 maturing in February, 2019	151,047	171,077
Notes payable to banks secured by vehicles with interest rates ranging from 0 % to 7.9% payable in monthly installments ranging from \$462 to \$550 with maturity dates ranging from August to May, 2008	58,983	8,005
Note payable to Volunteers of America unsecured, with no interest, payable in monthly installments of \$5,084 with a maturity date of February, 2018	594,790	610,042

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 8- MORTGAGES AND NOTES PAYABLE, continued

	<u>2008</u>	<u>2007</u>
Other notes payable with no stated interest rates, repayment terms or maturity dates	<u>734,863</u>	<u>172,391</u>
	4,241,243	3,771,329
Less: Current portion	<u>(769,395)</u>	<u>(155,294)</u>
Long-term portion	<u>\$ 3,471,848</u>	<u>\$ 3,616,035</u>

Scheduled principal payments due on the above mortgages and notes payable subsequent to June 30, are as follows:

	<u>2008</u>	<u>2007</u>
2007	\$ N/A	\$ N/A
2008	N/A	155,294
2009	769,395	164,887
2010	214,915	210,845
2011	196,791	169,751
2012 (and thereafter)	186,316	3,070,552
2013 and thereafter	<u>2,873,826</u>	<u>N/A</u>
	<u>\$ 4,241,243</u>	<u>\$ 3,771,329</u>

Interest expense for the years ended June 30, 2008 and 2007 was \$242,578 and \$170,748, respectively.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 9- RELATED PARTY TRANSACTIONS

The Organization is affiliated with Volunteers of America, Inc. which provides supporting services to the Organization for a fee. Affiliate fees for the years ended June 30, 2008 and 2007 were \$328,140 and \$320,423, respectively. Amounts payable to Volunteers of America, Inc., at June 30, 2008 and 2007 were \$32,915 and \$35,570, respectively.

Prior to July 1, 1993, VOA Housing Development Corporation managed the two complexes operated by CLC. As of June 30, 2008 and 2007, \$26,456 and \$26,456, respectively, were included in other current liabilities for management fees due VOA Housing Corporation.

Additionally, Volunteers of America, Inc. provided contributions, awards and grants, and other amounts including amounts deferred to subsequent years and recognized in the current year of approximately \$939,692 and \$1,184,635 to the Organization for the years ended June 30, 2008 and 2007, respectively.

NOTE 10- LEASES

The Organization has several operating leases for the rental of office space which are non-cancelable over the next four years and several operating leases for the rental of office space on a month-to-month basis. Additionally, the Organization leases vehicles under capital leases.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of June 30, and in the aggregate are as follows:

	2008		2007
2007	\$ N/A		\$ N/A
2008	N/A		71,040
2009	196,802		65,120
2010	72,321		0
	\$ 269,123		\$ 136,160

Rental expense under month-to-month and non-cancelable operating leases for the years ended June 30, 2008 and 2007 was \$257,942 and \$281,880, respectively.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 11- PENSION PLAN FOR MINISTERS

The **Organization** participates in a non-contributory defined benefit pension and retirement plan. The plan is administered through a commercial insurance company and covers all ministers commissioned through December 31, 1999. Pension plan expense was \$69,305 and \$60,573 for the years ended June 30, 2008 and 2007, respectively.

NOTE 12- EMPLOYEE BENEFIT PLANS

The **Organization** offers a Section 403(b) plan to all eligible employees. Employees are eligible to participate after completing twelve (12) months of service. Under the terms of the plan, the **Organization** contributes 3.5% of yearly employee compensation and matches an additional .25% of employee contributions up to a maximum contribution of 3.75% of yearly employee compensation. The **Organization** contributed \$132,296 and \$88,087 for the years ended June 30, 2008 and 2007, respectively.

NOTE 13- INVESTMENT IN JOINT VENTURES

Edgewater Ventures, LLC is a limited liability company duly organized and existing under the laws of the State of Louisiana established to acquire an office building in the Greater New Orleans area. **VOAGNO** has a 25% interest in Edgewater Ventures, LLC. **VOAGNO** has guaranteed 25% of a \$2,640,000 bank loan of Edgewater Ventures, LLC in which **VOAGNO** holds a 25% interest. Additionally, under the terms of the agreement with Edgewater Ventures, LLC, **VOAGNO** is obligated to advance Edgewater Ventures, LLC, capital contributions for working capital as determined by the Executive Committee of Edgewater Ventures, LLC. The additional capital contributions will be made in accordance with **VOAGNO's** percentage interest.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 13- INVESTMENT IN JOINT VENTURES, continued

VOAGNO's investment in joint ventures at June 30, 2008 and 2007 is summarized as follows:

		<u>2008</u>		<u>2007</u>
Edgewater Ventures, LLC.	\$	0	\$	105,680
		0		105,680
	\$	0	\$	105,680

NOTE 14- FAIR VALUES OF FINANCIAL INSTRUMENTS

Cash and Cash Equivalents

The carrying value approximates fair value due to the short-term nature of the instruments.

Investments

Fair value of investments have been determined using quoted market prices for all investments.

Grants Receivable

The carrying amount approximates the fair value.

Accounts Payable and Bank Overdrafts

The carrying amounts have been determined to approximate fair value.

Mortgages and Notes Payable

The carrying amounts have been determined to approximate fair value.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 14- FAIR VALUES OF FINANCIAL INSTRUMENTS, continued

The carrying amounts and estimated fair value of the **Organization's** financial instruments as of June 30, 2008 and 2007 are as follows:

	2008	
	Carrying Amount	Fair Value
<u>Financial Assets:</u>		
Cash and cash equivalents	\$ 2,976,763	\$ 2,976,763
Investments	3,090,305	3,090,305
Grants receivable	2,855,020	2,855,020
 Total	 \$ 8,922,088	 \$ 8,922,088
 <u>Financial Liabilities:</u>		
Bank overdrafts	\$ 370,418	\$ 370,418
Accounts payable	871,527	871,527
Mortgages and notes payable	4,241,243	4,241,243
 Total	 \$ 5,483,188	 \$ 5,483,188

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 14- FAIR VALUES OF FINANCIAL INSTRUMENTS, continued

	2007	
	Carrying Amount	Fair Value
<u>Financial Assets:</u>		
Cash and cash equivalents	\$ 2,730,321	\$ 2,730,321
Investments	2,501,467	2,501,467
Grants receivable	2,558,961	2,558,961
 Total	 \$ 7,790,749	 \$ 7,790,749
 <u>Financial Liabilities:</u>		
Bank overdrafts	\$ 202,211	\$ 202,211
Accounts payable	501,818	501,818
Mortgages and notes payable	3,771,329	3,771,329
	\$ 4,475,358	\$ 4,475,358

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 15- CONTINGENCIES

The Organization receives fees and grants from Federal, State and Local governmental agencies. The programs sponsored by these agencies are subject to discretionary audits by the granting agencies. There have been no audits by granting agencies during the 2008 and 2007 fiscal years and management does not anticipate any adjustments as a result of future audits. Any adjustments from an audit performed by a granting agency would flow through the consolidated financial statements during the year of the audit as a change in accounting estimate.

The Organization is defendant in various lawsuits. However, in the opinion of management based on consultation with legal counsel, the amount of potential loss if any, will not materially impact these consolidated financial statements.

The Organization is also the claimant against its various insurance carriers related to potential settlements for damages incurred to property and equipment related to Hurricanes Katrina and Rita. The ultimate outcome of these actions cannot be determined at this time.

NOTE 16- OTHER MATTERS

The effects of Hurricanes Katrina and Rita on the Gulf Coast, Louisiana and Greater New Orleans areas resulted in considerable loss of life and property, as well as to exacerbate weakening economic conditions. **The Organization** and its facilities were not spared the effects of Hurricanes Katrina and Rita given the location of a significant amount of its real property located in the Greater New Orleans area.

The primary financial statement aspect of these storms pertained to **the Organization's** property and equipment and its ability to conduct its future operations. During the years ended June 30, 2008 and 2007, **the Organization** primarily focused and substantially completed service restoration at its primary facilities.

Some of the costs of these restoration efforts were covered by **the Organization's** insurance coverage. In the year ended June 30, 2007, the total estimated cost of property and equipment impaired as a result of damages due to Hurricanes Katrina and Rita, net of accumulated depreciation was approximately \$1,200,000 and resulted in a net loss of approximately \$995,000 which is included (gains) losses on disposition of assets, net of other gains from the sale of certain assets, in the statement of activities. No additional property and equipment impairments resulting from Hurricanes Katrina and Rita were noted during the year ended June 30, 2008.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17- OTHER CHANGES IN NET ASSETS

Other changes in net assets primarily consist of capital contributions to limited partnerships and other entries to facilitate elimination of inter-company balances and the recognition of prior years' VOA/GNO's interest in the equity of Edgewater Ventures, LLC.

