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October 2, 2014

Board of Directors
Northeast Indiana Regional Workforce Investment Board, Inc.
200 East Main Street
Fort Wayne, IN 46802

We have reviewed the audit report prepared by Dunton & Co., P.C., for the period July 1, 2011 to June 30, 2012. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Northeast Indiana Regional Workforce Investment Board, Inc., as of June 30, 2012, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**Northeast Indiana Regional
Workforce Investment Board, Inc.**

Fort Wayne, Indiana

Financial Statements and Additional Information

June 30, 2012

**Northeast Indiana Regional
Workforce Investment Board, Inc.**
Financial Statements and Additional Information
June 30, 2012

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Indianapolis, Indiana

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northeast Indiana Regional Workforce Investment Board, Inc.
Fort Wayne, Indiana

We have audited the accompanying statement of financial position of Northeast Indiana Regional Workforce Investment Board, Inc., (NEIRWIB) (a nonprofit organization), as of June 30, 2012, and the related statements of activities and net assets and cash flows the year then ended. These financial statements are the responsibility of the Organization's 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 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 NEIRWIB as of June 30, 2012, and the changes in its net assets and its cash flows for the year 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 March 28, 2013, on our consideration of NEIRWIB'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 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and other financial assistance for the year ended June 30, 2012 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Dunton & Co., P.C

March 28, 2013

Northeast Indiana Regional Workforce Investment Board, Inc.

Statement of Financial Position
June 30, 2012

ASSETS

	<u>2012</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 659,110
Grants receivable	2,123,924
Other receivables	34,392
Prepaid expenses	<u>118,889</u>
Total current assets	<u>2,936,315</u>
Total assets	<u>\$ 2,936,315</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Accounts payable	\$ 1,017,109
Accrued payroll and related expenses	193,694
Deferred revenue	<u>1,725,267</u>
Total current liabilities	<u>2,936,070</u>

NET ASSETS	
Unrestricted	<u>245</u>
Total net assets	<u>245</u>
Total liabilities and net assets	<u>\$ 2,936,315</u>

Northeast Indiana Workforce Investment Board, Inc.

Statement of Activities
For the year ended June 30, 2012

	<u>2012</u>
	<u>Unrestricted</u>
REVENUE	
Federal and state grants	\$ 10,562,002
Contributions	486
Other Income	<u>1,047,866</u>
Total revenue	<u>11,610,354</u>
EXPENSES	
Program Activities	
Customer Related Expenses	
Classroom Training	3,149,139
On-The-Job Training	768,282
Internships	45,149
Supportive Services	88,720
Service Provider Expenses	2,622,790
WorkOne Operations	<u>4,372,168</u>
Total Program Activities	<u>11,046,248</u>
Administration	<u>563,861</u>
Total Expenses	<u>11,610,109</u>
Increase in net assets	245
Unrestricted net assets at beginning of year	<u>-</u>
UNRESTRICTED NET ASSETS AT END OF YEAR	<u><u>\$ 245</u></u>

Northeast Indiana Regional Workforce Investment Board, Inc.

Statement of Cash Flows

For the year ended June 30, 2012

	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in net assets	\$ 245
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Decrease in cash from changes in:	
Grants receivable	(2,123,924)
Other receivables	(34,392)
Prepaid expense	(118,889)
Increase in cash from changes in:	
Accounts payable	1,017,109
Accrued payroll and related expenses	193,694
Deferred revenue	<u>1,725,267</u>
Net cash provided by operating activities	659,110
Cash and cash equivalents, beginning of year	<u>-</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 659,110</u></u>

**Northeast Indiana Regional
Workforce Investment Board, Inc.**

Notes to Financial Statements
June 30, 2012

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Northeast Indiana Regional Workforce Investment Board, Inc., (NEIRWIB) was organized as a not-for-profit corporation in 2011. The corporation was formed to receive and administer funds for educational, charitable, job training and workforce development purposes. Currently the corporation oversees Workforce Development Services provided in eleven (11) counties in Northeast Indiana. Approximately 91% of the total revenue is federal pass-through funding or state funding received on behalf of the Region 3 Workforce Board from the State of Indiana, Department of Workforce Development.

Basis of Accounting

The financial statements of NEIRWIB have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Financial Statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958-210-45, *Financial Statements of Not-for-Profit Organizations*. Under ASC, not-for-profit organizations are required to report 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. At June 30, 2012, NEIRWIB only has unrestricted net assets.

