



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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June 24, 2009

Board of Directors
Northwest Indiana Workforce Board, Inc.
2804 Boilermaker Court, Ste. E.
Valparaiso, IN 46383

We have reviewed the audit report prepared by Comer, Nowling and Associates, PC, Independent Public Accountants, for the period July 1, 2007 to June 30, 2008. 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 the Northwest Indiana Workforce Board, Inc., as of June 30, 2008, 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.

STATE BOARD OF ACCOUNTS

**Northwest Indiana
Workforce Board, Inc.**

**Financial Statements
For The Years Ended
June 30, 2008 and 2007
(With Single Audit Section)**

 **COMER
NOWLING
ASSOCIATES,**

Certified Public Accountants

NORTHWEST INDIANA WORKFORCE BOARD, INC.

FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northwest Indiana Workforce Board, Inc.
Valparaiso, Indiana

We have audited the accompanying statements of financial position of Northwest Indiana Workforce Board, Inc. as of June 30, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years 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 audits.

We conducted our audits 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 audits provide 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 Northwest Indiana Workforce Board, Inc. as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years 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 December 5, 2008 on our consideration of Northwest Indiana Workforce Board, Inc.'s internal control over financial reporting and 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 or on 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 read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Northwest Indiana Workforce Board, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
December 5, 2008

NORTHWEST INDIANA WORKFORCE BOARD, INC.
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 11	\$ 210
Grants receivable	<u>912,375</u>	<u>699,846</u>
Total current assets	<u>\$ 912,386</u>	<u>\$ 700,056</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 5,485	\$ 5,859
Grants payable	<u>906,901</u>	<u>694,197</u>
Total current liabilities	<u>912,386</u>	<u>700,056</u>
NET ASSETS - UNRESTRICTED		
Total liabilities and net assets	<u>\$ 912,386</u>	<u>\$ 700,056</u>

See accompanying notes to financial statements.

NORTHWEST INDIANA WORKFORCE BOARD, INC.
 STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
REVENUE		
Federal grant revenue	\$ 8,030,905	\$ 6,536,236
State and local grant revenue	99,823	8,241
Program income	<u>16,065</u>	<u>17,824</u>
Total revenue	<u>8,146,793</u>	<u>6,562,301</u>
EXPENSES		
Program activities		
Adult	3,301,414	2,459,571
Youth	2,369,278	1,741,132
Dislocated Worker	693,890	1,002,848
Strategic Skills Initiative	368,837	320,535
Rapid Response	110,684	252,567
IS-6-01	212,475	182,773
Other programs	<u>428,264</u>	<u>276,093</u>
Total program activities	7,484,842	6,235,519
Management and general	<u>661,951</u>	<u>326,782</u>
Total expenses	<u>8,146,793</u>	<u>6,562,301</u>
Increase (decrease) in net assets	-	-
NET ASSETS AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

NORTHWEST INDIANA WORKFORCE INVESTMENT BOARD, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED JUNE 30, 2008

	<u>Adult</u>	<u>Youth</u>	<u>Dislocated Worker</u>	<u>Strategic Skills Initiative</u>
OPERATING EXPENSES				
Operating expenses	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Purchased services	-	-	-	-
Service provider expense	3,301,414	2,369,278	693,890	368,837
Other expenses	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses by function	<u>\$ 3,301,414</u>	<u>\$ 2,369,278</u>	<u>\$ 693,890</u>	<u>\$ 368,837</u>

See accompanying notes to financial statements.

<u>Rapid Response</u>	<u>IS-6-01</u>	<u>Other Programs</u>	<u>Total Program</u>	<u>Management and General</u>	<u>2008 Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ 19,135	\$ 19,135
-	-	-	-	480	480
-	-	-	-	-	-
110,684	212,475	428,264	7,484,842	642,336	8,127,178
<u>\$ 110,684</u>	<u>\$ 212,475</u>	<u>\$ 428,264</u>	<u>\$ 7,484,842</u>	<u>\$ 661,951</u>	<u>\$ 8,146,793</u>

NORTHWEST INDIANA WORKFORCE INVESTMENT BOARD, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED JUNE 30, 2007

	<u>Adult</u>	<u>Youth</u>	<u>Dislocated Worker</u>	<u>Strategic Skills Initiative</u>
OPERATING EXPENSES				
Operating expenses	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Purchased services	-	-	-	-
Service provider expense	2,459,571	1,741,132	1,002,848	320,535
Other expenses	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses by function	<u>\$ 2,459,571</u>	<u>\$ 1,741,132</u>	<u>\$ 1,002,848</u>	<u>\$ 320,535</u>

See accompanying notes to financial statements.

