

**Native American Disability Law Center, Inc
(A Nonprofit Organization)
Financial Statements
Years Ending September 30, 2009 and 2008
With
Report of Certified Public Accountant**

DALE GERBER, CPA P.C.

Certified Public Accountant

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OFFICIAL ROSTER

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Vice-President.....Twila Pochoema

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MemberAngelita Jim

Member, PAIMI Council ChairpersonCecelia Fred

Executive DirectorTherese Yanan



DALE GERBER, CPA PC

Certified Public Accountant

703 W. Apache, Farmington, New Mexico 87401 (505) 327-0074

Independent Auditor's Report

Board of Directors,
Native American Disability Law Center, Inc

We have audited the accompanying statement of financial position of Native American Disability Law Center, Inc (a not-for-profit organization) as of September 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Native American Disability Law Center, Inc as of September 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2010 on our consideration of Native American Disability Law Center, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 control over financial reporting or 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 audit was made for the purpose of forming an opinion on the basic 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Walter A. ... CPA PC

Farmington, New Mexico
January 15, 2010

Native American Disability Law Center, Inc
Statement Of Financial Position
September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Current Assets:		
Cash and Equivalents	\$ 142,199	\$ 108,556
Government Contract Receivables	75,851	43,626
Prepaid Expenses	2,503	3,977
Total Current Assets	<u>220,553</u>	<u>156,159</u>
Property and Equipment:		
Equipment	26,464	22,324
Less Accumulated Depreciation	16,209	15,711
Net Book Value	<u>10,255</u>	<u>6,613</u>
Total Assets	\$ 230,808	\$ 162,772
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 13,458	\$ 13,887
Accrued Expenses	12,663	19,393
Accumulated Compensated Absences	17,796	9,254
Total Current Liabilities	<u>43,917</u>	<u>42,534</u>
Net Assets:		
Unrestricted	<u>186,891</u>	<u>120,238</u>
Total Net Assets	<u>186,891</u>	<u>120,238</u>
Total Liabilities and Net Assets	\$ 230,808	\$ 162,772

See Accompanying Notes.

Native American Disability Law Center, Inc
Statement Of Unrestricted Activities
For the Years Ended September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Unrestricted Support and Revenues:		
Support:		
Grants and Contracts	\$ 753,380	\$ 821,862
Revenues:		
Interest Income	403	1,228
Contributions	88	365
In Kind Services	-	2,407
Other Program Revenues	182,627	7,265
Total Unrestricted Revenues	<u>183,118</u>	<u>11,265</u>
Total Unrestricted Support and Revenues	<u>936,498</u>	<u>833,127</u>
Expenses:		
Program Expenses:		
Legal Services	754,594	682,964
Total Program Expenses	<u>754,594</u>	<u>682,964</u>
Supporting Services:		
Management and General	115,251	152,282
Total Expenses	<u>869,845</u>	<u>835,246</u>
Increase (Decrease) in Unrestricted Net Assets	66,653	(2,119)
Net Assets, Beginning	<u>120,238</u>	<u>122,357</u>
Net Assets, Ending	<u>\$ 186,891</u>	<u>\$ 120,238</u>

See Accompanying Notes.

Native American Disability Law Center, Inc
Statement Of Functional Expenses
For the Year Ended September 30, 2009
With Comparative Totals For the Year Ended September 30, 2008

	<u>Program Expenses</u>	<u>Supporting Services</u>		
	<u>Legal Services</u>	<u>Management & General</u>	<u>2009 Total</u>	<u>2008 Total</u>
Salaries	\$ 300,444	\$ 57,227	\$ 357,671	\$ 362,130
Payroll Taxes	25,583	4,873	30,456	32,219
Employee Benefits	105,603	20,115	125,718	143,674
Advertising	5,280	1,006	6,286	5,766
Casual Labor	7,359	1,402	8,761	6,267
Dues & Subscriptions	12,678	-	12,678	12,800
Maintenance & Repairs	5,116	975	6,091	4,452
Miscellaneous	2,892	551	3,443	6,378
Insurance	5,007	954	5,961	6,720
Contractual Professional Fees	181,174	9,585	190,759	121,874
Supplies	8,190	1,560	9,750	12,633
Postage	1,520	289	1,809	2,226
Rent	37,521	7,147	44,668	45,132
Telephone and Utilities	19,701	3,752	23,453	25,072
Training	5,995	-	5,995	5,439
Travel	28,440	5,417	33,857	38,595
Depreciation	2,091	398	2,489	3,869
Totals	\$ 754,594	\$ 115,251	\$ 869,845	\$ 835,246