SUPPLEMENTARY INFORMATION

SCHEDULES

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/Pass-through Entity/Program Title	Federal CFDA Number	Agency Number	Activity
U.S. Department of Housing and Urban Development			
Direct Awards:			
Section 202 Direct Loan Program	14.157	064-EH036-WHC-NP-L8	\$ 408,329
Supportive Housing Program	14.235	LA48-B60-6003	109,290
Supportive Housing Program	14.235	LA48-B60-3002	468,515
Supportive Housing Program	14.235	LA48-B60-3005	523,911
Supportive Housing Program	14.235	LA48-B60-6002	157,353
Supportive Housing Program	14.235	LA48-B60-6004	311,490
Supportive Housing Program	14.235	LA48-B40-6001	258,164
Supportive Housing Program	14.235	LA48-B60-6015	44,256
Supportive Housing Program	14.235	LA48-B60-6009 & B70-6016	46,052
Section 8 Housing Assistance Program	14.871	LA48-T791-012	<u>89,317</u>
Sub-total Direct Awards			<u>2,416,677</u>
Pass-through Awards:			
State of Louisiana			
Community Development Block Grant	14.218	CFMS 660415	20,832
City of Kenner			
Community Development Block Grant	14.218	B-15248	22,256
Parish of Jefferson			
Community Development Block Grant	14.218	R107330 & R109276	300,359
UNITY for the Homeless			
Supportive Housing Program	14.235	LA48-B60-3012	32,824
Supportive Housing Program	14.235	LA48-B50-3021 & B60-3021	60,395
Supportive Housing Program	14.235	LA48-B50-3008 & B60-3008	31,201
Supportive Housing Program	14.235	LA48-B50-3034	34,305
Shelter Plus Care	14.238	LA48-C50-3040	<u>108,195</u>
Sub-total Pass-through Awards			<u>610,367</u>
Total U.S. Department of Housing and Urban Development			<u>3,027,044</u>
U.S. Department of Education			
Pass-through Awards:			
State of Louisiana			
Twenty-First Century			
Community Learning Centers	84.287	659580	<u>150,761</u>
Total U.S. Department of Education			<u>150,761</u>

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Federal Grantor/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency Number</u>	<u>Activity</u>
U.S. Department of Health and Human Services			
Direct Awards:			
Mentoring Children of Prisoners	93.616	90-CV-006403	\$ 173,324
Mentoring Children of Prisoners	93.616	90-CV-0376	<u>177,915</u>
Sub-total Direct Awards			<u>351,239</u>
Pass-through Awards:			
State of Louisiana			
Projects for Assistance in Transition from Homelessness	93.150		50,000
Promoting Safe and Stable Families	93.556	CFMS 627966	491,501
Temporary Assistance for Needy Families	93.558	LFRC TANF 1 & 2	440,152
Social Services Block Grant	93.667	SSBG	396,969
HIV Care Formula Grants	93.917	647557	320,427
HIV Prevention Activities	93.940		54,693
Block Grants for Community Mental Health Services	93.958	CFMS 638251 & 639259	<u>163,852</u>
Sub-total Pass-through Awards			<u>1,917,594</u>
Total U.S. Department of Health and Human Services			<u>2,268,833</u>
U.S. Corporation for National and Community Service			
Direct Awards:			
Retired and Senior Volunteer Program	94.002	04SRWLA009 & 04SRWLA002	<u>126,784</u>
Total U.S. Corporation for National and Community Service			<u>126,784</u>

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Federal Grantor/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency Number</u>	<u>Activity</u>
U. S. Department of Homeland Security			
Direct Awards:			
Crisis Counseling-Louisiana Spirit Hurricane Recovery	97.032	DHH# 047081	\$ <u>4,390,768</u>
Sub-total Direct Awards			<u>4,390,768</u>
Pass-through Awards:			
State of Louisiana			
LFRC Bridge Funding Recovery Case Management	97.--		15,378
Disaster Grants - Public Assistance	97.036	FEMA -1603-DR-LA	582,085
United Methodist Committee on Relief (UMCOR)			
Hurricane Katrina Case Management Initiative Program	97.084	EMW-2006-GR-0056	<u>551,510</u>
Sub-total Pass-through Awards			<u>1,148,973</u>
Total U. S. Department of Homeland Security			<u>5,539,741</u>
Total Expenditures of Federal Awards			<u>\$ 11,113,163</u>

The above schedule of expenditures of federal awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 2,596,780	\$ 8,814	\$ 0	\$ 371,169	\$ 2,976,763	\$ 0	\$ 2,976,763
Grants receivable, net of allowance for doubtful accounts of \$191,379 at June 30, 2008	2,855,020	0	0	0	2,855,020	0	2,855,020
Pledges receivable, net discounts and allowance for doubtful accounts of \$15,624 at June 30, 2008	38,776	0	0	0	38,776	0	38,776
Accounts receivable, CLC, Inc.	637,215	0	0	0	637,215	(637,215)	0
Accounts receivable, VOA/GNO, Inc.	0	0	280,938	0	280,938	(280,938)	0
Accounts receivable, VOA Development, Inc.	126,936	0	0	15,123	142,059	(142,059)	0
Interest receivable, Limited Partnerships	818,724	0	120,575	0	939,299	(939,299)	0
Note receivable, CLC, Inc.	0	0	1,372,040	0	1,372,040	(1,372,040)	0
Prepaid expenses	20,445	0	0	0	20,445	(20,445)	0
Other current assets	35,527	0	0	1,950	37,477	0	37,477
	44,044	0	0	20,546	64,590	0	64,590
Total current assets	7,173,467	8,814	1,773,573	408,788	9,364,642	(3,392,016)	5,972,626
Fixed assets:							
Land and buildings	7,406,301	583,811	0	5,767,149	13,757,261	0	13,757,261
Furnishings and equipment	1,487,066	52,384	0	139,985	1,679,435	0	1,679,435
Accumulated depreciation	(2,596,347)	(133,011)	0	(1,051,564)	(3,780,922)	0	(3,780,922)
Total fixed assets	6,297,020	503,184	0	4,855,570	11,655,774	0	11,655,774
Other assets:							
Designated and restricted assets	129,481	22,747	0	0	152,228	0	152,228
Long-term investments	3,090,305	0	0	0	3,090,305	0	3,090,305
Notes and accounts receivable investment in joint ventures	284,362	0	0	26,714	311,076	0	311,076
	2,825,146	0	967,792	0	3,792,938	(3,795,075)	(2,137)
Total other assets	6,329,294	22,747	967,792	26,714	7,346,547	(3,795,075)	3,551,472
Total assets	\$ 19,799,781	\$ 534,745	\$ 2,741,365	\$ 5,291,072	\$ 28,366,963	\$ (7,187,091)	\$ 21,179,872

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008**

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS							
Current liabilities:							
Bank overdrafts	\$ 370,418	\$ 0	\$ 0	\$ 0	\$ 370,418	\$ 0	\$ 370,418
Accounts payable	833,397	18,149	0	19,981	871,527	0	871,527
Accounts payable, VOA/GNO, Inc.	0	637,215	127,199	1,274,694	2,039,108	(2,039,108)	0
Accounts payable, VOA Development, Inc.	280,958	0	0	368,692	649,650	(649,650)	0
Accounts payable, Limited Partnerships	0	0	15,123	0	15,123	(15,123)	0
Mortgages and notes payable	763,455	5,940	0	0	769,395	0	769,395
Note payable, VOA/GNO, Inc.	0	20,445	1,372,042	1,372,042	2,764,529	(2,764,529)	0
Interest payable, VOA/GNO, Inc.	0	0	82,590	922,438	1,005,028	(1,005,028)	0
Accrued expenses	1,698,501	37,076	0	2,029	1,737,606	0	1,737,606
Other current liabilities	1,279,219	0	0	10,822	1,290,041	0	1,290,041
Total current liabilities	5,225,948	718,825	1,596,954	3,970,698	11,512,425	(6,473,438)	5,038,987
Other liabilities:							
Mortgages and notes payable	3,069,459	402,389	0	0	3,471,848	0	3,471,848
Other liabilities	6,725	0	0	0	6,725	0	6,725
Total other liabilities	3,076,184	402,389	0	0	3,478,573	0	3,478,573
Total liabilities	8,302,132	1,121,214	1,596,954	3,970,698	14,990,998	(6,473,438)	8,517,560
Net Assets:							
Unrestricted net assets	11,497,649	(586,469)	1,144,411	1,320,374	13,375,965	(713,653)	12,662,312
Total net assets	11,497,649	(586,469)	1,144,411	1,320,374	13,375,965	(713,653)	12,662,312
Total liabilities and net assets	\$ 19,799,781	\$ 534,745	\$ 2,741,365	\$ 5,291,072	\$ 28,366,963	\$ (7,187,091)	\$ 21,179,872

See Independent Auditors' Report on Supplementary Information.

SCHEDULE II

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - VOA DEVELOPMENT, INC.
JUNE 30, 2008

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Grants receivable, net of allowance for doubtful accounts of \$ 0 at June 30, 2008	0	0	0	0	0
Pledges receivable, net discounts and allowance for doubtful accounts of \$ 0 at June 30, 2008	0	0	0	0	0
Accounts receivable, CLC, Inc.	280,958	0	280,958	0	280,958
Accounts receivable, VOA Development, Inc.	47,854	72,721	120,575	0	120,575
Interest receivable, Limited Partnerships	957,077	414,963	1,372,040	0	1,372,040
Note receivable, CLC, Inc.	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Other current assets	0	0	0	0	0
Total current assets	1,285,889	487,684	1,773,573	0	1,773,573
Fixed assets:					
Land and buildings	0	0	0	0	0
Furnishings and equipment	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total fixed assets	0	0	0	0	0
Other assets:					
Designated and restricted assets	0	0	0	0	0
Long-term investments	0	0	0	0	0
Notes receivable	0	0	0	0	0
Investment in joint ventures	60,792	907,000	967,792	0	967,792
Total other assets	60,792	907,000	967,792	0	967,792
Total assets	\$ 1,346,681	\$ 1,394,684	\$ 2,741,365	\$ 0	\$ 2,741,365

See Independent Auditors' Report on Supplementary Information.

