



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B35695

STATE BOARD OF ACCOUNTS
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February 3, 2010

Board of Directors
Dubois-Pike-Warrick Economic
Opportunity Committee, Inc.
607 Third Ave.
P.O. Box 729
Jasper, IN 47547-0729

We have reviewed the audit report prepared by Comer, Nowling and Associates, PC, Independent Public Accountants, for the period January 1, 2008 to December 31, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc., as of December 31, 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.

We call your attention to the findings in the report. Pages 21 and 22 contain the status of two prior audit findings.

STATE BOARD OF ACCOUNTS

**Dubois-Pike-Warrick
Economic Opportunity
Committee, Inc.**

**Financial Statements
For The Years Ended
December 31, 2008 and 2007
(With Single Audit Section)**



Certified Public Accountants

Dubois-Pike-Warrick Economic Opportunity Committee, Inc.

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BUSINESS PLANNING
FINANCIAL STATEMENTS
BUSINESS VALUATIONS
TAX PLANNING
TAX PREPARATION

Independent Auditor's Report

Board of Directors
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.
Jasper, Indiana

We have audited the accompanying statements of financial position of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. (d/b/a TRI-CAP) as of December 31, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc. as of December 31, 2008 and 2007, 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 6, 2009 on our consideration of Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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.

March 6, 2009

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2008 AND 2007

| ASSETS | | | |
|--|---------------------|-----------------------------------|---------------------|
| 2008 | | | |
| | Unrestricted | Temporarily Restricted | Total |
| CURRENT ASSETS: | | | |
| Cash and cash equivalents | \$ 152 | \$ 59,328 | \$ 59,480 |
| Certificates of deposit | 50,003 | - | 50,003 |
| Grants receivable | 449,206 | - | 449,206 |
| Prepaid expenses | 6,413 | - | 6,413 |
| Total current assets | 505,774 | 59,328 | 565,102 |
| PROPERTY AND EQUIPMENT: | | | |
| Property and equipment, net of accumulated depreciation and amortization | 903,474 | - | 903,474 |
| Total assets | \$ 1,409,248 | \$ 59,328 | \$ 1,468,576 |
| LIABILITIES AND NET ASSETS | | | |
| CURRENT LIABILITIES: | | | |
| Accounts payable | \$ 244,783 | \$ - | \$ 244,783 |
| Checks outstanding in excess of deposits | 196,228 | - | 196,228 |
| Accrued payroll and payroll expenses | 107,586 | - | 107,586 |
| Line of credit | 170,652 | - | 170,652 |
| Current portion of mortgage payable | 15,655 | - | 15,655 |
| Total current liabilities | 734,904 | - | 734,904 |
| LONG-TERM LIABILITIES: | | | |
| Mortgage payable | 247,629 | - | 247,629 |
| Total liabilities | 982,533 | - | 982,533 |
| NET ASSETS | 426,715 | 59,328 | 486,043 |
| Total liabilities and net assets | \$ 1,409,248 | \$ 59,328 | \$ 1,468,576 |

See accompanying notes to financial statements.

2007

| <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|---------------------|-----------------------------------|---------------------|
| \$ 151 | \$ 65,036 | \$ 65,187 |
| 50,003 | - | 50,003 |
| 376,750 | - | 376,750 |
| 7,130 | - | 7,130 |
| <u>434,034</u> | <u>65,036</u> | <u>499,070</u> |
| 967,518 | - | 967,518 |
| <u>\$ 1,401,552</u> | <u>\$ 65,036</u> | <u>\$ 1,466,588</u> |
| | | |
| \$ 183,116 | \$ - | \$ 183,116 |
| 159,185 | - | 159,185 |
| 108,364 | - | 108,364 |
| 136,576 | - | 136,576 |
| 23,273 | - | 23,273 |
| <u>610,514</u> | <u>-</u> | <u>610,514</u> |
| 261,008 | - | 261,008 |
| <u>871,522</u> | <u>-</u> | <u>871,522</u> |
| 530,030 | 65,036 | 595,066 |
| <u>\$ 1,401,552</u> | <u>\$ 65,036</u> | <u>\$ 1,466,588</u> |

