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March 30, 2016

Board of Directors
Alliance for Strategic Growth, Inc.
122 East Main Street
Muncie, IN 47305

We have reviewed the audit report prepared by Wipfli LLP, for the period July 1, 2014 to June 30, 2015. 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 Alliance for Strategic Growth, Inc., as of June 30, 2015, 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

Alliance for Strategic Growth, Inc.

Muncie, Indiana

Financial Statements and Supplementary Information
Year Ended June 30, 2015

Alliance for Strategic Growth, Inc.

Financial Statements and Supplementary Information
Year Ended June 30, 2015

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Independent Auditor's Report

Board of Directors
Alliance for Strategic Growth, Inc.
Muncie, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of Alliance for Strategic Growth, Inc., which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alliance for Strategic Growth, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Supplementary Information

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, Schedules A-1 to A-2, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis, 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. Such 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2016, on our consideration of Alliance for Strategic Growth, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* in considering Alliance for Strategic Growth, Inc.'s internal control over financial reporting and compliance.



Wipfli LLP

March 2, 2016
Madison, Wisconsin

Alliance for Strategic Growth, Inc.

Statement of Financial Position

June 30, 2015

<i>Assets</i>	
Current assets:	
Cash	\$ 415,675
Grants receivable	120,361
Accounts receivable	8,180
Prepaid expenses and other assets	33,022
TOTAL ASSETS	\$ 577,238

<i>Liabilities and Net Assets</i>	
Current liabilities:	
Accounts payable	\$ 200,658
Accrued payroll and related expenses	208,046
Grant funds received in advance	19,211
Total current liabilities	427,915
Unrestricted net assets	149,323
TOTAL LIABILITIES AND NET ASSETS	\$ 577,238

Alliance for Strategic Growth, Inc.

Statement of Activities Year Ended June 30, 2015

Revenue:

Grant revenue	\$	4,645,709
Interest and other revenue		6,076

Total revenue		4,651,785
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Expenses:

Program activity - Job training		4,202,992
Support and administration		443,226

Total expenses		4,646,218
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Change in unrestricted net assets		5,567
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Unrestricted net assets at beginning of year		143,756
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Unrestricted net assets at end of year	\$	149,323
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Alliance for Strategic Growth, Inc.

Statement of Cash Flows

Year Ended June 30, 2015

Increase (decrease) in cash:

Cash flows from operating activities:

Change in unrestricted net assets \$ 5,567

Adjustments to reconcile change in unrestricted net assets

to net cash provided by operating activities:

Changes in operating assets and liabilities:

Grants receivable	36,267
Accounts receivable	(7,616)
Prepaid expenses and other assets	8,463
Accounts payable	16,370
Accrued payroll and related expenses	27,854
Grant funds received in advance	(57,378)

Net cash provided by operating activities 29,527

Change in cash 29,527

Cash at beginning of year 386,148

Cash at end of year \$ 415,675

Alliance for Strategic Growth, Inc.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Alliance for Strategic Growth, Inc. (ASG) was organized as a nonprofit corporation on July 30, 2002. ASG was formed to comply with the requirements of the Workforce Investment Act of the State of Indiana by overseeing the provision of convenient, customer-friendly employment and training services in the nine-county area of Blackford, Delaware, Henry, Jay, Randolph, Wayne, Rush, Fayette, and Union counties in Indiana. ASG is supported through federal and state grants. ASG acts as the Workforce Investment Board for Economic Growth Region 6 to enhance and sustain an educated, skilled and employable workforce. Approximately 98% of grant revenue was received from the State of Indiana Department of Workforce Development.

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance to principles generally accepted in the United States.

Classification of Net Assets

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of ASG and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of ASG and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Currently, ASG does not have any temporarily restricted net assets.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by ASG. Generally, the donors of these assets permit ASG to use all or part of the income earned on any related investments for general or specific purposes. Currently, ASG does not have any permanently restricted net assets.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Alliance for Strategic Growth, Inc.