Grants and Accounts Receivable

Grants and accounts receivable are evaluated as to their collectability annually, if not more frequently, and any anticipated uncollectible accounts are written off when deemed uncollectible. All accounts were deemed collectible as of June 30, 2012.

Property and Equipment

Property and equipment purchased with grant funds is overseen by the Workforce Board and the State of Indiana while used in the programs overseen by NEIRWIB. The value of this property is not presented in NEIRWIB's financial statements since this property is owned by the State of Indiana or the Federal government.

**Northeast Indiana Regional
Workforce Investment Board, Inc.**

Notes to Financial Statements
June 30, 2012

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give a donation to NEIRWIB that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. 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.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as grant revenue or exchange transactions based on criteria contained in the grant award. NEIRWIB only recorded grants as grant revenue for the year ending June 30, 2012.

Grant Awards that are reflected as Grant Revenue

Grant awards that are reimbursement arrangements are recorded as revenue based on revenues earned. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance and are recorded as deferred revenue.

Income Taxes

NEIRWIB is a not-for-profit organization under Section 501 (c) (3) of the Internal Revenue Code and is exempt from federal and Indiana income taxes. NEIRWIB believes that it has appropriate support for any tax provisions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

NEIRWIB's exempt organization income tax return (Form 990), for the year ended June 30, 2012 is subject to examination by the IRS, generally for three years after the returns have been filed.

**Northeast Indiana Regional
Workforce Investment Board, Inc.**

Notes to Financial Statements
June 30, 2012

Cost Allocation

Joint costs are allocated to benefiting programs using various allocation methods depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefits of the organization's purposes and programs, which cannot be readily identified with the final cost objective.

Cash Equivalents

The NEIRWIB considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk

NEIRWIB maintains cash balances at one commercial bank. The bank where the organization's accounts are maintained participates in the Transaction Account Guarantee (TAG) program. All balances over \$250,000 were insured by this program as of June 30, 2012. NEIRWIB has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Grants receivable and accounts receivable, as discussed in Note 2, are receivable from Indiana Department of Workforce Development. These receivables are related to Federal grants from or through the U.S. Departments of Labor and Education or grants from the state of Indiana. NEIRWIB considers these receivables fully collectible and has not experienced any previous losses.

Note 2 Grant and Accounts Receivable

Grants receivable consists of the following for June 30, 2012:

Indiana Dept. of Workforce Development	<u>2012</u> <u>\$ 2,123,924</u>
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Note 3 Employee Retirement Plan

NEIRWIB has a 401k plan open to all regular, full-time employees. NEIRWIB contributes 3% of the employee's base salary; if the employee contributes 3%, then NEIRWIB will match that 3% contribution. NEIRWIB contributions for the year ended June 30, 2012 were \$111,321.

**Northeast Indiana Regional
Workforce Investment Board, Inc.**

Notes to Financial Statements
June 30, 2012

Note 4 Operating Leases

NEIRWIB leases space for the operation of its programs under twelve operating leases. The current leases have varying expiration dates. All leases contain a funding out clause. Lease expense for the year ended June 30, 2012 was \$731,482. Future minimum lease payments under the operating leases beyond June 30, 2012 are as follows:

June 30, 2013	\$635,034
June 30, 2014	\$450,297
June 30, 2015	\$430,054
June 30, 2016	\$381,348
June 30, 2017	\$300,362
Thereafter	\$200,241

Note 5 Related Party Transactions

Prior to the current fiscal year, the programs were operated by a predecessor organization, Northeast Indiana Workforce Investment Board, Inc. d/b/a Partners for Workforce Solutions. The management personnel and some of the officers are the same for NEIRWIB and Northeast Indiana Workforce Investment Board. As the programs for the prior fiscal year were closed, funds have been transferred between organizations as funds have been paid by the state of Indiana for both program years to one or the other organization during the transition.

Note 6 Evaluation of Subsequent Events

NEIRWIB has evaluated subsequent events through March 28, 2013, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or disclosure in these financial statements.