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

| | 2008 | | |
|--|-------------------|---------------------------|-------------------|
| | Unrestricted | Temporarily Restricted | Total |
| Revenues and Other Support | | | |
| Government grants | \$ 4,332,814 | \$ 31,181 | \$ 4,363,995 |
| Fees and program income | 70,790 | - | 70,790 |
| Medicaid income | 9,532 | - | 9,532 |
| Contributions | 141,207 | 28,147 | 169,354 |
| Interest income | 1,790 | - | 1,790 |
| Other income | 108,992 | - | 108,992 |
| Net assets released from restrictions | 65,036 | (65,036) | - |
| Total revenue and other support | <u>4,730,161</u> | <u>(5,708)</u> | <u>4,724,453</u> |
| Operating Expenses: | | | |
| Early childhood education | 1,504,117 | - | 1,504,117 |
| Parenting education and intervention | 529,718 | - | 529,718 |
| Community initiatives | 28,784 | - | 28,784 |
| Family planning | 414,427 | - | 414,427 |
| Adolescent services | 131,376 | - | 131,376 |
| Breast and cervical cancer prevention | 94,360 | - | 94,360 |
| Prenatal substance abuse prevention | 74,261 | - | 74,261 |
| Senior citizens volunteerism | 72,748 | - | 72,748 |
| Utility assistance | 1,034,894 | - | 1,034,894 |
| Housing assistance | 421,571 | - | 421,571 |
| Home weatherization assistance | 224,273 | - | 224,273 |
| Home rehabilitation assistance | (24) | - | (24) |
| Home care services | - | - | - |
| Emergency family services | 24,067 | - | 24,067 |
| Management and general | 278,904 | - | 278,904 |
| Total operating expenses | <u>4,833,476</u> | <u>-</u> | <u>4,833,476</u> |
| Increase (decrease) in net assets | (103,315) | (5,708) | (109,023) |
| NET ASSETS AT BEGINNING OF YEAR | <u>530,030</u> | <u>65,036</u> | <u>595,066</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 426,715</u> | <u>\$ 59,328</u> | <u>\$ 486,043</u> |

See accompanying notes to financial statements.

2007

| Unrestricted | Temporarily Restricted | Total |
|-------------------|---------------------------|-------------------|
| \$ 4,098,828 | \$ 37,959 | \$ 4,136,787 |
| 91,630 | - | 91,630 |
| 8,613 | - | 8,613 |
| 230,725 | 27,077 | 257,802 |
| 2,421 | - | 2,421 |
| 121,881 | - | 121,881 |
| - | - | - |
| <u>4,554,098</u> | <u>65,036</u> | <u>4,619,134</u> |
| 1,414,502 | - | 1,414,502 |
| 495,095 | - | 495,095 |
| 25,661 | - | 25,661 |
| 423,730 | - | 423,730 |
| 118,089 | - | 118,089 |
| 99,998 | - | 99,998 |
| 89,085 | - | 89,085 |
| 75,817 | - | 75,817 |
| 780,160 | - | 780,160 |
| 364,838 | - | 364,838 |
| 328,615 | - | 328,615 |
| 118,823 | - | 118,823 |
| 2,671 | - | 2,671 |
| 28,652 | - | 28,652 |
| 228,297 | - | 228,297 |
| <u>4,594,033</u> | <u>-</u> | <u>4,594,033</u> |
| (39,935) | 65,036 | 25,101 |
| <u>569,965</u> | <u>-</u> | <u>569,965</u> |
| <u>\$ 530,030</u> | <u>\$ 65,036</u> | <u>\$ 595,066</u> |

