

B37377

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2009

WEST CENTRAL INDIANA ECONOMIC
DEVELOPMENT DISTRICT, INC.

VIGO COUNTY, INDIANA



FILED
08/17/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mervin J. Nolot	01-01-09 to 12-31-10
Bookkeeper	Dana Jill M. McLain	01-01-09 to 12-31-10
Chairman of the Board	Michael Costello	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE WEST CENTRAL INDIANA ECONOMIC
DEVELOPMENT DISTRICT, INC., VIGO COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Central Indiana Economic Development District, Inc. (Economic Development District), as of and for the year ended December 31, 2009, which collectively comprise the Economic Development District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Economic Development District's management. Our responsibility is to express opinions 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 financial statements. An audit also includes assessing the accounting principles used and 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 opinions.

As discussed in Note I, the Economic Development District prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the Economic Development District as of December 31, 2009, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 20, 2010, on our consideration of the Economic Development District's internal control over financial reporting and 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 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.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Economic Development District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the 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 stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Economic Development District has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Economic Development District's basic financial statements. The Combining Schedules, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

STATE BOARD OF ACCOUNTS

July 20, 2010



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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 OFFICIALS OF THE WEST CENTRAL INDIANA ECONOMIC
DEVELOPMENT DISTRICT, INC., VIGO COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Central Indiana Economic Development District, Inc. (Economic Development District), as of and for the year ended December 31, 2009, which collectively comprise the Economic Development District's basic financial statements and have issued our report thereon dated July 20, 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 Economic Development District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Economic Development District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Economic Development District'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 entity'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 entity's financial statements 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 a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of 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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

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
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Economic Development District'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.

This report is intended solely for the information and use of the Economic Development District's management, District Board, 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. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 20, 2010

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
STATEMENT OF CASH ACTIVITIES AND NET ASSETS - CASH BASIS
For The Year Ended December 31, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts Operating Grants and Contributions</u>	<u>Net (Disbursement) Receipt and Changes in Net Assets Primary Government Totals</u>
Primary government:			
Governmental activities:			
General government	\$ 106,731	\$ 29,995	\$ (76,736)
Public safety	54,743	58,113	3,370
Health and welfare	4,558,680	4,597,604	38,924
Urban redevelopment and housing	140,351	51,628	(88,723)
Transportation	<u>446,720</u>	<u>342,172</u>	<u>(104,548)</u>
Total primary government	<u>\$ 5,307,225</u>	<u>\$ 5,079,512</u>	<u>(227,713)</u>
General receipts:			
Other			<u>321,451</u>
			93,738
			<u>464,311</u>
			<u>\$ 558,049</u>
 <u>Assets</u>			
Cash and cash equivalents			<u>\$ 558,049</u>
 <u>Net Assets</u>			
Unrestricted			<u>\$ 558,049</u>

The notes to the financial statements are an integral part of this statement.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES-CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2009

	General	Match	Medicaid Waiver	C.H.O.I.C.E 2008-2009	Title III 2008-2009	Other Governmental Funds	Totals
Receipts:							
Intergovernmental	\$ -	\$ -	\$ 317,967	\$ 1,143,412	\$ 1,157,916	\$ 2,460,217	\$ 5,079,512
Other	73,638	1,200	-	-	-	246,613	321,451
Total receipts	73,638	1,200	317,967	1,143,412	1,157,916	2,706,830	5,400,963
Disbursements:							
General government	-	-	-	-	-	106,731	106,731
Public safety	-	-	-	-	-	54,743	54,743
Health and welfare	92,944	473	176,328	979,701	1,002,581	2,306,653	4,558,680
Urban redevelopment and housing	-	-	-	-	-	140,351	140,351
Transportation	-	-	-	-	-	446,720	446,720
Total disbursements	92,944	473	176,328	979,701	1,002,581	3,055,198	5,307,225
Excess (deficiency) of receipts over disbursements	(19,306)	727	141,639	163,711	155,335	(348,368)	93,738
Cash basis fund balance - beginning	256,939	329,003	156,213	(142,017)	(155,335)	19,508	464,311
Cash basis fund balance - ending	<u>\$ 237,633</u>	<u>\$ 329,730</u>	<u>\$ 297,852</u>	<u>\$ 21,695</u>	<u>\$ -</u>	<u>\$ (328,860)</u>	<u>\$ 558,049</u>
Cash Basis Assets - December 31							
Cash and cash equivalents	<u>\$ 237,633</u>	<u>\$ 329,730</u>	<u>\$ 297,852</u>	<u>\$ 21,695</u>	<u>\$ -</u>	<u>\$ (328,860)</u>	<u>\$ 558,049</u>
Cash Basis Fund Balance - December 31							
Unrestricted	<u>\$ 237,633</u>	<u>\$ 329,730</u>	<u>\$ 297,852</u>	<u>\$ 21,695</u>	<u>\$ -</u>	<u>\$ (328,860)</u>	<u>\$ 558,049</u>