Northeast Indiana Regional Workforce Investment Board, Inc

Schedule of Expenditures of Federal Awards and Other Financial Assistance

For the year ended June 30, 2012

CFDA Number	Grant Number	Program Name	Grantor Agency	Grant Period	Expenses
Assistance Programs as Identified in the catalog of federal Domestic Assistance					
Federal Expenditures					
Department of Labor - Pass Through from Indiana Department of Workforce Development (IDWD)					
17.207	C1-2-IS-1-03	Integrated Services WP	IDWD	07.01.2011 to 09.30.2012	\$ 160,714
17.207	C1-2-BC-1-03	Business Consultant - WP	IDWD	07.01.2011 to 06.30.2012	36,000
	Subtotal 17.207				196,714
17.225	C1-2-IS-1-03	Integrated Services - UI	IDWD	07.01.2011 to 09.30.2012	321,579
17.245	C1-2-TAA-1-03	Trade Adjustment Act	IDWD	07.01.2011 to 12.31.2011	1,060,694
17.245	C1-2-TAA-1a-03	Trade Adjustment Act	IDWD	01.01.2012 to 06.30.2013	153,380
	Subtotal 17.245				1,214,074
17.258	C1-2-WIA-1-03	WIA Adult	IDWD	07.01.2011 to 06.30.2012	147,259
17.258	C1-2-WIB-1-03	WIA Adult	IDWD	07.01.2011 to 06.30.2013	1,564,996
	Subtotal 17.258				1,712,255
17.259	C1-2-WIA-1-03	WIA Youth	IDWD	07.01.2011 to 06.30.2012	1,755
17.259	C1-2-WIB-1-03	WIA Youth	IDWD	07.01.2011 to 06.30.2013	1,523,745
17.259	C1-2-JAG-0a-03	Jobs for Americas Graduates	IDWD	07.01.2011 to 09.30.2011	31,958
17.259	C1-2-JAG-1-03	Jobs for Americas Graduates	IDWD	10.01.2011 to 09.30.2012	29,054
	Subtotal 17.259				1,586,512
17.258-17.260	C1-2-ABE-0a-03	ABE-WIA	IDWD	07.01.2011 to 06.30.2012	89,139
17.271	C1-2-BC-1-03	Business Consultant - WOTC	IDWD	07.01.2011 to 06.30.2012	30,000
17.275	C1-2-SEJIT-0a-03	SEJIT	IDWD	07.01.2011 to 01.28.2013	155,510
17.275	C1-2-SEITA-0a-3	SEITA	IDWD	07.01.2011 to 01.28.2013	12,826
	Subtotal 17.275				168,335
17.277	C1-2-NEGOITARRA-0a-03	OJT NEG ARRA	IDWD	07.01.2011 to 09.30.2012	427,297
17.277	C1-2-RV-1-03	RV NEG	IDWD	07.01.2011 to 06.30.2012	29,122
	Subtotal 17.277				456,418
17.278	C1-2-RR-1-03	Rapid Response - Navistar	IDWD	07.01.2011 to 06.30.2013	456,650

See accompanying Notes to Schedule of Expenditures of Federal Awards and Other Financial Assistance.

Northeast Indiana Regional Workforce Investment Board, Inc
 Schedule of Expenditures of Federal Awards and Other Financial Assistance
 For the year ended June 30, 2012.

17.278	C1-2-BC-1-03	Business Consultant - WIA	IDWD	07.01.2011 to 06.30.2012	54,000
17.278	C1-2-WIA-1-03	WIA Dislocated Worker	IDWD	07.01.2011 to 06.30.2012	567,499
17.278	C1-2-WIB-1-03	WIA Dislocated Worker	IDWD	07.01.2011 to 06.30.2013	1,565,631
17.278	C1-2-RROJT-1-03	OJT Rapid Response	IDWD	07.01.2011 to 09.30.2012	366,734
	Subtotal 17.278				3,010,514
Department of Education - Pass Through From IDWD					
84.002A	C1-2-AE-1-03	AE Instructional Federal	IDWD	07.01.2011 to 09.30.2012	707,942
84.002A	C1-2-AE-1-03	AE Non Instructional Federal	IDWD	07.01.2011 to 09.30.2012	80,948
	Subtotal 84.002A				788,890
	Total Federal Expenditures				\$ 9,574,432

State Expenditures					
State Funds	C1-2-MOSP-1-03	Major Opportunities	IDWD	07.01.2011 to 11.30.2011	\$ 4,080
State Funds	C1-2-PISY-2-03	YHCC	IDWD	04.18.2012 to 11.30.2012	2,448
State Funds	C1-2-AE-1-03	AE Instructional State	IDWD	07.01.2011 to 09.30.2012	830,351
State Funds	C1-2-AE-1-03	AE Non Instructional State	IDWD	07.01.2011 to 09.30.2012	96,242
State Funds	C1-2-ASC-1-03	Adult Secondary Credit	IDWD	07.01.2011 to 06.30.2012	54,450
	Total State Expenditures				\$ 987,570