Native American Disability Law Center, Inc
Statement Of Functional Expenses
For the Year Ended September 30, 2008
With Comparative Totals For the Year Ended September 30, 2007

	<u>Program Expenses</u>		<u>Supporting Services</u>	
	<u>Legal Services</u>	<u>Management & General</u>	<u>2008 Total</u>	<u>2007 Total</u>
Salaries	\$ 289,779	\$ 72,351	\$ 362,130	\$ 339,697
Payroll Taxes	25,775	6,444	32,219	29,344
Employee Benefits	114,939	28,735	143,674	104,703
Advertising	4,613	1,153	5,766	1,939
Casual Labor	5,495	772	6,267	1,159
Dues & Subscriptions	12,800	-	12,800	10,211
Maintenance & Repairs	3,562	890	4,452	10,393
Miscellaneous	6,131	247	6,378	2,803
Insurance	5,376	1,344	6,720	5,210
Contractual Professional Fees	105,733	16,141	121,874	137,126
Supplies	11,134	1,499	12,633	5,788
Postage	1,781	445	2,226	4,619
Rent	36,106	9,026	45,132	36,543
Stipends	-	-	-	6,188
Telephone and Utilities	20,058	5,014	25,072	22,951
Training	5,439	-	5,439	17,549
Travel	30,877	7,718	38,595	39,340
Depreciation	3,366	503	3,869	3,644
Totals	\$ 682,964	\$ 152,282	\$ 835,246	\$ 779,207

See Accompanying Notes.

Native American Disability Law Center, Inc
Statement Of Cash Flows
For the Years Ended September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash Flow from Operating Activities:		
Increase (Decrease) in Net Assets	\$ 66,653	\$ (2,119)
Adjustments to Reconcile Net Increase (Decrease) in Net Assets to Cash Provided (Used) by Operating Activities:		
Depreciation	2,489	3,869
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(32,225)	16,434
Prepaid Expenses	1,474	2,878
Accounts Payable	(429)	11,677
Deferred Revenue	-	(3,580)
Accrued Expenses	1,812	14,249
Net Cash Provided (Used) by Operating Activities	<u>39,774</u>	<u>43,408</u>
Cash Flows From Investing Activities:		
Acquisition of Depreciable Assets	(6,629)	(2,507)
Loss on Disposal of Depreciable Assets	498	-
Net Cash Provided (Used) by Investing Activities	<u>(6,131)</u>	<u>(2,507)</u>
Net Increase (Decrease) in Cash	33,643	40,901
Cash at the Beginning of the Year	<u>108,556</u>	<u>67,655</u>
Cash at the End of the Year	<u>\$ 142,199</u>	<u>\$ 108,556</u>

See Accompanying Notes.

Native American Disability Law Center, Inc
Notes to Financial Statements
September 30, 2009 and 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Native American Disability Law Center, Inc (the Law Center) was incorporated as a not-for-profit organization under the laws of the State of Arizona in 2005. The Law Center seeks to ensure that Native Americans with disabilities have access to justice and are empowered and equal members of their communities and nations. The Law Center works to protect the legal rights of Native Americans with disabilities who live on or near the Navajo, Hopi, and San Juan Southern Paiute reservations. The Law Center is comprised of a primary office in Farmington, New Mexico and a secondary office in Gallup, New Mexico. The services provided by the Law Center are funded by grants and contracts from the various Federal, State, and private sources. The Law Center is controlled by an elected Board of Directors as identified in the accompanying roster.

Financial Statement Presentation

The accompanying financial statements have been prepared in conformity with the requirements of an Industry Audit Guide entitled Not-for-Profit Organizations issued by the American Institute of Certified Public Accountants.

The Law Center reports information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

Contributions and Promises To Give

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

The Law Center uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Program Services

The Law Center conducts the following program which is reported in the statement of functional expenses:

Legal Representation – The Law Center provides legal services to clients with disabilities. Legal counsel and litigation services are provided to individuals and groups based on the Law Center’s priorities. Funding is received from the US Department of Health and Human Services, and the Department of Education.