SCHEDULE II

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - VOA DEVELOPMENT, INC.
JUNE 30, 2008

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS					
Current liabilities:					
Bank overdrafts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts payable	0	0	0	0	0
Accounts payable, VOAGNO, Inc.	0	127,199	127,199	0	127,199
Accounts payable, VOA Development, Inc.	0	0	0	0	0
Accounts payable, Limited Partnerships	15,123	0	15,123	0	15,123
Mortgages and notes payable	0	0	0	0	0
Note payable, VOAGNO, Inc.	957,077	414,965	1,372,042	0	1,372,042
Interest payable, VOAGNO, Inc.	47,854	34,736	82,590	0	82,590
Accrued expenses	0	0	0	0	0
Other current liabilities	0	0	0	0	0
Total current liabilities	1,020,054	576,900	1,596,954	0	1,596,954
Other liabilities:					
Mortgages and notes payable	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total other liabilities	0	0	0	0	0
Total liabilities	1,020,054	576,900	1,596,954	0	1,596,954
Net Assets:					
Unrestricted net assets	326,627	817,784	1,144,411	0	1,144,411
Total net assets	326,627	817,784	1,144,411	0	1,144,411
Total liabilities and net assets	\$ 1,346,681	\$ 1,394,684	\$ 2,741,365	\$ 0	\$ 2,741,365

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LIMITED PARTNERSHIPS
JUNE 30, 2008**

	<u>Tulane Avenue SRO</u>	<u>Canal Street SRO</u>	<u>Subtotal</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 101,906	\$ 269,263	\$ 371,169	\$ 0	\$ 371,169
Grants receivable, net of allowance for doubtful accounts of \$ 0 at June 30, 2008	0	0	0	0	0
Pledges receivable, net discounts and allowance for doubtful accounts of \$ 0 at June 30, 2008	0	0	0	0	0
Accounts receivable, CLC, Inc.	0	0	0	0	0
Accounts receivable, VOA/CNO, Inc.	15,123	0	15,123	0	15,123
Accounts receivable, VOA Development, Inc.	981	969	1,950	0	1,950
Note receivable, CLC, Inc.	5,926	14,620	20,546	0	20,546
Prepaid expenses	123,936	284,852	408,788	0	408,788
Other current assets	3,113,409	2,653,740	5,767,149	0	5,767,149
Total current assets	65,722	74,263	139,985	0	139,985
	(647,596)	(403,968)	(1,051,564)	0	(1,051,564)
Fixed assets:					
Land and buildings	2,531,535	2,324,035	4,855,570	0	4,855,570
Furnishings and equipment	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total fixed assets	15,968	10,746	26,714	0	26,714
Other assets:					
Designated and restricted assets	0	0	0	0	0
Long-term investments	0	0	0	0	0
Notes and accounts receivable	15,968	10,746	26,714	0	26,714
Investment in joint ventures	0	0	0	0	0
Total other assets	15,968	10,746	26,714	0	26,714
Total assets	<u>\$ 2,671,439</u>	<u>\$ 2,619,633</u>	<u>\$ 5,291,072</u>	<u>\$ 0</u>	<u>\$ 5,291,072</u>

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LIMITED PARTNERSHIPS
JUNE 30, 2008**

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS					
Current liabilities:					
Bank overdrafts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts payable	6,628	13,353	19,981	0	19,981
Accounts payable, VOAGNO, Inc.	901,995	372,699	1,274,694	0	1,274,694
Accounts payable, VOA Development, Inc.	60,692	308,000	368,692	0	368,692
Mortgages and notes payable	0	0	0	0	0
Note payable, VOAGNO, Inc.	957,078	414,964	1,372,042	0	1,372,042
Interest payable, VOAGNO	869,717	72,721	922,438	0	922,438
Accrued expenses	0	2,029	2,029	0	2,029
Other current liabilities	7,432	3,390	10,822	0	10,822
Total current liabilities	<u>2,783,542</u>	<u>1,187,156</u>	<u>3,970,698</u>	<u>0</u>	<u>3,970,698</u>
Other liabilities:					
Mortgages and notes payable	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total other liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities	<u>2,783,542</u>	<u>1,187,156</u>	<u>3,970,698</u>	<u>0</u>	<u>3,970,698</u>
Net Assets:					
Unrestricted net assets	(112,103)	1,432,477	1,320,374	0	1,320,374
Total net assets	<u>(112,103)</u>	<u>1,432,477</u>	<u>1,320,374</u>	<u>0</u>	<u>1,320,374</u>
Total liabilities and net assets	<u>\$ 2,671,439</u>	<u>\$ 2,619,633</u>	<u>\$ 5,291,072</u>	<u>\$ 0</u>	<u>\$ 5,291,072</u>

See Independent Auditors' Report on Supplementary Information.

SCHEDULE IV

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
REVENUES							
Revenues from operations:							
Public support received directly:							
Contributions	\$ 1,527,535	\$ 0	\$ 0	\$ 0	\$ 1,527,535	\$ 0	\$ 1,527,535
Special events, net of direct benefit cost of \$7,683 for the year ended June 30, 2008	74,482	0	0	0	74,482	0	74,482
Legacies and bequests	36,847	0	0	0	36,847	0	36,847
Public support received indirectly:							
United way:							
Allocations	85,142	0	0	0	85,142	0	85,142
Designations	7,628	0	0	0	7,628	0	7,628
Volunteers of America	939,692	0	0	0	939,692	0	939,692
Total public support	2,671,326	0	0	0	2,671,326	0	2,671,326
Revenues and grants from governmental agencies	20,698,537	89,317	0	109,321	20,897,175	0	20,897,175
Other revenue:							
Program service fees	732,195	0	0	0	732,195	(4,883)	727,312
Rental income	179,234	21,611	0	318,882	519,727	(21,611)	498,116
Other operating income	363,318	39,707	0	9,764	412,789	(82,592)	330,197
Total other revenue	1,274,747	61,318	0	328,646	1,664,711	(109,086)	1,555,625
Total operating revenue	24,644,610	150,635	0	437,967	25,233,212	(109,086)	25,124,126

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

	VOA/IGNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
EXPENSES							
Operating expenses:							
Program Services:							
Encouraging positive development	\$ 1,708,193	\$ 0	\$ 0	\$ 0	\$ 1,708,193	\$ 0	\$ 1,708,193
Fostering independence	9,509,901	177,194	82,592	0	9,769,687	(26,494)	9,743,193
Promoting self-sufficiency	9,513,127	0	0	1,008,910	10,522,037	(172,416)	10,349,621
Total program services	20,731,221	177,194	82,592	1,008,910	21,999,917	(198,910)	21,801,007
Supporting services:							
Management and general Fundraising	2,108,708	0	0	0	2,108,708	0	2,108,708
Total supporting services	2,829,233	0	0	0	2,829,233	0	2,829,233
Affiliate fees:							
Fees paid to national organization	328,140	0	0	0	328,140	0	328,140
Total affiliate fees	328,140	0	0	0	328,140	0	328,140
Total operating expenses	23,888,594	177,194	82,592	1,008,910	25,157,290	(198,910)	24,958,380
Excess (deficit) from operations	756,016	(26,559)	(82,592)	(570,943)	75,922	89,824	165,746

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	VOA/CNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
Non-operating gains (losses) and other revenue:	\$ 135,162	\$ 162	\$ 107,319	\$ 5,669	\$ 248,312	\$ (89,824)	\$ 158,488
Interest and dividend income	(72,606)	0	0	(2,154)	(74,760)	0	(74,760)
Gain (loss) on disposition of assets	(175,592)	0	0	0	(175,592)	0	(175,592)
Gain (loss) on investments	0	0	0	0	0	0	0
Capital grants and contributions	0	0	0	0	0	0	0
Other non-operating gains (losses)	520,341	0	0	204,768	725,109	0	725,109
Surplus (deficit) from other activities	407,305	162	107,319	208,283	723,069	(89,824)	633,245
Change in net assets	1,163,321	(26,397)	24,727	(362,660)	798,991	0	798,991
Other changes in net assets	(223,288)	0	(14,776)	(18,124)	(256,188)	48,809	(207,379)
Net assets, beginning of year	10,557,616	(560,072)	1,134,460	1,701,158	12,833,162	(762,462)	12,070,700
Net assets, end of year	\$ 11,497,649	\$ (586,469)	\$ 1,144,411	\$ 1,320,374	\$ 13,375,965	\$ (713,653)	\$ 12,662,312

OTHER ACTIVITIES

See Independent Auditors' Report on Supplementary Information.

SCHEDULE V

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
FOR THE YEAR ENDED JUNE 30, 2008

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
REVENUES					
Revenues from operations:					
Public support received directly:					
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special events, net of direct benefit cost of \$ 0 for the year ended June 30, 2008	0	0	0	0	0
Legacies and bequests	0	0	0	0	0
Public support received indirectly: United way:					
Allocations	0	0	0	0	0
Designations	0	0	0	0	0
Volunteers of America	0	0	0	0	0
Total public support	0	0	0	0	0
Revenues and grants from governmental agencies	0	0	0	0	0
Other revenue:					
Program service fees	0	0	0	0	0
Rental income	0	0	0	0	0
Other operating income	0	0	0	0	0
Total other revenue	0	0	0	0	0
Total operating revenue	0	0	0	0	0

See Independent Auditors' Report on Supplementary Information.

SCHEDULE V

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
FOR THE YEAR ENDED JUNE 30, 2008

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
EXPENSES					
Operating expenses:					
Program services:					
Encouraging positive development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fostering independence	47,854	34,738	82,592	0	82,592
Promoting self-sufficiency	0	0	0	0	0
Total program services	47,854	34,738	82,592	0	82,592
Supporting services:					
Management and general	0	0	0	0	0
Fundraising	0	0	0	0	0
Total supporting services	0	0	0	0	0
Affiliate fees:					
Fees paid to national organization	0	0	0	0	0
Total affiliate fees	0	0	0	0	0
Total operating expenses	47,854	34,738	82,592	0	82,592
Excess (deficit) from operations	(47,854)	(34,738)	(82,592)	0	(82,592)

See Independent Auditors' Report on Supplementary Information.