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2008

| | Early Childhood <u>Education</u> | Parenting Education & <u>Intervention</u> | Community <u>Initiatives</u> | Family <u>Planning</u> | Adolescent <u>Services</u> | Breast & Cervical Cancer <u>Prevention</u> |
|--|--|---|---------------------------------|---------------------------|-------------------------------|---|
| OPERATING EXPENSES | | | | | | |
| Salaries and fringe benefits | \$ 989,192 | \$ 421,908 | \$ 4,026 | \$ 241,548 | \$ 112,539 | \$ 31,588 |
| Insurance | 16,960 | 1,367 | - | 12,407 | 482 | 258 |
| Travel and transportation | 59,834 | 36,575 | 294 | 2,980 | 2,608 | 786 |
| Support to programs in excess of funding | (27,254) | - | (2,696) | (8,825) | - | - |
| Supplies, postage and printing | 45,408 | 32,607 | 88 | 66,683 | 3,679 | 535 |
| Telephone and communications | 25,069 | 6,480 | 25 | 7,672 | 844 | 314 |
| Training and contracted services | 26,207 | 5,295 | 1,460 | 29,060 | 4,264 | 835 |
| Fees, dues, interest and miscellaneous | 9,141 | 366 | 117 | 269 | 272 | 12 |
| Rent, utilities and maintenance | 190,138 | 20,787 | 103 | 57,905 | 6,246 | 1,378 |
| Client benefits | 65,438 | 159 | 25,367 | - | 442 | 58,654 |
| Equipment and depreciation | 18,400 | 1,300 | - | 4,728 | - | - |
| In-kind expenses | 85,584 | 2,874 | - | - | - | - |
| Total program expenses by function prior to GAAP adjustment | 1,504,117 | 529,718 | 28,784 | 414,427 | 131,376 | 94,360 |
| Capital expenditures | - | - | - | - | - | - |
| Total operating expenses after GAAP adjustment | \$ 1,504,117 | \$ 529,718 | \$ 28,784 | \$ 414,427 | \$ 131,376 | \$ 94,360 |

See accompanying notes to financial statements.

| <u>Prenatal Substance Abuse Prevention</u> | <u>Senior Citizens Volunteerism</u> | <u>Utility Assistance</u> | <u>Housing Assistance</u> | <u>Home Weatherization Assistance</u> | <u>Home Rehabilitation Assistance</u> | <u>Home Care Services</u> | <u>Emergency Family Services</u> | <u>Management and General</u> | <u>2008 Totals</u> |
|--|---|-------------------------------|-------------------------------|---|---|-------------------------------|--|-----------------------------------|------------------------|
| \$ 55,654 | \$ 47,739 | \$ 78,181 | \$ 25,180 | \$ 118,718 | \$ 748 | | \$ 5,122 | \$ 44,885 | \$ 2,177,028 |
| 1,169 | 269 | 812 | 459 | 16,772 | - | | - | 5,991 | 56,946 |
| 3,238 | 2,324 | 2,488 | 2,677 | 9,623 | - | | 2 | 11,201 | 134,630 |
| - | - | - | - | (42,127) | (788) | | (2,624) | 84,313 | (1) |
| 3,175 | 7,429 | 14,826 | 4,987 | 28,670 | 16 | | 105 | 11,797 | 220,005 |
| 1,041 | 988 | 1,330 | 607 | 1,349 | - | | - | (1,401) | 44,318 |
| 1,641 | 2,368 | 3,737 | 2,067 | 21,616 | - | | - | 26,200 | 124,750 |
| 77 | 111 | 34 | 17 | 392 | - | | - | 33,848 | 44,656 |
| 8,266 | 8,123 | 5,945 | 3,524 | 10,095 | - | | - | (11,278) | 301,232 |
| - | - | 927,157 | 381,669 | 59,165 | - | | 20,922 | 5,561 | 1,544,534 |
| - | - | 384 | 384 | 17,145 | - | | - | 67,687 | 110,028 |
| - | 3,397 | - | - | - | - | | 540 | 100 | 92,495 |
| 74,261 | 72,748 | 1,034,894 | 421,571 | 241,418 | (24) | - | 24,067 | 278,904 | 4,850,621 |
| - | - | - | - | (17,145) | - | - | - | - | (17,145) |
| <u>\$ 74,261</u> | <u>\$ 72,748</u> | <u>\$ 1,034,894</u> | <u>\$ 421,571</u> | <u>\$ 224,273</u> | <u>\$ (24)</u> | <u>\$ -</u> | <u>\$ 24,067</u> | <u>\$ 278,904</u> | <u>\$ 4,833,476</u> |