<u>Rapid Response</u>	<u>IS-6-01</u>	<u>Other Programs</u>	<u>Total Program</u>	<u>Management and General</u>	<u>2007 Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ 21,997	\$ 21,997
-	-	-	-	685	685
-	-	-	-	1,629	1,629
252,567	182,773	276,093	6,235,519	299,658	6,535,177
-	-	-	-	2,813	2,813
<u>\$ 252,567</u>	<u>\$ 182,773</u>	<u>\$ 276,093</u>	<u>\$ 6,235,519</u>	<u>\$ 326,782</u>	<u>\$ 6,562,301</u>

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NORTHWEST INDIANA WORKFORCE BOARD, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ -	\$ -
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
(Increase) decrease in cash from changes in:		
Grants receivable	(212,529)	(699,846)
Increase (decrease) in cash from changes in:		
Accounts payable	(374)	5,859
Grants payable	212,704	694,197
	(199)	210
CASH, BEGINNING OF YEAR	210	-
CASH, END OF YEAR	\$ 11	\$ 210

See accompanying notes to financial statements.

NORTHWEST INDIANA WORKFORCE BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The Northwest Indiana Workforce Board, Inc. (NWIWB or the “Organization”) was originally organized in 2006 to oversee federal job training programs in Northwest Indiana under the Federal Job Training Partnership Act. The agency received its exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code in March of 2006.

NWIWB is primarily responsible for regional strategic planning for economic and workforce development, financial management and the oversight of the workforce development system in Jasper, Lake, LaPorte, Newton, Porter, Pulaski and Starke Counties.

The organization is governed by a fifteen (15) member board of directors appointed by the Mayors of Hammond, East Chicago and Gary, Indiana and the county commissioners or mayor from each of the seven service counties. The board is charged with policy, budget and related governance responsibilities. Board representation includes a majority from the private sector, plus education, organized labor, economic development entities and community-based organizations.

The Organization’s financial management functions are contracted with The Center of Workforce Innovations, Inc., which serves as the fiscal agent for all funding sources.

NWIWB receives the majority of its financial support from federal and state government grants that originate with the U.S. Department of Labor and the Indiana Department of Workforce Development.

BASIS OF PRESENTATION

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

EXPENSE ALLOCATIONS

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

INCOME TAX STATUS

NWIWB is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

NORTHWEST INDIANA WORKFORCE BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GOVERNMENT GRANTS

Support funded by grants is recognized as the Organization performs the contracted services under grant agreements. Grant revenue is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. Amounts required prior to expenditures being incurred are reflected as unearned revenue on the statement of financial position.

CONTRIBUTIONS

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

CONTRIBUTED SERVICES

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance non-financial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, solicitations, and various committee assignments.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

NORTHWEST INDIANA WORKFORCE BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 agency programs, which cannot be readily identified with a final cost objective.

GRANTS RECEIVABLE

The Organization receives grants for reimbursement of expenses incurred. A receivable for the reimbursement of allowable program expenditures due from grantors has been recorded at June 30, 2008. No allowance for uncollectible grants has been recorded.

STATEMENT OF FINANCIAL ACCOUNTING STANDARD NO. 144

SFAS No. 144, "*Accounting for the Impairment or Disposal of Long-Lived Assets*," requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 144 has not materially affected the Organization's net change in unrestricted net assets, statement of financial position or statement of cash flows.

NOTE 2 – GRANTS RECEIVABLE

Grants receivable consisted of the following:

As of June 30,:	<u>2008</u>	<u>2007</u>
Indiana Department of Workforce Development	<u>\$ 912,375</u>	<u>\$ 699,846</u>

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Organization maintains a cash balance at a single bank. The account is insured by the Federal Deposit Insurance Corporation up to \$100,000. At times throughout the year, the balance in this account may exceed \$100,000.

The Organization receives a substantial amount of its support from federal and state government agencies. A significant reduction in the level of support, if this were to occur, may have a significant affect on the Organization's programs and activities.

NORTHWEST INDIANA WORKFORCE BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

NOTE 3 – CONCENTRATION OF CREDIT RISK (continued)

Financial awards from federal, state and local governmental entities in the form of grants are subject to financial and compliance audits by funding agencies. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE 4 – RECLASSIFICATIONS

Certain reclassifications have been made to the 2007 financial statements to conform to the 2008 presentation.