SCHEDULE V

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
 FOR THE YEAR ENDED JUNE 30, 2008

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
OTHER ACTIVITIES					
Non-operating gains (losses) and other revenue:					
Interest and dividend income	\$ 47,854	\$ 59,465	\$ 107,319	\$ 0	\$ 107,319
Gain (loss) on disposition of assets	0	0	0	0	0
Gain (loss) on investments	0	0	0	0	0
Other non-operating gains (losses)	0	0	0	0	0
Surplus (deficit) from other activities	47,854	59,465	107,319	0	107,319
Change in net assets	0	24,727	24,727	0	24,727
Other changes in net assets	(14,776)	0	(14,776)	0	(14,776)
Net assets, beginning of year	341,404	793,056	1,134,460	0	1,134,460
Net assets, end of year	\$ 326,628	\$ 817,783	\$ 1,144,411	\$ 0	\$ 1,144,411

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
 FOR THE YEAR ENDED JUNE 30, 2008

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
REVENUES					
Revenues from operations:					
Public support received directly:					
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special events, net of direct benefit cost of \$ 0 for the year ended June 30, 2008	0	0	0	0	0
Legacies and bequests	0	0	0	0	0
Public support received indirectly: United way:					
Allocations	0	0	0	0	0
Designations	0	0	0	0	0
Volunteers of America	0	0	0	0	0
Total public support	0	0	0	0	0
Revenues and grants from governmental agencies	34,297	75,024	109,321	0	109,321
Other revenue:					
Program service fees	0	0	0	0	0
Rental income	141,399	177,483	318,882	0	318,882
Other operating income	5,434	4,330	9,764	0	9,764
Total other revenue	146,833	181,813	328,646	0	328,646
Total operating revenue	181,130	256,837	437,967	0	437,967

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VI

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
FOR THE YEAR ENDED JUNE 30, 2008

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
EXPENSES					
Operating expenses:					
Program services:					
Encouraging positive development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fostering independence	0	0	0	0	0
Promoting self-sufficiency	528,212	480,698	1,008,910	0	1,008,910
Total program services	528,212	480,698	1,008,910	0	1,008,910
Supporting services:					
Management and general	0	0	0	0	0
Fundraising	0	0	0	0	0
Total supporting services	0	0	0	0	0
Affiliate fees:					
Fees paid to national organization	0	0	0	0	0
Total affiliate fees	0	0	0	0	0
Total operating expenses	528,212	480,698	1,008,910	0	1,008,910
Excess (deficit) from operations	(347,082)	(223,861)	(570,943)	0	(570,943)

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VI

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
FOR THE YEAR ENDED JUNE 30, 2008

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
OTHER ACTIVITIES					
Non-operating gains (losses) and other revenue:					
Interest and dividend income	\$ 1,264	\$ 4,405	\$ 5,669	\$ 0	\$ 5,669
Gain (loss) on disposition of assets	(1,056)	(1,098)	(2,154)	0	(2,154)
Gain (loss) on investments	0	0	0	0	0
Other non-operating gains (losses)	154,760	50,008	204,768	0	204,768
Surplus (deficit) from other activities	154,968	53,315	208,283	0	208,283
Change in net assets	(192,114)	(170,546)	(362,660)	0	(362,660)
Other changes in net assets	0	(18,124)	(18,124)	0	(18,124)
Net assets, beginning of year	80,011	1,621,147	1,701,158	0	1,701,158
Net assets, end of year	\$ (112,103)	\$ 1,432,477	\$ 1,320,374	\$ 0	\$ 1,320,374

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
Salaries	\$ 13,587,762	\$ 23,694	\$ 0	\$ 0	\$ 13,611,456	\$ 0	\$ 13,611,456
Pension	201,530	71	0	0	201,601	0	201,601
Other employee benefits	609,983	2,557	0	0	612,540	0	612,540
Payroll taxes	1,149,912	2,545	0	0	1,152,457	0	1,152,457
Legal fees	30,679	45	0	0	30,724	0	30,724
Accounting fees	84,386	5,935	0	0	90,321	0	90,321
Other professional fees	1,676,578	5,868	0	34,636	1,717,082	(26,494)	1,690,588
Supplies	666,334	0	0	17,158	683,492	0	683,492
Telecommunications	277,944	2,082	0	12,366	292,392	0	292,392
Postage	32,738	110	0	402	33,250	0	33,250
Occupancy	1,110,204	47,880	0	349,914	1,507,998	0	1,507,998
Interest	129,844	41,668	82,592	160,890	414,994	(172,416)	242,578
Insurance	503,490	23,316	0	116,080	642,886	0	642,886
Equipment rental and maintenance	160,001	0	0	3,141	163,142	0	163,142
Printing and publications	84,886	0	0	67	84,953	0	84,953
Travel and transportation	639,101	0	0	258	639,359	0	639,359
Conferences and meetings	153,041	0	0	2,844	155,885	0	155,885
Specific assistance to individuals	2,028,226	0	0	0	2,028,226	0	2,028,226
Other	217,774	0	0	114,481	332,255	0	332,255
Depreciation	216,041	21,423	0	196,673	434,137	0	434,137
Total functional expenses	\$ 23,560,454	\$ 177,194	\$ 82,592	\$ 1,008,910	\$ 24,829,150	\$ (198,910)	\$ 24,630,240

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VIII

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - VOA DEVELOPMENT, INC.
FOR THE YEAR ENDED JUNE 30, 2008

	VOA Development 1, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Pension	0	0	0	0	0
Other employee benefits	0	0	0	0	0
Payroll taxes	0	0	0	0	0
Legal fees	0	0	0	0	0
Accounting fees	0	0	0	0	0
Other professional fees	0	0	0	0	0
Supplies	0	0	0	0	0
Telecommunications	0	0	0	0	0
Postage	0	0	0	0	0
Occupancy	0	0	0	0	0
Interest	47,854	34,738	82,592	0	82,592
Insurance	0	0	0	0	0
Equipment rental and maintenance	0	0	0	0	0
Printing and publications	0	0	0	0	0
Travel and transportation	0	0	0	0	0
Conferences and meetings	0	0	0	0	0
Specific assistance to individuals	0	0	0	0	0
Other	0	0	0	0	0
Depreciation	0	0	0	0	0
Total functional expenses	\$ 47,854	\$ 34,738	\$ 82,592	\$ 0	\$ 82,592

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**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - LIMITED PARTNERSHIPS
FOR THE YEAR ENDED JUNE 30, 2008**

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Pension	0	0	0	0	0
Other employee benefits	0	0	0	0	0
Payroll taxes	0	0	0	0	0
Legal fees	0	0	0	0	0
Accounting fees	0	0	0	0	0
Other professional fees	27,219	7,417	34,636	0	34,636
Supplies	8,515	8,643	17,158	0	17,158
Telecommunications	7,924	4,442	12,366	0	12,366
Postage	379	23	402	0	402
Occupancy	182,966	166,948	349,914	0	349,914
Interest	118,920	41,970	160,890	0	160,890
Insurance	55,010	61,070	116,080	0	116,080
Equipment rental and maintenance	1,828	1,313	3,141	0	3,141
Printing and publications	0	67	67	0	67
Travel and transportation	258	0	258	0	258
Conferences and meetings	2,844	0	2,844	0	2,844
Specific assistance to individuals	0	0	0	0	0
Other	30,671	83,810	114,481	0	114,481
Depreciation	91,679	104,994	196,673	0	196,673
Total functional expenses	\$ 528,213	\$ 480,697	\$ 1,008,910	\$ 0	\$ 1,008,910

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VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 2,268,143	\$ 12,688	\$ 0	\$ 449,490	\$ 2,730,321	\$ 0	\$ 2,730,321
Grants receivable, net of allowance for doubtful accounts of \$108,000 at June 30, 2007	2,500,950	0	0	58,011	2,558,961	0	2,558,961
Pledges receivable, net discounts and allowance for doubtful accounts of \$47,594 at June 30, 2007	52,076	0	0	0	52,076	0	52,076
Accounts receivable, CLC, Inc.	547,444	0	0	0	547,444	(547,444)	0
Accounts receivable, VOA/GNO, Inc.	0	0	280,958	0	280,958	(280,958)	0
Accounts receivable, VOA Development, Inc.	126,936	0	0	15,123	142,059	(142,059)	0
Interest receivable, Limited Partnerships	722,585	0	0	0	722,585	(722,585)	0
Note receivable, Limited Partnerships	0	0	1,205,767	0	1,205,767	(1,205,767)	0
Note receivable, CLC, Inc.	20,445	0	0	0	20,445	(20,445)	0
Prepaid expenses	3,310	0	0	(9,565)	(6,255)	0	(6,255)
Other current assets	39,114	0	0	20,546	59,660	0	59,660
Total current assets	6,281,003	12,688	1,486,725	533,603	8,314,021	(2,919,258)	5,394,763
Fixed assets:							
Land and buildings	7,252,533	485,200	0	5,530,572	13,288,305	0	13,288,305
Furnishings and equipment	1,303,366	43,710	0	129,088	1,476,164	0	1,476,164
Accumulated depreciation	(2,550,939)	(111,587)	0	(867,796)	(3,530,322)	0	(3,530,322)
Total fixed assets	6,004,960	417,323	0	4,811,864	11,234,147	0	11,234,147
Other assets:							
Designated and restricted assets	116,779	20,635	0	0	137,414	0	137,414
Long-term investments	2,501,467	0	0	0	2,501,467	0	2,501,467
Notes receivable	23,630	0	0	0	23,630	0	23,630
Investment in joint ventures	2,719,716	0	981,047	0	3,700,763	(3,595,083)	105,680
Total other assets	5,361,592	20,635	981,047	0	6,363,274	(3,595,083)	2,768,191
Total assets	\$ 17,647,555	\$ 450,646	\$ 2,467,772	\$ 5,345,469	\$ 25,911,442	\$ (6,514,341)	\$ 19,397,101