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2007

| | <u>Early Childhood Education</u> | <u>Parenting Education & Intervention</u> | <u>Community Initiatives</u> | <u>Family Planning</u> | <u>Adolescent Services</u> | <u>Breast & Cervical Cancer Prevention</u> |
|--|--|---|----------------------------------|----------------------------|--------------------------------|--|
| OPERATING EXPENSES | | | | | | |
| Salaries and fringe benefits | \$ 948,272 | \$ 410,122 | \$ 18,166 | \$ 258,503 | \$ 98,423 | \$ 26,121 |
| Insurance | 24,466 | 1,329 | 62 | 11,533 | 379 | 197 |
| Travel and transportation | 42,112 | 24,350 | 763 | 4,692 | 1,958 | 738 |
| Support to programs in excess of funding | - | - | (14,918) | (38,636) | - | (378) |
| Supplies, postage and printing | 26,003 | 7,738 | 4,122 | 9,347 | 4,211 | 901 |
| Telephone and communications | 26,170 | 8,446 | 35 | 8,804 | 1,859 | 262 |
| Training and contracted services | 24,882 | 4,983 | 2,853 | 35,479 | 4,893 | 761 |
| Fees, dues, interest and miscellaneous | 12,194 | 306 | 29 | 8 | 253 | - |
| Rent, utilities and maintenance | 164,804 | 23,612 | 171 | 55,656 | 5,475 | 1,423 |
| Client benefits | 62,216 | - | 14,348 | 78,344 | 638 | 69,973 |
| Equipment and depreciation | 11,822 | - | - | - | - | - |
| In-kind expenses | 76,963 | 14,209 | 30 | - | - | - |
| Total program expenses by function prior to GAAP adjustment | 1,419,904 | 495,095 | 25,661 | 423,730 | 118,089 | 99,998 |
| Capital expenditures | (5,402) | - | - | - | - | - |
| Total operating expenses after GAAP adjustment | <u>\$ 1,414,502</u> | <u>\$ 495,095</u> | <u>\$ 25,661</u> | <u>\$ 423,730</u> | <u>\$ 118,089</u> | <u>\$ 99,998</u> |

See accompanying notes to financial statements.

| <u>Prenatal Substance Abuse Prevention</u> | <u>Senior Citizens Volunteerism</u> | <u>Utility Assistance</u> | <u>Housing Assistance</u> | <u>Home Weatherization Assistance</u> | <u>Home Rehabilitation Assistance</u> | <u>Home Care Services</u> | <u>Emergency Family Services</u> | <u>Management and General</u> | <u>2007 Totals</u> |
|--|---|-------------------------------|-------------------------------|---|---|-------------------------------|--|-----------------------------------|------------------------|
| \$ 70,515 | \$ 41,215 | \$ 82,920 | \$ 24,972 | \$ 172,138 | \$ 6,903 | \$ 2,451 | \$ 2,405 | \$ 27,078 | \$ 2,190,205 |
| 3,402 | 586 | 524 | 534 | 7,779 | - | - | - | 4,244 | 55,035 |
| 2,990 | 1,077 | 1,660 | 1,840 | 8,881 | 84 | 140 | 59 | 10,707 | 102,050 |
| - | 4,409 | - | - | (788) | (4,373) | - | - | 54,684 | - |
| 1,445 | 1,542 | 12,153 | 1,228 | 7,536 | 320 | 63 | 244 | 8,583 | 85,436 |
| 1,352 | 749 | 1,679 | 858 | 2,218 | - | 18 | - | (3,933) | 48,517 |
| 1,762 | 1,028 | 3,569 | 2,059 | 25,132 | 1,030 | - | - | 15,201 | 123,633 |
| 2 | 102 | 3 | 2 | 925 | - | - | - | 43,369 | 57,193 |
| 7,617 | 7,140 | 5,954 | 4,095 | 10,334 | - | - | - | (3,838) | 282,442 |
| - | 2,141 | 671,699 | 329,247 | 87,961 | 114,860 | - | 21,828 | 1,309 | 1,454,564 |
| - | - | - | - | 13,000 | - | - | - | 82,713 | 107,535 |
| - | 15,829 | - | - | - | - | - | 4,116 | 1,588 | 112,734 |
| 89,085 | 75,817 | 780,160 | 364,838 | 335,115 | 118,823 | 2,671 | 28,652 | 241,704 | 4,619,342 |
| - | - | - | - | (6,500) | - | - | - | (13,407) | (25,309) |
| <u>\$ 89,085</u> | <u>\$ 75,817</u> | <u>\$ 780,160</u> | <u>\$ 364,838</u> | <u>\$ 328,615</u> | <u>\$ 118,823</u> | <u>\$ 2,671</u> | <u>\$ 28,652</u> | <u>\$ 228,297</u> | <u>\$ 4,594,033</u> |