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to ASG 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 contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

B. Grant Awards That Are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Accounts Receivable

ASG considers the accounts receivable to be fully collectible, accordingly, no allowance for doubtful accounts receivable is recorded. If the amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Property and equipment are capitalized at cost and depreciated over their useful life using the straight-line method. ASG capitalizes equipment purchased with agency funds with a cost greater than \$5,000 and a useful life of more than one year. Donation of property and equipment are recorded as support at the estimated fair market value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Alliance for Strategic Growth, Inc.

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Property and Equipment (Continued)

Property and equipment purchased with grant funds are held in trust by ASG for the benefit of the people of the State of Indiana while used in the program for which they were purchased or in other future authorized programs. The State of Indiana defines equipment as items with a unit cost over \$500. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The cumulative cost of equipment purchased with grant funds is \$308,287. All items have a unit cost of less than \$5,000. This property and equipment is not reflected in these financial statements as it is held in trust by the State of Indiana and it does not meet the definition of equipment as defined by ASG's policies.

Income Taxes

ASG is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and are exempt from federal and Indiana income taxes.

ASG is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. ASG has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

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 benefit of all of ASG's programs, which cannot be readily identified with a final cost objective.

Subsequent Events

Subsequent events have been evaluated through March 2, 2016, which is the date the financial statements were available to be issued.

Note 2 **Grants Receivable**

The grants receivable balance of \$120,361 represents amounts due from Indiana Department of Workforce Development at June 30, 2015.

Alliance for Strategic Growth, Inc.

Notes to Financial Statements

Note 3 Operating Leases

ASG leases various facilities for the operations to support workforce development. ASG leases one facility for their administrative office and eight offices for employment and training services. Rent expense for ASG for the year ended June 30, 2015, was \$682,299. Future minimum lease payments on leases having terms beyond June 30, 2015, are as follows:

2016	\$ 614,355
2017	609,075
2018	523,138
2019	368,522
2020	211,231
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Total	<u>\$ 2,326,321</u>

Note 4 Retirement Plan

ASG has a 403(b) tax sheltered annuity retirement plan that covers all regular employees. The retirement benefits are fully vested with the employee after three years of service. The Board of Directors determines the annual contribution, and the total contribution paid by ASG on behalf of the employees will not exceed 16% of the employees' salary. There was no employer contribution to the plan during the year ended June 30, 2015.

Note 5 Concentration of Credit Risk

ASG maintains deposits at a financial institution. Accounts at this financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the year, the bank balance may have been in excess of the FDIC coverage. Bank balances in excess of FDIC coverage are insured by the Public Deposit Insurance Fund.

Note 6 Grant Awards

At June 30, 2015, ASG has commitments to perform services under various grants with contract periods spanning multiple fiscal years of approximately \$1,565,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

Supplementary Information

Alliance for Strategic Growth, Inc.