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS							
Current liabilities:							
Bank overdrafts	\$ 202,211	\$ 0	\$ 0	\$ 0	\$ 202,211	\$ 0	\$ 202,211
Accounts payable	482,591	1,224	346	17,657	501,818	0	501,818
Accounts payable, VOA/GNO, Inc.	0	547,444	127,199	1,272,924	1,947,567	(1,947,567)	0
Accounts payable, VOA Development, Inc.	280,938	0	0	368,792	649,730	(649,730)	0
Mortgages and notes payable	149,877	5,417	0	0	155,294	0	155,294
Note payable, VOA/GNO, Inc.	0	20,445	1,205,767	1,205,765	2,431,977	(2,431,977)	0
Interest payable, VOA/GNO, Inc.	0	0	0	722,585	722,585	(722,585)	0
Accrued expenses	1,461,169	27,859	0	51,093	1,540,121	0	1,540,121
Other current liabilities	1,298,702	0	0	5,495	1,304,197	0	1,304,197
Total current liabilities	3,875,508	602,389	1,333,312	3,644,311	9,455,520	(5,751,879)	3,703,641
Other liabilities:							
Mortgages and notes payable	3,207,706	408,329	0	0	3,616,035	0	3,616,035
Other liabilities	6,725	0	0	0	6,725	0	6,725
Total other liabilities	3,214,431	408,329	0	0	3,622,760	0	3,622,760
Total liabilities	7,089,939	1,010,718	1,333,312	3,644,311	13,078,280	(5,751,879)	7,326,401
Net Assets:							
Unrestricted net assets	10,557,616	(560,072)	1,134,460	1,701,158	12,833,162	(762,462)	12,070,700
Total net assets	10,557,616	(560,072)	1,134,460	1,701,158	12,833,162	(762,462)	12,070,700
Total liabilities and net assets	\$ 17,647,555	\$ 450,646	\$ 2,467,772	\$ 5,345,469	\$ 25,911,442	\$ (6,514,341)	\$ 19,397,101

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - VOA DEVELOPMENT, INC.
JUNE 30, 2007**

	<u>VOA Development, Inc.</u>	<u>VOA Development 2, Inc.</u>	<u>Subtotal</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Grants receivable, net of allowance for doubtful accounts of \$ 0 at June 30, 2007	0	0	0	0	0
Pledges receivable, net discounts and a allowance for doubtful accounts of \$ 0 at June 30, 2007	0	0	0	0	0
Accounts receivable, CLC, Inc.	0	0	0	0	0
Accounts receivable, VOA/GNO, Inc.	280,958	0	280,958	0	280,958
Accounts receivable, VOA Development, Inc.	0	0	0	0	0
Note receivable, Limited Partnerships	790,802	414,965	1,205,767	0	1,205,767
Note receivable, CLC, Inc.	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Other current assets	0	0	0	0	0
Total current assets	<u>1,071,760</u>	<u>414,965</u>	<u>1,486,725</u>	<u>0</u>	<u>1,486,725</u>
Fixed assets:					
Land and buildings	0	0	0	0	0
Furnishings and equipment	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total fixed assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other assets:					
Designated and restricted assets	0	0	0	0	0
Long-term investments	0	0	0	0	0
Notes receivable	0	0	0	0	0
Investment in joint ventures	60,792	920,255	981,047	0	981,047
Total other assets	<u>60,792</u>	<u>920,255</u>	<u>981,047</u>	<u>0</u>	<u>981,047</u>
Total assets	<u>\$ 1,132,552</u>	<u>\$ 1,335,220</u>	<u>\$ 2,467,772</u>	<u>\$ 0</u>	<u>\$ 2,467,772</u>

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - VOA DEVELOPMENT, INC.
JUNE 30, 2007

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS					
Current liabilities:					
Bank overdrafts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts payable	346	0	346	0	346
Accounts payable, VOA/GNO, Inc.	0	127,199	127,199	0	127,199
Accounts payable, VOA Development, Inc.	0	0	0	0	0
Mortgages and notes payable	0	0	0	0	0
Note payable, VOA/GNO, Inc.	790,802	414,965	1,205,767	0	1,205,767
Accrued expenses	0	0	0	0	0
Other current liabilities	0	0	0	0	0
Total current liabilities	791,148	542,164	1,333,312	0	1,333,312
Other liabilities:					
Mortgages and notes payable	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total other liabilities	0	0	0	0	0
Total liabilities	791,148	542,164	1,333,312	0	1,333,312
Net Assets:					
Unrestricted net assets	341,404	793,056	1,134,460	0	1,134,460
Total net assets	341,404	793,056	1,134,460	0	1,134,460
Total liabilities and net assets	\$ 1,132,552	\$ 1,335,220	\$ 2,467,772	\$ 0	\$ 2,467,772

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LIMITED PARTNERSHIPS
JUNE 30, 2007

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 125,826	\$ 323,664	\$ 449,490	\$ 0	\$ 449,490
Grants receivable, net of allowance for doubtful accounts of \$ 0 at June 30, 2007	22,461	35,550	58,011	0	58,011
Pledges receivable, net discounts and allowance for doubtful accounts of \$ 0 at June 30, 2007	0	0	0	0	0
Accounts receivable, CLC, Inc.	0	0	0	0	0
Accounts receivable, VOA/GNO, Inc.	15,123	0	15,123	0	15,123
Accounts receivable, VOA Development, Inc.	0	0	0	0	0
Note receivable, CLC, Inc.	0	(9,565)	(9,565)	0	(9,565)
Prepaid expenses	5,926	14,620	20,546	0	20,546
Other current assets	169,336	364,269	533,605	0	533,605
Total current assets					
	2,896,832	2,653,740	5,550,572	0	5,550,572
Fixed assets:					
Land and buildings	60,362	68,726	129,088	0	129,088
Furnishings and equipment	(568,826)	(298,970)	(867,796)	0	(867,796)
Accumulated depreciation	2,388,368	2,423,496	4,811,864	0	4,811,864
Total fixed assets					
	0	0	0	0	0
Other assets:					
Designated and restricted assets	0	0	0	0	0
Long-term investments	0	0	0	0	0
Notes receivable	0	0	0	0	0
Investment in joint ventures	0	0	0	0	0
Total other assets					
	0	0	0	0	0
Total assets	\$ 2,557,704	\$ 2,787,765	\$ 5,345,469	\$ 0	\$ 5,345,469

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LIMITED PARTNERSHIPS
JUNE 30, 2007**

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
LIABILITIES AND NET ASSETS					
Current liabilities:					
Bank overdrafts	0	0	0	0	0
Accounts payable	4,360	13,297	17,657	0	17,657
Accounts payable, VOAGNO, Inc.	892,019	380,905	1,272,924	0	1,272,924
Accounts payable, VOA Development, Inc.	60,792	308,000	368,792	0	368,792
Mortgages and notes payable	0	0	0	0	0
Note payable, VOA Development	790,802	414,963	1,205,765	0	1,205,765
Interest payable, VOAGNO	722,585	0	722,585	0	722,585
Accrued expenses	1,640	49,453	51,093	0	51,093
Other current liabilities	5,495	0	5,495	0	5,495
Total current liabilities	2,477,693	1,166,618	3,644,311	0	3,644,311
Other liabilities:					
Mortgages and notes payable	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total other liabilities	0	0	0	0	0
Total liabilities	2,477,693	1,166,618	3,644,311	0	3,644,311
Net Assets:					
Unrestricted net assets	80,011	1,621,147	1,701,158	0	1,701,158
Total net assets	80,011	1,621,147	1,701,158	0	1,701,158
Total liabilities and net assets	\$ 2,557,704	\$ 2,787,765	\$ 5,345,469	\$ 0	\$ 5,345,469

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
REVENUES							
Revenues from operations:							
Public support received directly:							
Contributions	\$ 1,854,987	\$ 0	\$ 0	\$ (7,524)	\$ 1,847,463	\$ 0	\$ 1,847,463
Special events, net of direct benefit cost of \$25,381 for the year ended June 30, 2007	107,849	0	0	0	107,849	0	107,849
Legacies and bequests	6,132	0	0	0	6,132	0	6,132
Public support received indirectly:							
United way:							
Allocations	171,848	0	0	0	171,848	0	171,848
Designations	12,336	0	0	0	12,336	0	12,336
Volunteers of America	1,184,635	0	0	0	1,184,635	0	1,184,635
Total public support	3,337,787	0	0	(7,524)	3,330,263	0	3,330,263
Revenues and grants from governmental agencies	20,969,683	83,028	0	84,050	21,136,761	0	21,136,761
Other revenue:							
Program service fees	511,457	0	0	450	511,907	(9,856)	502,051
Rental income	54,337	20,286	0	114,293	188,916	(20,286)	168,630
Other operating income	102,473	36,836	0	36,739	176,048	(37,078)	138,970
Total other revenue	668,267	57,122	0	151,482	876,871	(67,220)	809,651
Total operating revenue	24,973,737	140,150	0	228,008	25,343,895	(67,220)	25,276,675

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VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
EXPENSES							
Operating expenses:							
Program services:							
Encouraging positive development	\$ 1,308,820	\$ 0	\$ 0	\$ 0	\$ 1,308,820	\$ 0	\$ 1,308,820
Fostering independence	8,146,257	178,898	0	0	8,325,155	(30,142)	8,295,013
Promoting self-sufficiency	10,397,851	0	0	555,405	10,953,256	(116,358)	10,836,898
Total program services	19,852,928	178,898	0	555,405	20,587,231	(146,500)	20,440,731
Supporting services:							
Management and general	1,842,748	0	0	0	1,842,748	0	1,842,748
Fundraising	788,028	0	0	0	788,028	0	788,028
Total supporting services	2,630,776	0	0	0	2,630,776	0	2,630,776
Affiliate fees:							
Fees paid to national organization	320,423	0	0	0	320,423	0	320,423
Total affiliate fees	320,423	0	0	0	320,423	0	320,423
Total operating expenses	22,804,127	178,898	0	555,405	23,538,430	(146,500)	23,391,930
Excess (deficit) from operations	2,171,610	(38,748)	0	(327,397)	1,805,465	79,280	1,884,745