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DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2008 AND 2007

| | 2008 | 2007 |
|--|--------------|-----------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Increase (decrease) in net assets | \$ (109,023) | 25,101 |
| Adjustments to reconcile increase in net assets to net cash used in operating activities: | | |
| Depreciation | 90,589 | 104,110 |
| Gain on sale of equipment | (9,800) | - |
| Increase (decrease) in cash from changes in: | | |
| Grants receivable | (72,456) | (14,548) |
| Prepaid expenses | 717 | (367) |
| Accounts payable | 61,667 | 9,690 |
| Checks outstanding in excess of deposits | 37,043 | 127,166 |
| Accrued payroll and payroll expenses | (778) | (32,956) |
| | (2,041) | 218,196 |
| Net cash provided by (used in) operating activities | | |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Proceeds from sale of vehicle | 400 | - |
| Acquisition of property and equipment | (17,145) | (25,309) |
| | (16,745) | (25,309) |
| Net cash used in investing activities | | |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Net increase (decrease) in lines of credit | 34,076 | (106,271) |
| Decrease in mortgage payable | (20,997) | (21,580) |
| | 13,079 | (127,851) |
| Net cash provided by (used in) financing activities | | |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | (5,707) | 65,036 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 65,187 | 151 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 59,480 | \$ 65,187 |

See accompanying notes to financial statements.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Dubois-Pike-Warrick Economic Opportunity Committee, Inc. d/b/a TRI-CAP (the "Organization") was incorporated and commenced operations as a not-for-profit organization in 1966, under the laws of the State of Indiana. The Organization is committed to helping families and children improve their quality of life in Dubois, Pike, and Warrick counties in Indiana.

BASIS OF ACCOUNTING

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.

REVENUE RECOGNITION

The Organization receives grants from the State of Indiana (State) and the federal government to carry out certain program activities. The grants are received under contracts which require the Organization to submit to the State appropriate records of services provided to eligible individuals. Revenues under the contracts are recognized as the services are provided.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and depreciated over estimated useful lives of three to forty years using the straight-line method. The following is a summary of the lives for each class of asset:

| | |
|------------------------|------------|
| Buildings | 31.5 years |
| Leasehold improvements | 15 years |
| Equipment | 3-10 years |
| Vehicles | 5 years |

Expenditures for improvements and major renewals are capitalized. When property is sold, retired or otherwise disposed of, the related cost and accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to income. Expenditures for maintenance and repairs are expensed when incurred.

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAX STATUS

The Organization 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).

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.

IN-KIND CONTRIBUTIONS

In addition to receiving cash contributions, the Organization receives in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, and similarly increase revenue and other support by a like amount. For the years ended December 31, 2008 and 2007, this adjustment amounted to approximately \$92,495 and \$112,733 and is included in other revenue and support on the Statements of Activities.

The Organization has recorded in-kind contributions for professional services on the Consolidated Statement of Activities in accordance with Statement of Financial Accounting Standards No. 116 (SFAS 116), *Accounting for Contributions Received and Contributions Made*. SFAS 116 requires that only contributions of services received that create or enhance a non-financial assets or require specialized skill by the individual possessing those skills and would

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

typically need to be purchased if not provided by donation be recorded. The requirements of SFAS 116 are different from the in-kind requirements of the Organization's grant funding sources.