Auxiliary services are provided to increase or improve the legal rights and protection for individuals with disabilities, and provide training and education about the legal right of people with disabilities to individuals, family members, service providers, advocates, attorneys, governmental agencies, other advocacy organizations and the community.

Receivables and Revenue Recognition

Revenues are recognized when earned based on the terms of the contracts. Management considers the receivables to be fully collectible and accordingly, no allowance for doubtful accounts is required.

Property and Equipment

It is the Law Center policy to capitalize property and equipment at cost exceeding \$500. Maintenance, repairs and renewals which neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Depreciation is computed on a straight-line basis over the following estimated useful lives of the assets:

Computers and Equipment	<u>Years</u>
	5

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Law Center considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of on demand bank deposits.

Native American Disability Law Center, Inc
Notes to Financial Statements
September 30, 2009 and 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Law Center is exempt from Federal income taxes under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, pursuant to an exemption letter received by the Internal Revenue Service.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Certain costs have been allocated to programs based on the estimated cost to provide their services, Management and general expenses are based on costs which are not allocable to the specific programs.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	2009	2008
Demand Deposits	<u>\$142,199</u>	<u>\$108,556</u>

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	2009	2008
Computers and office equipment	\$26,464	\$ 22,324
Less accumulated depreciation	<u>16,209</u>	<u>15,711</u>
Net Property and Equipment	<u>\$10,255</u>	<u>\$ 6,613</u>

NOTE 4 – CONTRACT GOVERNMENT RECEIVABLES

The amount of government contract receivables consist of support earned under the contracts through September 30, 2009 and 2008 of \$75,851 and \$43,626 based on the reimbursement terms of the contract.

NOTE 5 – PREPAID EXPENSES

Prepaid expenses consist of insurance premiums paid before year end September 30, 2009 and 2008 of \$ 2,503 and \$3,977 which will benefit the future year. Insurance coverage includes general liability/professional liability, workers compensation, property, and officers and directors.

NOTE 6 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Law Center to concentrations of credit risk consist principally of financial institution deposits. The Law Center maintains five accounts in two financial institution. As of September 30, 2009, the Law Center had deposits of approximately \$151,696, which was covered by \$250,000 of deposit insurance.

NOTE 7 – LEASES

The Law Center maintains the use and occupancy of real property used as two offices. The lease terms provide for renewal each year. The annual rental expenses for the offices for the years ending September 30, 2009 and 2008 of \$44,668 and \$45,132 are reported in the financial statements.

NOTE 8 - CONTINGENCIES AND COMMITMENTS

Grants

The Law Center receives substantially all of its financial assistance from government agencies. The disbursements of the funds received are generally limited to specific compliance requirements as specified in the grant agreement. The Federal and state agencies reserve the right to review the scope of the audit and conduct a follow-up review if deemed necessary. Any disallowed claims resulting from such audits could become a liability of the Law Center. The Law Center, however, believes that liabilities resulting from disallowed claims, if any, will not have a material effect on the financial position.

Native American Disability Law Center, Inc
Notes to Financial Statements
September 30, 2009 and 2008

NOTE 9 – RETIREMENT PLAN

The Law Center has implemented a 403b retirement plan. The terms of the plan provide for voluntary employee contributions up to the lesser of the legal statutory limit based on age, or compensation. The Law Center contributes up to 6% of employee compensation for eligible employees. Employee's contributions vest 100% to the employee at the date of contribution. Employer's contributions vest to the employee according to a stepped annual percentage, and are fully vested after five (5) years. The retirement expense for the Law Center for year ending September 30, 2009 and 2008 was \$18,355 and \$19,244.

NOTE 10 – SELF FUNDED HEALTH CARE PLAN

The Law Center maintained a self-funded cooperative health care plan (The Plan) during fiscal years 2008 and a portion of 2009. The Law Center participated in The Plan with another organization. Claims submitted by the employee were paid directly to the plan administrator for satisfaction of the health care providers' billings. The Law Center terminated The Plan effective June 30, 2009.