Local Expenditures					
TOPS2015	Talent Initiative	Community Partnership and Lilly Endowment		07.14.2009 to 06.30.2012	\$ 1,045,371
MOU	Noble County Drug Court	Noble County Drug Court		07.01.2011 to 09.30.2013	2,495
NA	NEIRWIB Unrestricted	N/A		07.01.2011 to 06.30.2012	241
	Total Local Expenditures				\$ 1,048,107
	Total Program Expenditures				\$ 11,610,109
	Total Federal and State Expenditures				\$ 10,562,002
	Total Local Expenditures				1,048,107
					\$ 11,610,109

See accompanying Notes to Schedule of Expenditures of Federal Awards and Other Financial Assistance.

Northeast Indiana Regional Workforce Investment Board, Inc.

Notes to the Schedule of Expenditures of Federal Awards and Other Financial Assistance
For the Year Ended June 30, 2012

Basis of Presentation

This schedule includes the federal grant activity of Northeast Indiana Regional Workforce Investment Board, 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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Payments to Subrecipients

Of the federal expenditures presented in the schedule of Expenditures of Federal Awards and Other Financial Assistance, Northeast Indiana Regional Workforce Investment Board, Inc. provided federal awards to six subrecipients and are as follows:

<u>Federal CFDA Number</u>	<u>Program Title</u>	<u>Amounts Provided to Subrecipients</u>
17.259	WIA Youth	\$866,444
84.002A	AE Instructional & Non Instructional Federal	\$738,276



Dunton & Co., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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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

Board of Directors
Northeast Indiana Regional Workforce Investment Board, Inc.

We have audited the basic financial statements of Northeast Indiana Regional Workforce Investment Board, Inc., (NEIRWIB) (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated March 28, 2013. 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 audits, we considered NEIRWIB's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of NEIRWIB's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of NEIRWIB's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or 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 and Other Matters

As part of obtaining reasonable assurance about whether NEIRWIB's financial statements are free of material misstatements, 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 management, the Board of Directors, 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.

Dunton & Co., P.C.

March 28, 2013



Dunton & Co., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133

Board of Directors
Northeast Indiana Regional Workforce Investment Board, Inc.

Compliance

We have audited Northeast Indiana Regional Workforce Investment Board, Inc.'s., (NEIRWIB) (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of NEIRWIB's major federal programs for the year ended June 30, 2012. NEIRWIB'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 NEIRWIB's major federal programs is the responsibility of NEIRWIB's management. Our responsibility is to express an opinion on NEIRWIB'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 NEIRWIB'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 NEIRWIB's compliance with those requirements.

In our opinion, Northeast Indiana Regional Workforce Investment Board, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of NEIRWIB is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered NEIRWIB's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 but not for the purpose of expressing an opinion on the effectiveness of internal over compliance. Accordingly, we do not express an opinion on the effectiveness of NEIRWIB's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, 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.

Dunton & Co., P.C.

March 28, 2013

Northeast Indiana Regional Workforce Investment Board, 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 Weakness identified?	No
Significant deficiencies identified	None reported

Noncompliance material to financial statements noted?	No
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Federal Awards

Internal control over financial reporting:

Material weaknesses identified?	No
Significant deficiencies identified	None reported

Type of auditor's report issued on compliance for Major programs:	Unqualified
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Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No
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Identified major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
---------------------	---

- | | |
|---------------------------------|---|
| 17.225 | Department of Labor, Unemployment Insurance |
| 17.245 | Department of Labor, Trade Adjustment Act |
| 17.258, 17.259, 17.260 & 17.278 | Department of Labor, Workforce Investment Act – Cluster |
| 17.277 | Department of Labor, Workforce Investment Act - NEG |
| 84.002A | Department of Education, Adult Education |

Northeast Indiana Regional Workforce Investment Board, Inc.

Schedule of Findings and Questioned Costs

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

Auditee qualified as a low-risk auditee? No

Section II: Financial Statement Findings

There were no matters reported

Section III: Federal Award Findings and Questioned Costs

Findings: There were no matters reported.

Questioned Costs:

There were not any questioned costs.