The notes to the financial statements are an integral part of this statement.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2009

	<u>Agency Funds</u>
Cash and investment fund balance - ending	<u>\$ 8,000</u>

The notes to the financial statements are an integral part of this statement.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The District was established under the laws of the State of Indiana. The District operates under an appointed governing board.

The District's financial reporting entity is composed of the following:

Primary Government: West Central Indiana Economic Development District, Inc.

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District had no business-type activities during the year.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the District has not established any enterprise funds.

The District reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The match fund accounts for surplus financial resources expended to supplement services.

The medicaid waiver fund accounts for funds received as reimbursement pursuant to the Medicaid program for home delivered meals, case management, and adult day services.

The c.h.o.i.c.e. 2008-2009 fund accounts for financial resources expended for homebound services for the disabled and elderly.

The title III 2008-2009 fund accounts for financial resources expended pursuant to the Older Americans Act.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the District reports the following fund type:

Agency funds account for assets held by the District as an agent for payroll and c.h.o.i.c.e. private hire.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The District does not have any proprietary funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Amounts reported as program receipts include operating grants and contributions. Internally dedicated resources are reported as general receipts rather than as program receipts.

F. Internal and Interfund Activities

In the process of aggregating the financial information for the government-wide Statement of Cash Activities and Net Assets – Cash Basis, some amounts reported as interfund activity in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

- 1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
- 2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
- 3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity, if any, is eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

Cash and Investment Balance Deficits

At December 31, 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

Fund	2009
Older Hoosier 2009-2010	\$ (12,037)
Title III 2009-2010	(146,242)
C.H.O.I.C.E. 2009-2010	(147,302)
ARRA Stimulus-Federal	(9,071)
ARRA Stimulus-State	(1,601)
A.D.R.C.	(8,420)
P.A.S.R.R.	(16,631)
SSBG 2009-2010	(11,233)
Rural Transportation	(35,057)
Rural Transportation Planning	(30,464)
N.S.I.P.	(9,212)
E.D.A.	(4,656)
Pre-Disaster Mitigation	(7,292)
Flood Recovery	(5,946)
E.P.A. Bloomfield	(39)

III. Detailed Notes on All Funds

Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The District does not have a deposit policy for custodial credit risk. At December 31, 2009, the District had deposit balances in the amount of \$659,105. Of this amount, none was exposed to custodial credit risk.

IV. Other Information

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding post employment benefits); and natural disasters.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters are covered by commercial insurance from independent third parties.

Settled claims from risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Pension Plan

Defined Contribution 401(K) Profit Sharing Plan

Plan Description

The District has a defined contribution pension plan administered by the District. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by written agreement between the District and Principal Life Insurance Company.