Schedule A-1

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended June 30, 2015

CFDA Number	Grant Number	Program Name	Grantor Agency	Program Period	Program or Award Amount	Expenditures
ASSISTANCE PROGRAMS AS IDENTIFIED IN THE CATALOG OF FEDERAL DOMESTIC ASSISTANCE						
Department of Labor						
17.258	C1-4-WIB-3-06	WIA Adult	Indiana DWD	07/01/13-06/30/15	\$ 769,643	\$ 332,267
17.258	C1-4-WIB-3-06	WIA Administration	Indiana DWD	07/01/13-06/30/15	85,515	32,175
17.258	C1-5-WIB-4-06	WIA Adult	Indiana DWD	07/01/14-06/30/16	800,106	598,894
17.258	C1-5-WIB-4-06	WIA Transition	Indiana DWD	07/01/14-06/30/16	18,184	18,184
17.258	C1-5-WIB-4-06	WIA Administration	Indiana DWD	07/01/14-06/30/16	90,921	66,704
Subtotal 17.258						1,048,224
17.259	C1-4-WIB-3-06	WIA Youth	Indiana DWD	07/01/13-06/30/15	901,104	258,839
17.259	C1-4-WIB-3-06	WIA Administration	Indiana DWD	07/01/13-06/30/15	100,122	37,671
17.259	C1-5-WIB-4-06	WIA Youth	Indiana DWD	07/01/14-06/30/16	957,010	693,461
17.259	C1-5-WIB-4-06	WIA Transition	Indiana DWD	07/01/14-06/30/16	5,183	5,183
17.259	C1-5-WIB-4-06	WIA Administration	Indiana DWD	07/01/14-06/30/16	106,910	78,434
Subtotal 17.259						1,073,588
17.278	C1-4-WIB-3-06	WIA Dislocated Worker	Indiana DWD	07/01/13-06/30/15	400,967	228,742
17.278	C1-4-WIB-3-06	WIA DW trans to Adult	Indiana DWD	07/01/13-06/30/15	501,208	41,764
17.278	C1-4-WIB-3-06	WIA Administration	Indiana DWD	07/01/13-06/30/15	100,241	37,717
17.278	C1-5-WIB-4-06	WIA Dislocated Worker	Indiana DWD	07/01/14-06/30/16	421,577	421,577
17.278	C1-5-WIB-4-06	WIA DW trans to Adult	Indiana DWD	07/01/14-06/30/16	520,829	304,415
17.278	C1-5-WIB-4-06	WIA Transition	Indiana DWD	07/01/14-06/30/16	20,833	20,833
17.278	C1-5-WIB-4-06	WIA Administration	Indiana DWD	07/01/14-06/30/16	99,251	72,815
17.278	C1-5-BC-4-06	Business Consultant	Indiana DWD	07/01/14-06/30/15	65,000	65,000
17.278	C1-5-IS-4-06	WIA DW & RR	Indiana DWD	10/01/14-09/30/16	31,725	3,428
17.278	C1-3-RR-2-06	RR Del, Jay, Henry	Indiana DWD	05/01/13-06/30/15	177,953	11,096
Subtotal 17.278						1,207,387
Subtotal Cluster 17.258, 17.259 and 17.278						3,329,199
17.207	C1-5-BC-4-06	Business Consultant	Indiana DWD	07/01/14-06/30/15	55,000	55,000
17.207	C1-3-IS-2-06	Wagner Peyser	Indiana DWD	10/01/12-09/30/14	304,190	64,093
17.207	C1-5-IS-4-06	Wagner Peyser	Indiana DWD	10/01/14-09/30/16	422,995	157,837
Subtotal 17.207						276,930
17.801	C1-3-IS-2-06	Dis. Veterans' Outreach Program	Indiana DWD	10/01/12-09/30/14	26,933	9,771
17.801	C1-5-IS-4-06	Dis. Veterans' Outreach Program	Indiana DWD	10/01/14-09/30/16	63,450	25,254
Subtotal 17.801						35,025
17.804	C1-3-IS-2-06	Local Veterans' Emp. Program	Indiana DWD	10/01/12-09/30/14	49,055	16,651
17.804	C1-5-IS-4-06	Local Veterans' Emp. Program	Indiana DWD	10/01/14-09/30/16	95,174	29,856
Subtotal 17.804						46,507
Subtotal Cluster 17.207, 17.801 and 17.804						358,462

Alliance for Strategic Growth, Inc.

Schedule A-2 Schedule of Expenditures of Federal Awards and Other Financial Assistance Year Ended June 30, 2015

