

Limited Financial Review of the Leadership Training Institute

On March 8, 2008 a draft of the Limited Financial Review audit report was submitted to Leadership Training Institute (LTI) for comments. The matters covered in the report were discussed with LTI management and their attorney(s) in an exit conference held on March 25, 2008 and in follow-up meetings on April 4, 2008 and May 1, 2008.

LTI provided their comments on May 15, 2008 and a revised draft report was submitted to them on August 7, 2008. LTI's initial comments, comments to the revised report received from their outside counsel (on August 20, 2008) and our response to all of those comments, are included as Appendices 1 and 2 directly in the report. In addition, as part of their response, LTI submitted the following six (6) separate exhibits:

Exhibit to LTI Response 1-1 Project 29 contract 2003-2006

Exhibit to LTI Response 1-2 Project 350 contract 2003

Exhibit to LTI Response 3-1 Dept of Labor Summary

Exhibit to LTI Response 3-2 Timesheets

Exhibit to LTI Response 3-3 Case Notes

Exhibit to LTI Response 5-1 Timekeeping

Exhibit to LTI Response 9-1 GAAP Policies and Procedures