Funding Policy and Annual Pension Cost

Plan members are not required to contribute to the plan and may contribute up to 100% of the annual covered salary. The District is required to contribute at an actuarially determined rate. The current rate is 8% of annual covered payroll. Employer and employee contributions to the plan were \$100,296 and \$58,145, respectively.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2009

	Older Hoosier 2008-2009	Older Hoosier 2009-2010	Title III 2009-2010	C.H.O.I.C.E 2009-2010	ARRA Stimulus - Federal	ARRA Stimulus - State	A.D.R.C.
Receipts:							
Intergovernmental	\$ 48,911	\$ 23,712	\$ 568,975	\$ 415,391	\$ 80,227	\$ 14,158	\$ 26,498
Other	-	-	-	-	-	-	-
Total receipts	<u>48,911</u>	<u>23,712</u>	<u>568,975</u>	<u>415,391</u>	<u>80,227</u>	<u>14,158</u>	<u>26,498</u>
Disbursements:							
General government	-	-	-	-	-	-	29,383
Public safety	-	-	-	-	-	-	-
Health and welfare	36,684	35,750	715,217	562,693	89,297	15,758	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Total disbursements	<u>36,684</u>	<u>35,750</u>	<u>715,217</u>	<u>562,693</u>	<u>89,297</u>	<u>15,758</u>	<u>29,383</u>
Excess (deficiency) of receipts over disbursements	12,228	(12,037)	(146,242)	(147,302)	(9,071)	(1,601)	(2,885)
Cash basis fund balance - beginning	<u>(12,228)</u>	-	-	-	-	-	<u>(5,535)</u>
Cash basis fund balance - ending	<u>\$ -</u>	<u>\$ (12,037)</u>	<u>\$ (146,242)</u>	<u>\$ (147,302)</u>	<u>\$ (9,071)</u>	<u>\$ (1,601)</u>	<u>\$ (8,420)</u>
Cash Basis Assets - December 31							
Cash and cash equivalents	<u>\$ -</u>	<u>\$ (12,037)</u>	<u>\$ (146,242)</u>	<u>\$ (147,302)</u>	<u>\$ (9,071)</u>	<u>\$ (1,601)</u>	<u>\$ (8,420)</u>
Cash Basis Fund Balance - December 31							
Unrestricted	<u>\$ -</u>	<u>\$ (12,037)</u>	<u>\$ (146,242)</u>	<u>\$ (147,302)</u>	<u>\$ (9,071)</u>	<u>\$ (1,601)</u>	<u>\$ (8,420)</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	P.A.S.R.R.	SSBG 2009-2010	SSBG 2008-2009	I.N.D.O.T Planning	Veteran's A.D.S.	Rural Transportation	Rural Transportation Planning
Receipts:							
Intergovernmental	\$ 154,000	\$ 207,962	\$ 395,692	\$ 231,975	\$ 16,787	\$ 110,197	\$ -
Other	-	-	-	73,831	-	7,645	2,794
Total receipts	154,000	207,962	395,692	305,806	16,787	117,842	2,794
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	155,231	219,195	387,847	-	21,248	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Transportation	-	-	-	283,306	-	139,438	23,976
Total disbursements	155,231	219,195	387,847	283,306	21,248	139,438	23,976
Excess (deficiency) of receipts over disbursements	(1,231)	(11,233)	7,846	22,500	(4,461)	(21,596)	(21,182)
Cash basis fund balance - beginning	(15,400)	-	(7,846)	(16,704)	7,974	(13,462)	(9,282)
Cash basis fund balance - ending	<u>\$ (16,631)</u>	<u>\$ (11,233)</u>	<u>\$ -</u>	<u>\$ 5,796</u>	<u>\$ 3,512</u>	<u>\$ (35,057)</u>	<u>\$ (30,464)</u>
Cash Basis Assets - December 31							
Cash and cash equivalents	<u>\$ (16,631)</u>	<u>\$ (11,233)</u>	<u>\$ -</u>	<u>\$ 5,796</u>	<u>\$ 3,512</u>	<u>\$ (35,057)</u>	<u>\$ (30,464)</u>
Cash Basis Fund Balance - December 31							
Unrestricted	<u>\$ (16,631)</u>	<u>\$ (11,233)</u>	<u>\$ -</u>	<u>\$ 5,796</u>	<u>\$ 3,512</u>	<u>\$ (35,057)</u>	<u>\$ (30,464)</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Medicare Grant	N.S.I.P	CDBG Grant Administration	E.D.A.	Pre-Disaster Mitigation	Sullivan County Projects	Vigo County Projects
Receipts:							
Intergovernmental	\$ -	\$ 50,238	\$ -	\$ 51,628	\$ 8,216	\$ 2,497	\$ -
Other	-	-	6,011	119,512	-	4,433	-
Total receipts	-	50,238	6,011	171,140	8,216	6,931	-
Disbursements:							
General government	-	-	-	-	-	29,596	3,621
Public safety	-	-	-	-	4,037	-	-
Health and welfare	2,818	40,709	-	-	-	-	-
Urban redevelopment and housing	-	-	-	140,351	-	-	-
Transportation	-	-	-	-	-	-	-
Total disbursements	2,818	40,709	-	140,351	4,037	29,596	3,621
Excess (deficiency) of receipts over disbursements	(2,818)	9,529	6,011	30,789	4,179	(22,665)	(3,621)
Cash basis fund balance - beginning	10,311	(18,741)	(6,011)	(35,445)	(11,471)	41,422	13,259
Cash basis fund balance - ending	\$ 7,493	\$ (9,212)	\$ -	\$ (4,656)	\$ (7,292)	\$ 18,756	\$ 9,637
<u>Cash Basis Assets - December 31</u>							
Cash and cash equivalents	\$ 7,493	\$ (9,212)	\$ -	\$ (4,656)	\$ (7,292)	\$ 18,756	\$ 9,637
<u>Cash Basis Fund Balance - December 31</u>							
Unrestricted	\$ 7,493	\$ (9,212)	\$ -	\$ (4,656)	\$ (7,292)	\$ 18,756	\$ 9,637