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
OTHER ACTIVITIES							
Non-operating gains (losses) and other revenue:							
Interest and dividend income	\$ 245,238	\$ 1,842	\$ 0	\$ 9,471	\$ 256,551	\$ (79,280)	\$ 177,271
Gain (loss) on disposition of assets	(105,436)	0	0	0	(105,436)	0	(105,436)
Gain (loss) on investments	295,107	0	0	0	295,107	0	295,107
Capital grants and contributions	1,188,000	0	0	0	1,188,000	0	1,188,000
Other non-operating gains (losses)	100,154	0	0	6,355	106,510	0	106,510
Surplus (deficit) from other activities	1,723,063	1,842	0	15,827	1,740,732	(79,280)	1,661,452
Change in net assets	3,894,673	(56,906)	0	(311,570)	3,546,197	0	3,546,197
Other changes in net assets	0	0	0	100,000	100,000	0	100,000
Net assets, beginning of year	6,662,943	(523,166)	1,134,460	1,912,728	9,186,965	(762,462)	8,424,503
Net assets, end of year	\$ 10,557,616	\$ (560,072)	\$ 1,134,460	\$ 1,701,158	\$ 12,833,162	\$ (762,462)	\$ 12,070,700

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>VOA Development, Inc.</u>	<u>VOA Development 2, Inc.</u>	<u>Subtotal</u>	<u>Eliminations</u>	<u>Consolidated</u>
REVENUES					
Revenues from operations:					
Public support received directly:					
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special events, net of direct benefit cost of \$ 0 for the year ended June 30, 2007	0	0	0	0	0
Legacies and bequests	0	0	0	0	0
Public support received indirectly:					
United way:					
Allocations	0	0	0	0	0
Designations	0	0	0	0	0
Volunteers of America	0	0	0	0	0
Total public support	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues and grants from governmental agencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other revenue:					
Program service fees	0	0	0	0	0
Rental income	0	0	0	0	0
Other operating income	0	0	0	0	0
Total other revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total operating revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
 FOR THE YEAR ENDED JUNE 30, 2007

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
EXPENSES					
Operating expenses:					
Program services:					
Encouraging positive development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fostering independence	0	0	0	0	0
Promoting self-sufficiency	0	0	0	0	0
Total program services	0	0	0	0	0
Supporting services:					
Management and general	0	0	0	0	0
Fundraising	0	0	0	0	0
Total supporting services	0	0	0	0	0
Affiliate fees:					
Fees paid to national organization	0	0	0	0	0
Total affiliate fees	0	0	0	0	0
Total operating expenses	0	0	0	0	0
Excess (deficit) from operations	0	0	0	0	0

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - VOA DEVELOPMENT, INC.
 FOR THE YEAR ENDED JUNE 30, 2007

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
Non-operating gains (losses) and other revenue:					
Interest and dividend income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Gain (loss) on disposition of assets	0	0	0	0	0
Gain (loss) on investments	0	0	0	0	0
Other non-operating gains (losses)	0	0	0	0	0
Surplus (deficit) from other activities	0	0	0	0	0
Change in net assets	0	0	0	0	0
Net assets, beginning of year	341,404	793,056	1,134,460	0	1,134,460
Net assets, end of year	\$ 341,404	\$ 793,056	\$ 1,134,460	\$ 0	\$ 1,134,460

OTHER ACTIVITIES

Non-operating gains (losses) and other revenue:
 Interest and dividend income
 Gain (loss) on disposition of assets
 Gain (loss) on investments
 Other non-operating gains (losses)
 Surplus (deficit) from other activities
 Change in net assets
 Net assets, beginning of year
 Net assets, end of year

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
FOR THE YEAR ENDED JUNE 30, 2007**

	Tolane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
REVENUES					
Revenues from operations:					
Public support received directly:					
Contributions	\$ (3,711)	\$ (3,813)	\$ (7,524)	\$ 0	\$ (7,524)
Special events, net of direct benefit cost of \$ 0 for the year ended June 30, 2007	0	0	0	0	0
Legacies and bequests	0	0	0	0	0
Public support received indirectly:					
United way:					
Allocations	0	0	0	0	0
Designations	0	0	0	0	0
Volunteers of America	0	0	0	0	0
Total public support	(3,711)	(3,813)	(7,524)	0	(7,524)
Revenues and grants from governmental agencies	12,750	71,300	84,050	0	84,050
Other revenue:					
Program service fees	300	150	450	0	450
Rental income	13,752	100,541	114,293	0	114,293
Other operating income	27,948	8,791	36,739	0	36,739
Total other revenue	42,000	109,482	151,482	0	151,482
Total operating revenue	51,039	176,969	228,008	0	228,008

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
 FOR THE YEAR ENDED JUNE 30, 2007

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
EXPENSES					
Operating expenses:					
Program services:					
Encouraging positive development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fostering independence	0	0	0	0	0
Promoting self-sufficiency	249,232	306,173	555,405	0	555,405
Total program services	249,232	306,173	555,405	0	555,405
Supporting services:					
Management and general	0	0	0	0	0
Fundraising	0	0	0	0	0
Total supporting services	0	0	0	0	0
Affiliate fees:					
Fees paid to national organization	0	0	0	0	0
Total affiliate fees	0	0	0	0	0
Total operating expenses	249,232	306,173	555,405	0	555,405
Excess (deficit) from operations	(198,193)	(129,204)	(327,397)	0	(327,397)

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
 AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF ACTIVITIES - LIMITED PARTNERSHIPS
 FOR THE YEAR ENDED JUNE 30, 2007

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
OTHER ACTIVITIES					
Non-operating gains (losses) and other revenue:					
Interest and dividend income	\$ 2,984	\$ 6,487	\$ 9,471	\$ 0	\$ 9,471
Gain (loss) on disposition of assets	0	0	0	0	0
Gain (loss) on investments	0	0	0	0	0
Other non-operating gains (losses)	0	6,356	6,356	0	6,356
Surplus (deficit) from other activities	2,984	12,843	15,827	0	15,827
Change in net assets	(195,209)	(116,361)	(311,570)	0	(311,570)
Other changes in net assets	0	100,000	100,000	0	100,000
Net assets, beginning of year	275,220	1,637,508	1,912,728	0	1,912,728
Net assets, end of year	\$ 80,011	\$ 1,621,147	\$ 1,701,158	\$ 0	\$ 1,701,158

See Independent Auditors' Report on Supplementary Information.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2007

	VOA/GNO, Inc.	CLC, Inc.	VOA Development, Inc.	Limited Partnerships	Subtotal	Eliminations	Consolidated
Salaries	\$ 12,032,601	\$ 22,471	\$ 0	\$ 0	\$ 12,055,072	\$ 0	\$ 12,055,072
Pension	148,660	0	0	0	148,660	0	148,660
Other employee benefits	572,342	999	0	0	573,341	0	573,341
Payroll taxes	1,003,603	1,159	0	0	1,004,762	0	1,004,762
Legal fees	72,595	82	0	1,412	74,089	0	74,089
Accounting fees	61,795	3,797	0	0	65,592	0	65,592
Other professional fees	1,504,373	10,288	0	56,564	1,571,225	(67,220)	1,504,005
Supplies	483,768	30	0	14,229	498,027	0	498,027
Telecommunications	233,136	0	0	5,403	238,539	0	238,539
Postage	34,794	107	0	606	35,507	0	35,507
Occupancy	973,779	62,952	0	183,659	1,220,390	0	1,220,390
Interest	133,982	34,901	0	81,145	250,028	(79,280)	170,748
Insurance	474,335	24,252	0	56,078	554,665	0	554,665
Equipment rental and maintenance	81,313	0	0	4,243	85,556	0	85,556
Printing and publications	96,085	0	0	0	96,085	0	96,085
Travel and transportation	619,195	0	0	214	619,409	0	619,409
Conferences and meetings	93,475	0	0	1,901	95,376	0	95,376
Specific assistance to individuals	3,394,842	0	0	0	3,394,842	0	3,394,842
Other	277,960	0	0	(6,144)	271,816	0	271,816
Depreciation	191,071	17,860	0	156,095	365,026	0	365,026
Total functional expenses	\$ 22,483,704	\$ 178,898	\$ 0	\$ 555,405	\$ 23,218,007	\$ (146,500)	\$ 23,071,507

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - VOA DEVELOPMENT, INC.
FOR THE YEAR ENDED JUNE 30, 2007

	VOA Development, Inc.	VOA Development 2, Inc.	Subtotal	Eliminations	Consolidated
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Pension	0	0	0	0	0
Other employee benefits	0	0	0	0	0
Payroll taxes	0	0	0	0	0
Legal fees	0	0	0	0	0
Accounting fees	0	0	0	0	0
Other professional fees	0	0	0	0	0
Supplies	0	0	0	0	0
Telecommunications	0	0	0	0	0
Postage	0	0	0	0	0
Occupancy	0	0	0	0	0
Interest	0	0	0	0	0
Insurance	0	0	0	0	0
Equipment rental and maintenance	0	0	0	0	0
Printing and publications	0	0	0	0	0
Travel and transportation	0	0	0	0	0
Conferences and meetings	0	0	0	0	0
Specific assistance to individuals	0	0	0	0	0
Other	0	0	0	0	0
Depreciation	0	0	0	0	0
Total functional expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - LIMITED PARTNERSHIPS
FOR THE YEAR ENDED JUNE 30, 2007**

	Tulane Avenue SRO	Canal Street SRO	Subtotal	Eliminations	Consolidated
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Pension	0	0	0	0	0
Other employee benefits	0	0	0	0	0
Payroll taxes	0	0	0	0	0
Legal fees	963	449	1,412	0	1,412
Accounting fees	0	0	0	0	0
Other professional fees	33,700	22,864	56,564	0	56,564
Supplies	1,529	12,700	14,229	0	14,229
Telecommunications	2,230	3,173	5,403	0	5,403
Postage	178	428	606	0	606
Occupancy	58,018	125,641	183,659	0	183,659
Interest	79,280	1,865	81,145	0	81,145
Insurance	18,593	37,485	56,078	0	56,078
Equipment rental and maintenance	3,267	976	4,243	0	4,243
Printing and publications	0	0	0	0	0
Travel and transportation	171	43	214	0	214
Conferences and meetings	1,422	479	1,901	0	1,901
Specific assistance to individuals	0	0	0	0	0
Other	(8,866)	2,722	(6,144)	0	(6,144)
Depreciation	58,747	97,348	156,095	0	156,095
Total functional expenses	\$ 249,232	\$ 306,173	\$ 555,405	\$ 0	\$ 555,405

See Independent Auditors' Report on Supplementary Information.