Of the \$92,495 of in-kind contributions and related expenses recorded in the Organization's Consolidated Statement of Activities for the year ended December 31, 2008, contributed services meeting the requirements of SFAS 116 are \$2,000. The \$92,495 consisted of professional services, clothing, other goods, and building space. Of the \$92,495, \$85,584 was donated for Head Start. Additionally during 2008, the Organization received other in-kind contributions totaling \$229,344 related to its Head Start program which includes services and mileage from non-professional volunteers during 2008 which are not recorded in the Consolidated Statement of Activities. The Head Start in-kind contributions totaled \$314,928. The Organization also received in-kind contributions of volunteer services of \$23,419 for other programs.

Of the \$112,733 of in-kind contributions and related expenses recorded in the Organization's Consolidated Statement of Activities for the year ended December 31, 2007, contributed services meeting the requirements of SFAS 116 are \$0. The \$112,733 consisted of food, clothing, other goods, and building space. Of the \$112,733, \$77,057 was donated for Head Start. Additionally during 2007, the Organization received other in-kind contributions totaling \$242,272 related to its Head Start program which includes services and mileage from non-professional volunteers during 2007 which are not recorded in the Consolidated Statement of Activities. The Head Start In-Kind contributions totaled \$319,329. The Organization also received in-kind contributions of volunteer services of \$8,338 for other programs.

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 a refundable advances on the Statements of Financial Position.

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.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

FINANCIAL STATEMENT PRESENTATION

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is 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.

EXPENSE ALLOCATION

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

NOTE 2 – PROPERTY AND EQUIPMENT

The Organization's property and equipment are as follows at December 31,:

| | <u>2008</u> | <u>2007</u> |
|--------------------------|--------------------|-------------------|
| Buildings | \$ 1,145,098 | \$ 1,145,098 |
| Leasehold improvements | 109,709 | 109,709 |
| Equipment | 275,988 | 296,106 |
| Vehicles | 290,754 | 298,930 |
| | <u>1,821,549</u> | <u>1,849,843</u> |
| Accumulated depreciation | <u>(1,004,675)</u> | <u>(968,925)</u> |
| | 816,874 | 880,918 |
| Land | 86,600 | 86,600 |
| | <u>\$ 903,474</u> | <u>\$ 967,518</u> |

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 2 – PROPERTY AND EQUIPMENT (Continued)

Depreciation expense amounted to \$90,589 and \$104,110 for the years ended December 31, 2008 and 2007, respectively.

NOTE 3 – LINE OF CREDIT

The Organization has a \$400,000 revolving bank line of credit with a maturity date of August 7, 2009. Interest on the line varies with the bank's prime rate. The interest rate on the line was 4.00% on December 31, 2008. The line is collateralized by substantially all of the Organization's assets and is payable at maturity. At December 31, 2008 and 2007, the outstanding line of credit balance was \$170,652 and \$136,576, respectively.

NOTE 4 – LONG-TERM DEBT

Long-term debt consists of the following as of December 31,:

| | <u>2008</u> | <u>2007</u> |
|--|-------------|-------------|
| Note payable – 6.75% payable in monthly payments of \$2,860 including interest, with the balance of the note due August 2013 collateralized by substantially all of the Organization's assets. | \$263,284 | \$ - |
| Note payable – 7.03% payable in monthly payments of \$3,549 including interest, with the balance of the note due March 2017 collateralized by substantially all of the Organization's assets. | \$ - | \$284,281 |

The future maturities of long-term debt, based on the refinanced mortgage dated August 25, 2008, are as follows for the years ended December 31,:

| | |
|------------|------------------|
| 2009 | \$ 15,655 |
| 2010 | 18,162 |
| 2011 | 19,426 |
| 2012 | 20,779 |
| 2013 | 22,226 |
| Thereafter | <u>167,036</u> |
| | <u>\$263,284</u> |

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 5 – OPERATING LEASES

The Organization leases two operating facilities and a Head Start facility under non-cancelable operating lease arrangements. All other leases are month-to month leases for storage units. Rental expense included in the Statements of Activities for the years ended December 31, 2008 and 2007 was approximately \$213,164 and \$201,750.