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Parke County Projects	Clay County Projects	Putnam County Projects	Adult Day Service	Emergency Food and Shelter	McMillan
Receipts:						
Intergovernmental	\$ -	\$ -	\$ 1,000	\$ -	\$ 750	\$ -
Other	-	21,247	7,000	-	-	1,639
Total receipts	-	21,247	8,000	-	750	1,639
Disbursements:						
General government	5,617	34,901	3,612	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	21,911	750	-
Urban redevelopment and housing	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Total disbursements	5,617	34,901	3,612	21,911	750	-
Excess (deficiency) of receipts over disbursements	(5,617)	(13,654)	4,388	(21,911)	-	1,639
Cash basis fund balance - beginning	30,597	18,763	(324)	31,370	-	18,261
Cash basis fund balance - ending	<u>\$ 24,980</u>	<u>\$ 5,109</u>	<u>\$ 4,065</u>	<u>\$ 9,459</u>	<u>\$ -</u>	<u>\$ 19,900</u>
Cash Basis Assets - December 31						
Cash and cash equivalents	<u>\$ 24,980</u>	<u>\$ 5,109</u>	<u>\$ 4,065</u>	<u>\$ 9,459</u>	<u>\$ -</u>	<u>\$ 19,900</u>
Cash Basis Fund Balance - December 31						
Unrestricted	<u>\$ 24,980</u>	<u>\$ 5,109</u>	<u>\$ 4,065</u>	<u>\$ 9,459</u>	<u>\$ -</u>	<u>\$ 19,900</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Vermillion County Foundation	Drug Grant 2009	Flood Recovery	OCRA Flood Recovery	E.P.A. Bloomfield	Totals
Receipts:						
Intergovernmental	\$ -	\$ 1,506	\$ 33,230	\$ 16,667	\$ -	\$ 2,460,217
Other	2,500	-	-	-	-	246,613
Total receipts	2,500	1,506	33,230	16,667	-	2,706,830
Disbursements:						
General government	-	-	-	-	-	106,731
Public safety	-	-	39,176	11,531	-	54,743
Health and welfare	-	1,506	-	-	39	2,306,653
Urban redevelopment and housing	-	-	-	-	-	140,351
Transportation	-	-	-	-	-	446,720
Total disbursements	-	1,506	39,176	11,531	39	3,055,198
Excess (deficiency) of receipts over disbursements	2,500	-	(5,946)	5,136	(39)	(348,368)
Cash basis fund balance - beginning	-	-	-	-	-	19,508
Cash basis fund balance - ending	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ (5,946)</u>	<u>\$ 5,136</u>	<u>\$ (39)</u>	<u>\$ (328,860)</u>
Cash Basis Assets - December 31						
Cash and cash equivalents	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ (5,946)</u>	<u>\$ 5,136</u>	<u>\$ (39)</u>	<u>\$ (328,860)</u>
Cash Basis Fund Balance - December 31						
Unrestricted	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ (5,946)</u>	<u>\$ 5,136</u>	<u>\$ (39)</u>	<u>\$ (328,860)</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009