The Law Center records liabilities and expenses for employee claims under The Plan when they are submitted by the plan administrator. Consequently, additional liability and expense contingency may exist as of the date of these financial statements. No actuarial value for future health care claim liabilities has been recorded in the financial statements however no material liabilities associated with The Plan are anticipated after September 30, 2009.

A new employer sponsored health care coverage program, commonly known as a health savings account, began July 1, 2009 and is provided through a group preferred provider option with a high deductible health plan (HDHP). The HDHP includes an insurance policy component for health, dental and vision. The HDHP is offered to eligible employees. Premiums for the HDHP are fully covered for the employee and subsidized for eligible employee family coverage.

The Law Center may provide an employer contribution to an individual employee's health savings account to offset a portion of the deductible of the HDHP. The employer contribution to each employee's health saving account is discretionary. Currently the contribution ranges from \$2,000 to \$3,400 annually for each employee participating in the HDHP. In addition, the Law Center has established a policy for employees to make contributions from their earnings to their personal health savings account.

For the year ending September 30, 2009 and 2008 policy premium costs, health savings account contributions, and claims paid on behalf of the employee were \$107,362 and \$124,430, respectively.

COMPLIANCE SECTION

Native American Disability Law Center, Inc
Schedule of Expenditures of Federal Awards
For the year ended September 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>CFDA Federal Number</u>	<u>Pass Through Agency</u>	<u>Expenses</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct Award:			
Protection & Advocacy, and Developmental Disabilities Assistance (PADD)	93.630	N/A	\$ 232,979 *
Protection & Advocacy for Individuals with Mental Illness (PAIMI)	93.138	N/A	265,278
Traumatic Brain Injury Protection & Advocacy (PATBI)	93.267	N/A	25,593
Pass Through:			
State of Colorado Department of Human Services D010501COBS/010401COBS06 Self Advocacy Training Program	93.630	N/A	12,805
			<u>536,655</u>
<u>U. S. Department of Education:</u>			
Direct Award:			
Program of Protection & Advocacy of Individuals Rights (PAIR)	84.240a	N/A	79,584
State Grants for Protection & Advocacy Related to Assistive Technology (PAAT)	84.343a	N/A	41,774
			<u>121,358</u>
<u>U. S. Social Security Administration:</u>			
Direct Award:			
Protection & Advocacy of Beneficiaries of Social Security (PABSS)	96.009	N/A	22,882
			<u>22,882</u>
Total Federal Awards			\$ <u>680,895</u>

* Major Program

SEE NOTES TO THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS

Native American Disability Law Center, Inc
Notes to Financial Statements
September 30, 2009

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Native American Disability Law Center, Inc and 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*.



DALE GERBER, CPA PC

Certified Public Accountant

**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***

Board of Directors
Native American Disability Law Center, Inc

We have audited the financial statements of Native American Disability Law Center, Inc, as of and for the year ended September 30, 2009, and have issued our report thereon dated January 15, 2010. We conducted our audit 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.

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.

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.

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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance

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 grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the 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.

Wale Gerber CPA PC

Farmington, New Mexico
January 15, 2010



DALE GERBER, CPA PC
Certified Public Accountant

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

Board of Directors
Native American Disability Law Center, Inc

Compliance

We have audited the compliance of Native American Disability Law Center, Inc with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2009. The Organization's major federal programs are identified in the summary of auditor's 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization. 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 of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 basis for our opinion. Our audit does not provide a legal determination on Organizations' compliance with those requirements.

In our opinion, the Native American Disability Law Center, Inc complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2009.

Internal Control over Compliance

The management of the Native American Disability Law Center, Inc is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulation, 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 on internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control over compliance.

A control deficiency in an entity'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 entity'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 entity'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 prevented or detected by the entity's internal control.

Our consideration of the 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 considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Office of the State Auditor, the 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.

Shak Herber CIA PC

Farmington, New Mexico
January 15, 2010

Native American Disability Law Center, Inc
Schedule of Findings and Questioned Costs
Year ended September 30, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal award programs as reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs are reported in Part C, of this Schedule.
7. The programs tested as major programs included; Protection and Advocacy, and Developmental Disabilities Assistance (PADD) (CFDA #93.630).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The organization was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

No current year findings.

No prior year findings.

C. FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.