



N.E.O.N.
Norwalk Economic Opportunity Now, Inc.
98 SOUTH MAIN STREET, NORWALK, CT 06854-3126

September 26, 2013

Mr. Richard Borseti
Grants Officer
Region I Office of Grants Management
Administration for Children & Families
JFK Federal Building, Room 2000
Boston, MA 02203

Re: Designation of High Risk Status/Grant #1026

Dear Mr. Borseti:

In response to your correspondence dated September 5, 2013, please find attached, our formal response to the Regional Inspector General for Audit Services distribution list dated July 19, 2013 which identified twelve (12) findings and recommendations requiring resolution.

As we continue to create, implement and evaluate our internal controls due to past and current deficiencies, we have included the following documents for your file and review as follows:

- May 9, 2013 Corrective Action Plan.
- Norwalk Economic Opportunity Now, Inc., (NEON, Inc.) Quality Improvement Plan Exhibit A.
- Norwalk Economic Opportunity Now, Inc., Quality Improvement Plan (Grid). Please note that all records are reconciled and up to date.
- Norwalk Economic Opportunity Now, Inc. (Phase Two) Financial Management Systems Internal Control Compliance and Ethical Values.
- CTE, Inc., September 30, 2011 Financial Statements, CTE, Inc., September 30, 2011 Federal Single Audit Report, CTE, Inc., September 30, 2011 State Single Audit Report, and CTE, Inc., September 28, 2012 Financial Statements. CTE merged with NEON legally on September 28, 2012, NEON is the surviving entity.

Although, we have until October 1, 2013 to submit our current comprehensive cost allocation plan, please find attached our current Cost Allocation Plan Explanation dated August 8, 2013. Once we have completed our 2012 audit, we will apply for a cost allocation.

Lastly, Norwalk Economic Opportunity Now, Inc. will submit on October 2, 2013 a request for reconsideration of high-risk to be submitted by certified mail. We understand that the decision for any reconsideration request will be made by your offices within (15) calendar days following receipt of our request.

We thank you for the opportunity to state and present our current position. As we look forward to enhancing our agency's ability to implement on a consistent basis strong internal controls keeping in mind our most important mission of serving our children and families while exemplifying accountability and effective and efficient excellence.

Please feel free to contact me at (203) 451-5567 or by email at cstephenson@neoncaa.org.

Again, we thank you for the opportunity.

Respectfully,



Chiquita Stephenson
Acting CEO/President

cc: Distribution List
NEON Board of Directors

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