SINGLE AUDIT SECTION

NORTHWEST INDIANA WORKFORCE BOARD, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

FEDERAL GRANTOR AGENCY Passthrough Agency Program Title	Federal CFDA Number	Grant or Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF LABOR			
Passed through the Indiana Department of Workforce Development (DWD), the Northwest Indiana Workforce Investment Board, Inc.:			
Integrated Employment and Training Services	17.207	IS-6-01	<u>\$ 216,355</u>
Navigator	17.258	NAV-6-01	74,280
WIA Adult Program	17.258	RWB-7-01	3,718,808
WIA Youth Program	17.259	RWB-7-01	2,572,723
WIA Dislocated Worker Program	17.260	RWB-7-01	885,167
Indiana Strategic Skills Initiative	17.260	SSI-6-01	408,671
Rapid Response	17.260	RR-7-01	25,001
Rapid Response	17.260	RR-7A-01	25,000
Rapid Response	17.260	RR-6-01	6,908
Subtotal--WIA Cluster			<u>7,716,558</u>
Career Advancement Account	17.261	CAA-6-01	<u>31,645</u>
Workplace Skills	17.267	WL-5-76	<u>66,347</u>
Total Expenditures of Federal Awards			<u><u>\$ 8,030,905</u></u>

See accompanying note to Schedule of Expenditures of Federal Awards

NORTHWEST INDIANA WORKFORCE BOARD, INC.
 NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2008

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Northwest Indiana Workforce 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.

NOTE 2 – SUBRECIPIENTS

NIWB provided federal awards to sub-recipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided</u>
Navigator	17.258	\$ 216,355
Adult Program	17.258	3,713,347
Navigator	17.258	74,280
Youth Program	17.259	2,565,500
Dislocated Worker Program	17.260	879,665
Strategic Skills Initiative	17.260	408,671
Rapid Response	17.260	56,909
Career Advancement Account	17.261	31,645
Workplace Skills	17.267	<u>66,347</u>
		 <u>\$ 8,012,719</u>

NORTHWEST INDIANA WORKFORCE BOARD, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2008

No findings were reported for the year ended June 30, 2007.



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 Board of Directors
Northwest Indiana Workforce Board, Inc.
Valparaiso, Indiana

We have audited the financial statements of Northwest Indiana Workforce Board, Inc. (a nonprofit organization), as of and for the June 30, 2008, and have issued our report thereon dated December 5, 2008. 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 Northwest Indiana Workforce Board, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization'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 Organization's internal control.

Our consideration of internal control 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 that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northwest Indiana Workforce Board, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of directors, management, others within the organization, 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.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.

December 5, 2008



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

To the Board of Directors
Northwest Indiana Workforce Board, Inc.
Valparaiso, Indiana

Compliance

We have audited the compliance of Northwest Indiana Workforce Board, Inc. (a nonprofit organization) 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 its major federal programs for the June 30, 2008. Northwest Indiana Workforce Board, Inc.'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 its major federal program is the responsibility of Northwest Indiana Workforce Board, Inc.'s management. Our responsibility is to express an opinion on Northwest Indiana Workforce Board, Inc.'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 Northwest Indiana Workforce Board, 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. Our audit does not provide a legal determination of Northwest Indiana Workforce Board, Inc.'s compliance with those requirements.

In our opinion, Northwest Indiana Workforce Board, Inc., complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for June 30, 2008.

Internal Control Over Compliance

The management of Northwest Indiana Workforce Board, Inc. 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 Northwest Indiana Workforce Board, Inc.'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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 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 Northwest Indiana Workforce Board, Inc.'s ability to administer a major federal program and grants 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 Organization'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 major federal program will not be prevented or detected by the Organization's internal control.

Our consideration of internal control 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 material weaknesses, as defined above.

This report is intended solely for the information and use of the board of directors, management, others within the organization, 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.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.

December 5, 2008

NORTHWEST INDIANA WORKFORCE BOARD, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 JUNE 30, 2008

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes ___ No x
- Significant deficiencies identified? Yes ___ No x

Noncompliance material to financial statements noted? Yes ___ No x

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes ___ No x
- Significant deficiencies identified? Yes ___ No x

Type of auditors report issued: Unqualified

Any audit findings disclosed required to be reported in
 Accordance with Section 510(a) of Circular A-133 Yes ___ No x

Programs tested as major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
17.207	U.S. Dept. of Labor – Integrated Services
17.258*	U.S. Dept. of Labor - WIA Adult Program
17.259*	U.S. Dept. of Labor - WIA Youth Activities
17.260*	U.S. Dept. of Labor - WIA Dislocated Workers

* Denotes a program cluster. A cluster of programs is treated as a single program for the purpose of meeting the audit requirements of OMB Circular A-133.

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

Auditee qualified as low-risk auditee? Yes ___ No x

NORTHWEST INDIANA WORKFORCE BOARD, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2008

Section II -- Financial Statement Findings

None.

Section III -- Federal Awards Findings

None.