EXHIBITS

EXHIBIT I

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGET vs. ACTUAL
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS
ELDERLY PROTECTIVE SERVICES, CFMS #643072
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Revenues from operations:			
Revenues and grants from governmental agencies	\$ 300,612	\$ 300,612	\$ 0
Other revenue:			
Other operating income	0	200	200
Total other revenue	0	200	200
Total operating revenue	<u>300,612</u>	<u>300,812</u>	<u>200</u>
<u>EXPENSES</u>			
Operating expenses:			
Program services:			
Salaries	168,121	168,121	0
Pension	8,154	8,154	0
Other employee benefits	8,856	7,634	1,222
Payroll taxes	9,778	11,000	(1,222)
Other professional fees	2,694	3,089	(395)
Supplies	10,952	10,557	395
Telecommunications	0	10,047	(10,047)
Postage	227	227	0
Occupancy	27,413	27,413	0
Insurance	2,556	2,556	0
Equipment rental and maintenance	1,149	4,954	(3,805)
Printing and publications	858	858	0
Travel and transportation	9,768	9,407	361
Conferences and meetings	3,404	3,765	(361)
Administrative allocation	0	32,219	(32,219)
Other	46,682	456	46,226
Total expenses	<u>300,612</u>	<u>300,457</u>	<u>155</u>
Excess (deficit) from operations	<u>\$ 0</u>	<u>\$ 355</u>	<u>\$ 355</u>

See Independent Auditors' Report on Supplementary Information.

EXHIBIT II

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGET vs. ACTUAL
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS
RETIRED SENIOR VOLUNTEER PROGRAM, CFMS #630360 & #640772
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Revenues from operations:			
Revenues and grants from governmental agencies	\$ 22,384	\$ 26,651	\$ 4,267
Other revenue:			
Other operating income	0	613	613
Total other revenue	0	613	613
Total operating revenue	<u>22,384</u>	<u>27,264</u>	<u>4,880</u>
<u>EXPENSES</u>			
Operating expenses:			
Program services:			
Salaries	10,657	10,657	0
Pension	531	531	0
Other employee benefits	610	610	0
Payroll taxes	1,176	1,176	0
Other professional fees	1,343	1,343	0
Supplies	854	854	0
Postage	0	0	0
Occupancy	3,089	3,089	0
Insurance	0	0	0
Equipment rental and maintenance	1,137	1,137	0
Printing and publications	0	0	0
Travel and transportation	190	190	0
Conferences and meetings	67	67	0
Specific assistance to individuals	8,326	8,326	0
Administrative allocation	3,358	3,358	0
Other	0	0	0
Administrative fees paid to National organization	0	0	0
Total expenses	<u>31,338</u>	<u>31,338</u>	<u>0</u>
Excess (deficit) from operations	<u>\$ (8,954)</u>	<u>\$ (4,074)</u>	<u>\$ 4,880</u>

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
SCHEDULE OF REVENUE AND EXPENSE BY PROGRAM (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2008

	Program Services				Supporting Services	Total
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Total		
REVENUE						
Client generated self-support	\$ 120,122	\$ 328,254	\$ 711,820	\$ 1,160,196	\$ 393,429	\$ 1,553,625
Board generated support	454,668	82,815	1,061,064	1,598,547	980,009	2,578,556
Governmental grants and contracts	1,150,780	10,237,111	9,267,541	20,655,432	241,743	20,897,175
Other revenue	96,304	186,157	300,507	582,968	50,277	633,245
United Way designations	0	0	0	0	7,628	7,628
Total revenue	1,821,874	10,834,337	11,340,932	23,997,143	1,675,086	25,672,229
United Way allocation	66,666	0	0	66,666	18,476	85,142
Grand total revenue	1,888,540	10,834,337	11,340,932	24,063,809	1,693,562	25,757,371
EXPENSES						
Compensation expenses	921,984	6,837,805	6,599,352	14,359,141	1,218,913	15,578,054
Occupancy expenses	111,258	744,682	562,335	1,418,275	89,723	1,507,998
Travel and transportation expenses	25,215	233,458	254,057	512,730	126,629	639,359
Specific assistance to individuals	53,931	336,913	1,636,889	2,027,733	493	2,028,226
Board generated self-support	0	0	0	0	328,140	328,140
Other direct program support	572,357	1,477,533	1,051,673	3,101,563	1,340,903	4,442,466
Total expenses before depreciation	1,684,745	9,630,391	10,104,306	21,419,442	3,104,801	24,524,243
Depreciation	23,448	112,802	245,315	381,565	52,572	434,137
Total expenses	1,708,193	9,743,193	10,349,621	21,801,007	3,157,373	24,958,380
Net difference	\$ 180,347	\$ 1,091,144	\$ 991,311	\$ 2,262,802	\$ (1,463,811)	\$ 798,991

See Independent Auditors' Report on Supplementary Information.

EXHIBIT IV

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGET vs. ACTUAL
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS
ELDERLY PROTECTIVE SERVICES, CFMS #630360
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Revenues from operations:			
Revenues and grants from governmental agencies	\$ 300,612	\$ 297,242	\$ (3,370)
Other revenue:			
Other operating income	0	2,424	2,424
Total other revenue	0	2,424	2,424
Total operating revenue	<u>300,612</u>	<u>299,666</u>	<u>(946)</u>
<u>EXPENSES</u>			
Operating expenses:			
Program services:			
Salaries	165,000	166,907	(1,907)
Pension	5,080	4,835	245
Other employee benefits	9,145	8,692	453
Payroll taxes	11,431	10,903	528
Other professional fees	712	805	(93)
Supplies	13,520	12,075	1,445
Telecommunications	7,116	6,605	511
Postage	712	670	42
Occupancy	33,445	29,991	3,454
Insurance	4,270	3,670	600
Equipment rental and maintenance	7,827	7,242	585
Printing and publications	2,135	1,956	179
Travel and transportation	3,000	3,945	(945)
Conferences and meetings	712	918	(206)
Other	32,211	33,265	(1,054)
Total expenses	<u>296,316</u>	<u>292,479</u>	<u>3,837</u>
Excess (deficit) from operations	<u>\$ 4,296</u>	<u>\$ 7,187</u>	<u>\$ 2,891</u>

See Independent Auditors' Report on Supplementary Information.

EXHIBIT V

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES**
SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGET vs. ACTUAL
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS
RETIRED SENIOR VOLUNTEER PROGRAM, CFMS #618180 & #630360
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Revenues from operations:			
Revenues and grants from governmental agencies	\$ 22,384	\$ 7,611	\$ (14,773)
Other revenue:			
Other operating income	0	3,448	3,448
Total other revenue	0	3,448	3,448
Total operating revenue	22,384	11,059	(11,325)
<u>EXPENSES</u>			
Operating expenses:			
Program services:			
Salaries	7,633	7,633	0
Pension	(67)	(67)	0
Other employee benefits	923	923	0
Payroll taxes	490	490	0
Other professional fees	30	30	0
Supplies	291	291	0
Postage	39	39	0
Occupancy	0	0	0
Insurance	353	353	0
Equipment rental and maintenance	0	0	0
Printing and publications	0	0	0
Travel and transportation	142	142	0
Conferences and meetings	122	122	0
Specific assistance to individuals	168	168	0
Other	1,219	1,219	0
Administrative fees paid to National organization	0	0	0
Total expenses	11,343	11,343	0
Excess (deficit) from operations	\$ 11,041	\$ (284)	\$ (11,325)

See Independent Auditors' Report on Supplementary Information.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF REVENUE AND EXPENSE BY PROGRAM (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2007**

	Program Services				Total
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Supporting Services	
REVENUE					
Client generated self-support	\$ 89,525	\$ 221,275	\$ 393,753	\$ 105,098	\$ 809,651
Board generated support	8,053	109,068	205,721	2,823,237	3,146,079
Governmental grants and contracts	1,101,905	9,179,380	10,759,939	95,537	21,136,761
Other revenue	5,036	47,649	(26,018)	1,634,785	1,661,452
United Way designations	0	0	0	12,336	12,336
Total revenue	1,204,519	9,557,372	11,333,395	4,670,993	26,766,279
United Way allocation	0	0	38,441	133,407	171,848
Grand total revenue	1,204,519	9,557,372	11,371,836	4,804,400	26,938,127
EXPENSES					
Compensation expenses	772,444	5,698,259	6,136,184	1,174,948	13,781,835
Occupancy expenses	45,819	725,006	377,176	72,389	1,220,390
Travel and transportation expenses	13,722	249,785	202,701	153,201	619,409
Specific assistance to individuals	28,436	323,803	3,030,820	11,783	3,394,842
Board generated self-support	0	0	0	320,423	320,423
Other direct program support	443,614	1,180,153	913,341	1,152,697	3,690,005
Total expenses before depreciation	1,304,035	8,177,006	10,660,422	2,885,441	23,026,904
Depreciation	4,785	118,007	176,476	65,758	365,026
Total expenses	1,308,820	8,295,013	10,836,898	2,951,199	23,391,930
Net difference	\$ (104,301)	\$ 1,262,359	\$ 534,938	\$ 1,853,201	\$ 3,546,197

See Independent Auditors' Report on Supplementary Information.



