

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

ANNUAL FINANCIAL REPORT

2011

WEST CENTRAL INDIANA ECONOMIC

DEVELOPMENT DISTRICT, INC.

VIGO COUNTY, INDIANA



**FILED**  
09/24/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Mervin J. Nolot	01-01-11 to 12-31-12
Bookkeeper	Dana Jill M. McLain	01-01-11 to 12-31-12
President of the Board	Michael Costello	01-01-11 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

We have audited the accompanying statement of financial position of the West Central Indiana Economic Development District, Inc. (Economic Development District), as of December 31, 2011, and the related Statement of Cash Activities for the year ended. These financial statements are the responsibility of the Economic Development District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Economic Development District as of December 31, 2011, and the respective changes in financial position during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 26, 2012, on our consideration of the Economic Development District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Economic Development District's financial statements. The Combining Schedule of Cash Activity - Cash Basis and the Schedule of Expenditures of Federal Awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133), as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Schedule of Cash Activity - Cash Basis and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the Economic Development District's management, District Board, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 26, 2012



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the West Central Indiana Economic Development District, Inc. (Economic Development District), as of and for the year ended December 31, 2011, and have issued our report thereon dated July 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Economic Development District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Economic Development District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Economic Development District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Economic Development District's financial statements will not be prevented, or detected and corrected on a timely basis.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Economic Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Economic Development District's management, District Board, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 26, 2012

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.  
STATEMENT OF FINANCIAL POSITION - CASH BASIS  
December 31, 2011

Assets:	
Cash and cash equivalents	<u>\$ 458,927</u>
Liabilities and Net Assets:	
Unrestricted net assets	<u>\$ 458,927</u>
Total Liabilities and Net Assets	<u>\$ 458,927</u>

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

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC  
STATEMENT OF ACTIVITY - CASH BASIS  
As Of And For The Year Ended December 31, 2011

Revenue:	
Intergovernmental Revenue:	
Federal, State & Local Grant Assistance	\$ 3,959,317
Other Grants	59,198
Medicaid	308,820
Grant Administration Fees	120,469
Other Revenue:	
Other Revenue	430,989
United Way	33,239
Private Pay/Cost Share	18,100
Project Income/Donations	101,964
Fundraising Events	8,155
Transferred/Subgranted Revenue	<u>579,741</u>
Subtotal Revenue	5,619,992
Donated Mileage & Other	<u>5,684</u>
Total Revenue	<u>5,625,676</u>
Expenditures:	
Direct Salary & Fringe Costs:	
Salaries	1,358,111
Fringe Benefits	750,709
Other Operating Costs	1,682,023
Other Services	<u>1,888,079</u>
Subtotal Expenditures	5,678,922
Donated Mileage & Other	<u>5,684</u>
Total Expenditures	<u>5,684,606</u>
Excess Revenue Over/Under Expenditures	(58,930)
Net Assets, beginning of year	<u>517,857</u>
Net Assets, end of year	<u>\$ 458,927</u>

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

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

**Note 1. Organization and Summary of Significant Accounting Policies**

Organization

The West Central Indiana Economic Development District, Inc. ("WCIEDD"), is a regional planning agency, economic development district and an area agency on aging serving the Indiana counties of Vigo, Parke, Putnam, Sullivan, Vermillion, and Clay. The principle programs which it administers include special programs for the aged and disabled, nutrition services, social service programs, transportation planning, and economic development programs. WCIEDD funding comes primarily from the Indiana Family and Social Services Administration and the Indiana Department of Transportation, both in the form of performance based grants and cost reimbursement based grants.

Basis of Accounting

The accompanying financial statements have been prepared using the cash basis of accounting whereby receipts are recognized when received and disbursements are recorded when paid. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Basis of Presentation

The financial statements have been prepared in accordance with the Financial Accounting Standards Board (FASB) No. 117, Financial Statements of Not-for-Profit Organizations. FASB No. 117 requires, among other things, that the financial statements report the changes in, and totals of each net asset class based on the existence of donor restrictions, as applicable. Net assets are to be classified as unrestricted, temporarily restricted and permanently restricted.

The following classes of net assets are maintained, if applicable, as follows:

Unrestricted Net Assets – The unrestricted net asset class includes general and board designated assets and liabilities of WCIEDD. The unrestricted net assets of WCIEDD may be used at the discretion of management to support WCIEDD's purposes and operations.

Temporarily Restricted Net Assets – The temporarily restricted net asset class includes assets of WCIEDD related to gifts with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. At December 31, 2011, WCIEDD does not have any temporarily restricted net assets.

Permanently Restricted Net assets – The permanently restricted net asset class includes assets of WCIEDD for which the donor has stipulated that the contribution be maintained in perpetuity. Donor-imposed restrictions limiting the use of the assets or their economic benefit neither expire with the passage of time nor can be removed by satisfying a specific purpose. At December 31, 2011, WCIEDD does not have any permanently restricted net assets.

Cash and Cash Equivalents - WCIEDD considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

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

In-Kind Contributions – Contributions of services are recognized if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated services of \$5,684 are recorded as in-kind revenue for the year-ended December 31, 2011.