CFDA Number	Grant Number	Program Name	Grantor Agency	Program Period	Program or Award Amount	Expenditures
Department of Labor (Continued)						
17.225	C1-3-IS-2-06	Unemployment Insurance	Indiana DWD	10/01/12-09/30/14	193,072	47,358
17.225	C1-3-IS-2-06	Unemployment Insurance REA	Indiana DWD	10/01/12-09/30/14	59,919	21,191
17.225	C1-5-IS-4-06	Unemployment Insurance	Indiana DWD	10/01/14-09/30/16	296,097	113,278
17.225	C1-5-IS-4-06	Unemployment Insurance REA	Indiana DWD	10/01/14-09/30/16	126,899	45,251
Subtotal 17.225						227,078
17.245	C1-3-IS-2-06	Trade Adjustment Acc	Indiana DWD	10/01/12-09/30/14	23,416	3,779
17.245	C1-5-IS-4-06	Trade Adjustment Acc	Indiana DWD	10/01/14-09/30/16	21,151	6,354
Subtotal 17.245						10,133
17.277	C1-4-NEGDWT-3-06	NEG	Indiana DWD	07/01/13-06/30/16	309,821	54,537
Total Federal Programs						3,979,409
STATE AND LOCAL PROGRAMS						
N/A	C1-4-JAG-3-06	Jobs for America's Graduates	Indiana DWD	07/01/13-09/30/14	421,960	34,029
N/A	C1-5-JAG-4-06	Jobs for America's Graduates	Indiana DWD	07/01/14-12/31/15	413,521	413,521
N/A	C1-4-WIN-3-06	WIN	Indiana DWD	07/01/13-03/31/15	123,538	42,924
N/A	C1-5-WIN-4-06	WIN	Indiana DWD	07/01/14-09/30/15	93,484	75,082
N/A	N/A	EWIN	Center of Excellence in Leadership of Learning	06/01/13-05/31/15	25,000	24,469
N/A	2013-1121-03	Blackford Cnty Foundation	Blackford County	11/21/13-11/21/14	10,000	5,223
N/A	N/A	IYI	Indiana Youth Initiative	05/01/14-09/30/14	1,500	1,500
N/A	N/A	United Way	United Way	08/01/12-06/30/15	76,667	69,552
Subtotal State and Local Programs						666,300
TOTAL						\$ 4,645,709

Notes to Schedule of Expenditures of Federal Awards and Other Financial Assistance

NOTE 1: The Schedule of Expenditures of Federal Awards and Other Financial Assistance (the "Schedule") includes the federal grant activity of Alliance for Strategic Growth, Inc. under programs of the federal government for the year ended June 30, 2015. 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*. Because the schedule presents only a selected portion of the operations of Alliance for Strategic Growth, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Alliance for Strategic Growth, Inc.

NOTE 2: Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.



Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
Alliance for Strategic Growth, Inc.
Muncie, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Alliance for Strategic Growth, Inc., which comprise the statement of financial position as of June 30, 2015, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 2, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alliance for Strategic Growth, Inc.’s internal control over financial reporting (“internal control”) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alliance for Strategic Growth, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Alliance for Strategic Growth, Inc.’s internal control.

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 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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alliance for Strategic Growth, Inc.'s financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Alliance for Strategic Growth, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alliance for Strategic Growth, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, slightly slanted style.

Wipfli LLP

March 2, 2016
Madison, Wisconsin



Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control Over Compliance

Board of Directors
Alliance for Strategic Growth, Inc.
Muncie, Indiana

Report on Compliance for Each Major Federal Program

We have audited Alliance for Strategic Growth, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2015. Alliance for Strategic Growth, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

Management of Alliance for Strategic Growth, Inc. is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Alliance for Strategic Growth, Inc.'s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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 Alliance for Strategic Growth, Inc.'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 on compliance for the major federal program. However, our audit does not provide legal determination Alliance for Strategic Growth, Inc.'s compliance.

Opinion

In our opinion, Alliance for Strategic Growth, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Alliance for Strategic Growth, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alliance for Strategic Growth, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 control over compliance. Accordingly, we do not express an opinion on the effectiveness of Alliance for Strategic Growth, Inc.'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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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. However, material weaknesses may exist that have not been identified.

The purpose of this report is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

March 2, 2016
Madison, Wisconsin

Alliance for Strategic Growth, Inc.

Schedule of Findings and Questioned Costs

A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Alliance for Strategic Growth, Inc.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.
3. No instances of noncompliance material to the financial statements of Alliance for Strategic Growth, Inc. were disclosed during the audit.
4. There were no material weaknesses or significant deficiencies disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control Over Compliance.
5. The auditor's report on compliance for the major federal award program for Alliance for Strategic Growth, Inc. expresses an unmodified opinion.
6. There were no audit findings relative to the major federal award program for Alliance for Strategic Growth, Inc.
7. The program tested as a major program was the Department of Labor CFDA Cluster #17.258, #17.259, and #17.278.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Alliance for Strategic Growth, Inc. was determined to be a low-risk auditee.

B. Findings – Financial Statements Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs Audit

Findings: None

Questioned Costs: None

D. Prior-Year Findings

None