Member
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Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
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Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

We have audited the consolidated financial statements of **Volunteers of America of Greater New Orleans, Inc. and subsidiaries (the Organization)** as of and for the year ended June 30, 2008, and have issued our report thereon dated October 10, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered **the Organization's** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of **the Organization's** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **the Organization's** internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects **the Organization's** ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of **the Organization's** financial statements that is more than inconsequential will not be prevented or detected by **the Organization's** internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2008-01, 2008-02 and 2008-03 to be significant deficiencies in internal control over financial reporting.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

Internal Control Over Financial Reporting, continued

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by **the Organization's** internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **the Organization's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Organization's responses to the findings identified in our audit are described in a separate Corrective Action Plan. We did not audit **the Organization's** response contained in the Corrective Action Plan and, accordingly, we express no opinion on it.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

This report is intended solely for the information and use of the Board of Directors, management, the Louisiana Legislative Auditor and Federal awarding agencies and pass-through entities and is not intended and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

October 10, 2008



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

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

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

Compliance

We have audited the compliance of **Volunteers of America of Greater New Orleans, Inc. and subsidiaries (the Organization)** 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 June 30, 2008. **The Organization's** major Federal programs are identified in the Summary of Independent Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of **the Organization's** management. Our responsibility is to express an opinion on **the Organization's** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to 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*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types 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 **the Organization's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **the Organization's** compliance with those requirements.

In our opinion, **the Organization** 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 June 30, 2008.

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

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

Internal Control Over Compliance

The management of the **Organization** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the **Organization's** internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the **Organization's** internal control over compliance.

A control deficiency in the **Organization's** internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the **Organization's** ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the **Organization's** internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be detected by the **Organization's** internal control.

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

To the Board of Directors
Volunteers of America of Greater New Orleans, Inc.

Internal Control Over Compliance, continued

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, the Louisiana Legislative Auditor and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

October 10, 2008

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

Section I – Summary of Independent Auditors’ Results

1. Type of report issued on the financial statements: **Unqualified.**
2. Did the audit disclose any material weaknesses in internal control over financial reporting? **No.**
3. Did the audit disclose any significant deficiencies in internal control over financial reporting that are not considered to be material weaknesses? **Yes.**
4. Did the audit disclose any non-compliance which is material to the financial statements? **None reported.**
5. Did the audit disclose any material weaknesses in internal control over major Federal programs? **No.**
6. Did the audit disclose any significant deficiencies in internal control over major programs that are not considered to be material weaknesses? **None reported.**
7. Type of report issued on compliance for major programs: **Unqualified.**
8. Did the audit disclose any audit findings required to be reported in accordance with OMB Circular A-133, Section .510(a)? **No.**
9. Was a management letter issued? **No.**
10. Identification of Major Programs:

<u>CFDA No.</u>	<u>Description</u>
14.157	Section 202 Direct Loan Program
14.218	Community Development Block Grant
14.235	Supportive Housing Program
93.556	Promoting Safe and Stable Families
93.558	Temporary Assistance for Needy Families
93.616	Mentoring Children of Prisoners
93.667	Social Services Block Grant
97.032	Crisis Counseling
97.036	Disaster Grants - Public Assistance
97.084	Hurricane Katrina Case Management Initiative Program

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

Section I – Summary of Independent Auditors' Results, continued

11. Dollar threshold used to distinguish between Type A and Type B Programs:
\$333,395.

12. Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? No.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

Section II – Financial Statement Findings

2008-01 - SUPERVISORY REVIEW

During the course of our audit we noted an overall weakness surrounding review by immediate supervisory personnel, or evidence thereof, of day-to-day tasks prepared by accounting personnel such as bank reconciliations, preparation of journal entries, etc. This weakness or significant deficiency in internal control has contributed to unreconciled differences appearing in bank reconciliations, untimely preparation of journal entries to properly state various account balances and untimely identification of differences between general ledger account balances and the applicable supporting subsidiary ledger or other applicable supporting documentation.

Recommendation

We recommend that existing internal control policies and procedures be strengthened to address the significant deficiencies noted above.

2008-02 - FIXED ASSETS

During the course of our audit we noted that a proprietary software package identified as "Asset-Keeper" is utilized by **the Organization** to track and account for the various depreciable and non-depreciable fixed assets (i.e. land, buildings, building improvements, construction in progress, vehicles and furnishings and equipment, etc.) held by **the Organization**. Additionally, this proprietary software package is utilized to track and record annual depreciation expense and the related accumulated depreciation, and as far as we could determine, does not interface with **the Organization's** general ledger. Our audit procedures indicated significant differences between fixed asset balances between this aforementioned "Asset-Keeper" subsidiary ledger and the corresponding general ledger control account.

Recommendation

We recommend that existing internal control policies and procedures be strengthened to address the significant deficiencies noted above.

**VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

Section II – Financial Statement Findings, continued

2008-03 - GRANTS AND ACCOUNTS RECEIVABLE

During the course of our audit we noted the untimely identification, preparation and posting of journal entries to fairly state certain grants receivable and accounts receivable balances at their net realizable values in the books and records of **the Organization**. During the course of the audit, adjusting journal entries were determined to be necessary to fairly state various grants and accounts receivable balances at their respective net realizable values at June 30, 2008.

Recommendation

We recommend that existing internal control policies and procedures be strengthened to address the significant deficiencies noted above.

Section III – Federal Award Findings and Questioned Costs

No matters reported.

VOLUNTEERS OF AMERICA OF GREATER NEW ORLEANS, INC.
AND SUBSIDIARIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Financial Statement Findings

No matters were reported.

Federal Award Findings and Questioned Costs

<u>Description</u>	<u>Resolved</u>	<u>Unresolved</u>	<u>In-progress</u>
2007-01 Eligibility	X		

Management Letter Comments

<u>Description</u>	<u>Resolved</u>	<u>Unresolved</u>	<u>In-progress</u>
Limited Partnership Receivables			X
Inter-company Activity Reconciliation			X
Internal Control			X

EXIT CONFERENCE

**VOLUNTEERS OF AMERICA OF
GREATER NEW ORLEANS, INC. AND SUBSIDIARIES
EXIT CONFERENCE**

The audit report was discussed during the course of the audit and at an exit conference held with the management of **the Organization**. The individuals who participated in those discussions were as follows:

**VOLUNTEERS OF AMERICA OF
GREATER NEW ORLEANS, INC. AND SUBSIDIARIES**

Mr. Leonard D. Simmons, Jr.	Chair – Board of Directors
Mr. James M. LeBlanc	President/CEO
Mr. Gary Zapata	Chief Financial Officer

**BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Michael B. Bruno, CPA	Managing Partner
Mr. Armand E. Pinkney	Manager



GREATER NEW ORLEANS
Touching Lives. Building Community

Leonard D. Simmons, Jr.
Chair

James M. LeBlanc
President/CEO

Board of Directors

Patricia Brister
Karl Dumas
Matthew S. French, M.D.
Frank A. Glavano
Thomas J. Grace
Arthur C. Harris, Sr.
Alex Lewis, III
Kurt Maloney
Michelle Kethög Ojden
Robert C. Rhoden, Jr.
Alexis B. Robinson

**To: Volunteers of America Greater New Orleans, Inc.
Board of Directors and Audit Committee**

**From: Jeff St. Romain,
Executive Vice-President of Administration and Planning;
Gary A. Zapata,
Chief Financial Officer**

Re: Fiscal 2008 Management Letter Corrective Action plan

Supervisory Review

Volunteers of America
of Greater New Orleans
is accredited by CARE



The following details the corrective action plan for improving supervisory review:

A. Personnel:

The departmental structure has been re-organized and personnel have been added to emphasize increased supervisory responsibility, while at the same time, flattening the hierarchy of the department. The Senior Accountant will now serve as supervisor to the accounts receivable and accounts payable function. We have added a billing specialist and will soon hire a fourth accountant to handle the accounting for housing initiatives.

B. Policy:

There will be a monthly review and approval (signed off and dated) of all account reconciliations and journal vouchers. Reconciling items will be addressed and resolved within 90 days. Reconciliations (including Fixed Assets and associated depreciation; leave liability; notes receivable; etc.) will be done on at least a quarterly basis.

C. Procedures:

The Chief Financial Officer, Accounting Manager and Senior Accountant are authorized to approve reconciliations, quarterly schedules and journal vouchers. In the event that the preparer of the documentation above is one of the three authorized approvers, they will not be able to approve, but instead will look to the other two for approval.

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Fixed Assets

The following details the corrective action plan for improving fixed assets maintenance:

- A. Personnel:
The accounts payable staff will be trained to use the organization's third-party software package "Asset Keeper" and will be responsible for updating/maintaining fixed asset and depreciation data on a quarterly basis.
- B. Policy:
Fixed asset balances and associated depreciation will be reconciled on at least a quarterly basis.
- C. Procedures:
Accounts payable staff will enter new purchases and enter deletions into Asset Keeper and the depreciation and accumulated depreciation schedules will be downloaded on at least a quarterly basis. They will then prepare and/or update the MIP Fund Accounting journal entry. This entry will be reviewed by either the Senior Accountant, or in the event they are unavailable, by the Chief Financial Officer or Accounting Manager.

Grants and Accounts Receivable

The following details the corrective action plan for improving grants and accounts receivable management:

- A. Personnel:
The organization has created and filled a billing specialist position and re-organized the department placing the senior accountant in a supervisory position over accounts receivable and accounts payable
- B. Policy:
Aged receivables will be reviewed monthly by program personnel, the program accountant, Billing Specialist and Senior Accountant to assess whether they are collectible.
- C. Procedures:
Aged receivables report will be reviewed at the program/departmental monthly financial review meetings. All parties at that meeting will assess whether balances are collectible. An action plan will be developed to seek and ensure collection. The action plan will be reviewed and approved by the VP of Programs and CFO. Any uncollectible balances will be written off within 90 days.