

1 accounts -- this factoring done and the accounts receivables  
2 handled?

3 A I think I still did the factoring invoices in the very  
4 beginning and then Barbara started -- Barbara did the factoring  
5 at the end.

6 Q Okay. So Barbara's doing the factoring. What part  
7 are you doing?

8 A I do the actual bills to the general contractors.

9 Q All right. And where would you get your information  
10 from the general contractors?

11 A You mean to do the bills by?

12 Q Right.

13 A Same as always -- through the project manager -- and  
14 then Mike would look at the final numbers and then I would  
15 type the bills up.

16 Q So who is then at that point starting to sell accounts  
17 receivable to the bank?

18 A Barbara.

19 Q Were you able, after that period of time, to do this  
20 monthly reconciliation?

21 A Well, I didn't do it.

22 Q Could you do it?

23 A I mean, I was just doing --

24 Could I have done it?

25

1 Q Yes.

2 A No.

3 Q And why was that? What happened with the way that things  
4 were handled then?

5 A Well, the actual -- the bills that got sold to Resource  
6 didn't usually add up to what we sent to the general  
7 contractors.

8 Q Well, how do you know that?

9 A Well, the bills that were getting sent to the bank were  
10 not for -- not for work that was done in a week or a two-week  
11 period. It was usually to cover moneys that was needed for  
12 the week.

13 Q For what purposes? Like what?

14 A Like payroll.

15 Q And how did you know that was going on?

16 A Well, because the invoice amounts were enough to cover  
17 the net amount of the payroll.

18 Q All right. And were you privy to the invoices going  
19 to the bank?

20 A I faxed them to Nelda --

21 Q All right.

22 A -- at the bank.

23 Q But you didn't keep track of them, did you?

24 A No.

25 Q All right. And once Barbara was taking this over, there