	Payroll	Private Hire	Totals
Cash and cash equivalents - beginning	\$ 3,000	\$ 5,000	\$ 8,000
Cash and cash equivalents - ending	\$ 3,000	\$ 5,000	\$ 8,000

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balances of several funds were materially overdrawn at December 31, 2009. In most instances, the funds were reimbursable grant funds which had amounts due.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

TO: THE OFFICIALS OF THE WEST CENTRAL INDIANA ECONOMIC
DEVELOPMENT DISTRICT, INC., VIGO COUNTY, INDIANA

Compliance

We have audited the compliance of the West Central Indiana Economic Development District, Inc. (Economic Development District) 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 December 31, 2009. The Economic Development District'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 Economic Development District's management. Our responsibility is to express an opinion on the Economic Development District'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 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 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 Economic Development District'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 Economic Development District's compliance with those requirements.

In our opinion, the Economic Development District 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 December 31, 2009.

Internal Control Over Compliance

The management of the Economic Development District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Economic Development District'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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Economic Development District's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in the Economic Development District'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 consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the Economic Development District's management, District Board, 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. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 20, 2010

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>		
Pass-Through Indiana Family and Social Services Administration Nutrition Programs for the Elderly	10.570	\$ 40,709
<u>U.S. DEPARTMENT OF COMMERCE</u>		
Direct Grant Economic Development - Support for Planning Organizations	11.302	1,338
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>		
Pass-Through Indiana Department of Transportation Highway Planning and Construction	20.205	240,073
Formula Grants for Other Than Urbanized Areas (Nonurbanized Area Formula Program)	20.509	84,156
Public Transportation Research	20.514	16,945
Total for federal grantor agency		341,174
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		
Pass-Through Indiana Family and Social Services Administration Aging Cluster		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	357,939
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	549,833
ARRA - Aging Home-Delivered Nutrition Services for States	93.705	29,459
ARRA - Aging Congregate Nutrition Services for States	93.707	59,838
Total for cluster		997,069
Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	3,091
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	24,310
National Family Caregiver Support Program, Title III, Part E	93.052	140,695
Social Services Block Grant	93.667	365,474
Medical Assistance Program	93.778	116,423
Centers For Medicare and Medicaid (CMS) Services Research, Demonstrations and Evaluations	93.779	29,383
Total for federal grantor agency		1,676,445
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>		
Pass-Through Indiana Department of Homeland Security Pre-Disaster Mitigation (PDM) Competitive Grants	97.017	4,037
Emergency Food and Shelter National Board Program	97.024	750
Total for federal grantor agency		4,787
Total federal awards expended		\$ 2,064,453

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the West Central Indiana Economic Development District, Inc. (Economic Development District) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Subrecipients

Of the federal expenditures presented in the schedule, the Economic Development District provided federal awards to subrecipients as follows for the year ended December 31, 2009:

<u>Program Title</u>	<u>2009</u>
Aging Cluster	<u>\$ 78,768</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? no

Significant deficiencies identified that are not considered to be material weaknesses? no

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified? no

Significant deficiencies identified that are not considered to be material weaknesses? none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

Name of Federal Program or Cluster

Aging Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.
EXIT CONFERENCE

The contents of this report were discussed on July 20, 2010, with Mervin J. Nolot, Director, and Dana Jill M. McLain, Bookkeeper. The officials concurred with our audit finding.