Future minimum lease payments for the long-term facility leases are as follows for the years ended December 31,:

| | |
|------------|--------------------|
| 2009 | \$ 209,984 |
| 2010 | 208,646 |
| 2011 | 182,614 |
| 2012 | 182,614 |
| 2013 | 176,014 |
| Thereafter | <u>577,005</u> |
| | <u>\$1,536,427</u> |

NOTE 6 – EMPLOYEE BENEFITS

The Organization has a 401(k) plan. The Organization provides a 25% match of employee contributions up to a maximum amount of 1% of employee compensation, as defined. Contributions to the plan are made for all employees working twenty hours or more per week and with at least one year of service. Employee benefit expense under this plan was approximately \$7,129 and \$8,302 for 2008 and 2007, respectively.

NOTE 7 – CONCENTRATION OF CREDIT RISKS

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.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 7 – CONCENTRATION OF CREDIT RISKS (continued)

The Organization maintains cash balances at a local bank. The accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At times throughout the year, the combined balances of these accounts exceeded \$100,000.

NOTE 8 - STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (SFAS) - 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 9 - RECLASSIFICATIONS

Certain amounts in the 2007 financial statements have been reclassified to conform to the 2008 presentation.

SINGLE AUDIT SECTION

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

| FEDERAL GRANTOR AGENCY Passthrough Agency Program Title | Federal CFDA Number | Grant or Identifying Number | Federal Expenditures |
|--|---------------------------|-----------------------------------|-------------------------|
| U.S. Department of Agriculture | | | |
| Passed through the Indiana Department of Education: | | | |
| Child and Adult Care Food Program | 10.558 | 119-0035 | \$ 96,859 |
| U.S. Department of Housing and Urban Development | | | |
| Passed through the Indiana Housing Community Development Authority: | | | |
| Section 8 Housing Program | 14.871 | HCV-07/08/09-001 | 421,571 |
| U.S. Department of Health and Human Services | | | |
| Head Start Program | 93.600 | 05CH4233/43/44 | 1,304,236 |
| Passed through the Indiana Department of Commerce: | | | |
| Assets for Independence Account | 93.602 | IDA007-011 | 7,852 |
| Passed through the Indiana Family and Social Services Administration (IFSSA): | | | |
| Temporary Assistance for Needy Families | 93.558 | 19-05-60-1685-05/06 | 349,165 |
| Temporary Assistance for Needy Families | 93.558 | 19-09-60-1685-01/02 | 176,666 |
| Social Services Block Grant | 93.667 | 19-07/08-1P/2P-1685-01/02 | 59,808 |
| Passed through the Indiana Housing Community Development Authority: | | | |
| Community Services Block Grant | 93.569 | CS-007-011 Yr 2 | 143,933 |
| Weatherization/ Energy Assistance for Low-Income Families | 93.568 | WL/LI-007-011-01/02 | 1,186,950 |
| Passed through the Indiana State Department of Health: | | | |
| Prenatal Substance Use Prevention Program | 93.959 | PSUP 507-1/10 | 73,330 |
| Maternal and Child Health Services Block Grant | 93.994 | A70-7-069019/MCH 507-1 | 120,094 |
| Passed through the Indiana Family Health Council: | | | |
| Family Planning--Title X | 93.217 | IHFC/Tri-Cap | 138,587 |
| Maternal and Child Health Services--Title V | 93.994 | IHFC/Tri-Cap | 154,289 |
| U.S. Department of Energy | | | |
| Passed through the Indiana Housing Community: Development Authority: | | | |
| Weatherization Assistance for Low-Income Persons | 81.042 | WX-007-011-01/02 | 75,269 |
| Passed through the Corp. for National & Community Service: | | | |
| Senior Citizens Volunteerism | 94.002 | 06SRNIN002 | 50,575 |
| Passed through Federal Emergency Management Agency: | | | |
| Emergency Food and Shelter Program | 83.523 | 266000-004 | 1,938 |
| Total Expenditures of Federal Awards | | | \$ 4,361,122 |

See accompanying note to Schedule of Expenditures of Federal Awards.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2008

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. and 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.

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2008

FA-2007-1—Dept. of Energy, Weatherization, CFDA 81.042

Condition: A home receiving Weatherization services was reported as completed without the appropriate testing to determine the improvement achieved. The final inspection form had been signed by the employee and the resident. This error was known by the Weatherization staff and TRI-CAP management and was in the process of being corrected at the time of the audit. Personnel issues related to this incompleteness had been reviewed and disciplinary action was taken.

Recommendation: Periodic reviews and monitoring of client files is recommended to ensure all procedures are completed and documented. Additionally, on-going training should reinforce required testings and procedures that must be completed and what an employee should do when obstacles are encountered.

Management's Update to Finding: TRI-CAP has put into place a client checklist file where required steps to test and weatherize a home are checked off by the Weatherization staff and Weatherization Director prior to the work being billed to the federal grants. Additionally, the Executive Director has been closely monitoring the Weatherization program during 2008. The expenses related to the client home in question from the finding were not billed to a federal weatherization grant. Our Weatherization program has also been monitored at the "QIP" (Quality Improvement Program) level from the Indiana Housing and Community Development Authority during 2008. At this time, we have satisfied all monitoring tests to be removed from the QIP status. Correspondences documenting the monitoring have been provided to the auditors during the 2008 A-133 audit field work. We feel that we have fully resolved this finding.

Auditor's Update: TRI-CAP has strengthened their internal controls for the Weatherization program. These controls reduce the risk of work being completed without the appropriate testing or inspections being completed. No errors were found during the testing of client files in this audit period. TRI-CAP has taken appropriate action to satisfy this finding.

FA-2007-2—Dept. of Health & Human Services, Energy Assistance Program, CFDA 93.568

Condition: One earned income calculation for determining clients' Energy Assistance Program benefits was in error which reduced the amount of Energy Assistance benefit for which the client was eligible.

Recommendation: Periodic reviews and monitoring of client files is recommended to ensure all calculations are accurate and documented. Oversight and monitoring of new employees is especially crucial to ensure the accurate application of rules for eligibility and benefit determination.

Management's Update to Finding: The client files calculated by the new employee who made the minor clerical errors have been reviewed with an error rate of 4%. Additional training and monitoring of this and all subsequent client intake staff is in place with more direct supervision by a former client intake employee who is very well versed in the Energy Assistance Program. The additional \$15 benefit

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (continued)
YEAR ENDED DECEMBER 31, 2008

**FA-2007-2—Dept. of Health & Human Services, Energy Assistance Program, CFDA 93.568
(continued)**

Management's Update to Finding (continued):

for the client was reduced from the same client's summer benefit. We feel that we have fully resolved this finding.

Auditor's Update: In a review of client files for the audit year, no exceptions were noted. The training and oversight provided to the intake staff has strengthened the controls over eligibility and benefit determination. TRI-CAP has taken the appropriate steps to resolve this finding.



BUSINESS PLANNING
FINANCIAL STATEMENTS
BUSINESS VALUATIONS
TAX PLANNING
TAX PREPARATION

**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
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.
Jasper, Indiana

We have audited the financial statements of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. (a nonprofit organization), as of and for the year ended December 31, 2008, and have issued our report thereon dated March 6, 2009. 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s internal control over financial reporting (internal control) 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 second paragraph 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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.

March 6, 2009



BUSINESS PLANNING
FINANCIAL STATEMENTS
BUSINESS VALUATIONS
TAX PLANNING
TAX PREPARATION

**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
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.
Jasper, Indiana

Compliance

We have audited the compliance of Dubois-Pike-Warrick Economic Opportunity Committee, 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 year ended December 31, 2008. Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s management. Our responsibility is to express an opinion on Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s compliance with those requirements.

In our opinion, Dubois-Pike-Warrick Economic Opportunity Committee, Inc., complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s internal control over

compliance with requirements that could have a direct and material effect on a major federal program as a basis 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 over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s ability to administer a major federal program such that there is more than a remote likelihood that the Organization's 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 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.

March 6, 2009

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 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 auditor's report issued: Unqualified

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

Program tested as major program:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|---|
| 14.871 | Dept. of Housing and Urban Development, Section 8 Housing |
| 81.042 | Dept. of Energy, Weatherization |
| 93.558 | Dept. of Health and Human Services, Healthy Families |
| 93.568 | Dept. of Health and Human Services, Energy Assistance Program |

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

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

DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2008

Section II – Financial Statement Findings

There were no financial statement findings for the current year.

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings for the current year.