The amounts recorded in the expenses were classified as the following:

Travel/Transportation \$1,492  
Other Costs \$4,192

In addition, a substantial number of volunteers have donated significant amounts of their time in relation to WCIEDD's program services. However, these services did not meet the GAAP criteria for reporting in the accompanying financial statements.

Income Taxes - WCIEDD is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, WCIEDD has been determined by the Internal Revenue Service not to be a private foundation under Section 509(a) of the Code. Therefore, no Federal or State income tax provisions or liability is included in these financial statements.

Government Grants – Grant revenue is recognized as received, based on claims filed for grant expenditures. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

**Note 2. Government Grant Activities**

WCIEDD receives a majority of its funding from a third party, the Indiana Family and Social Services Administration (FSSA), by submitting claims to the third party of approval and payment. WCIEDD depends significantly on this third party for funding to carry out its program activities.

The grant amounts are appropriated each year by federal and state agencies. If significant budget cuts are made at the federal and/or state level, the amount of funds that WCIEDD receives could be reduced significantly and have an adverse impact on its operations.

WCIEDD uses certain grant funds received to issue its own contracts to subgrantees and service providers. Although the expenditures made and units of service performed by these subgrantees and service providers are certified as bona fide, documentation of the purpose of such expenditures and units of service performed are subject to audit and review by funding sources. WCIEDD would become liable for the funds required to be returned to the federal agency issuing the contract if a subgrantee or service provider would be unable to adequately document expenditures, substantiate its local costs sharing requirement, document the units of services performed, if they are unable to refund any unearned federal funds.

**Note 3. Operating Leases**

WCIEDD leases administrative office space in Terre Haute, Indiana. The lease runs through February of 2014. Rental fees of \$38,400 related to this lease is included in the statement of activities for the year ended December 31, 2011.

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

As of December 31, 2011, minimum annual rental payments required under operating leases are as follows at December 31:

<u>Year</u>	<u>Amount</u>
2012	\$ 38,400
2013	38,400
2014	<u>38,400</u>
Total	<u>\$ 115,200</u>

**Note 4. Retirement Plan**

On June 1, 2004, WCIEDD started a 401(k) plan for eligible employees. Employee contributions are permitted, and WCIEDD annually contributes a discretionary percentage of each eligible employee's salary. In order to be eligible, an employee must have completed one year of employment and work more than 1,000 hours per year.

Expenses of \$95,115 for the plan year ending December 31, 2010, were paid in January of 2011.

Expenses of \$115,980 for the plan year ending December 31, 2011, were paid in January of 2012.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.  
 COMBINING SCHEDULE OF ACTIVITIES - CASH BASIS  
 For The Year Ended December 31, 2011

	General Unrestricted	Medicaid Waiver	McMillan	C.H.O.I.C.E Totals	Older Hoosiers	ADRC	Title III Totals	SSBG Totals
<b>REVENUE</b>								
Intergovernmental	\$ 45,794	\$ 232,649	\$ -	\$ 1,043,427	\$ 66,205	\$ 25,030	\$ 1,148,154	\$ 322,001
Transferred Subgranted Federal	-	-	-	-	-	-	285,637	150,125
Transferred Subgranted State	-	-	-	52,079	-	-	72,224	-
Transferred Other/Local	359,855	-	-	-	-	-	2,549	3
Other	36,303	-	4,357	25	-	-	109,791	50,292
<b>Total receipts</b>	<b>441,952</b>	<b>232,649</b>	<b>4,357</b>	<b>1,095,531</b>	<b>66,205</b>	<b>25,030</b>	<b>1,618,355</b>	<b>522,421</b>
<b>EXPENDITURES</b>								
Direct Salary & Fringe Costs								
Direct Salaries & Wages	-	59,157	-	201,681	-	6,810	405,125	126,727
Fringe Benefits	-	34,392	-	123,509	-	4,649	189,131	77,929
Other Operating Costs								
Audit Costs & Related Svcs	-	719	-	1,585	-	-	3,132	1,350
Catered Meals	-	33,050	-	25,095	-	-	245,734	27,417
Communication Costs	-	516	-	1,088	-	84	4,116	1,545
Conference	-	-	-	298	-	-	223	7
Consumables	-	-	-	-	-	-	5,402	1,419
Contractual	-	-	-	-	-	-	-	-
Equipment	-	97	-	-	-	893	2,925	-
Fuel	-	-	-	-	-	-	33,731	4,765
Fundraising/Special Events	239	-	-	-	-	-	-	3,873
Indirect Cost	-	20,893	-	49,302	-	-	92,716	34,935
Insurance	-	-	-	-	-	-	4,722	456
Janitorial	-	425	-	253	-	-	1,897	4,555
Maintenance/Repairs	-	-	-	-	-	-	14,732	2,705
Marketing	-	-	-	3,217	-	7,537	6,458	246
Miscellaneous	31,213	655	-	1,072	-	613	18,753	4,597
Office Supplies	-	3,323	-	1,055	-	17	2,094	600
Per Diem	-	-	-	-	-	-	57	-
Pest Control	-	8,692	-	-	-	-	-	-
Printing & Publications	-	-	-	-	-	-	19,210	260
Rental Costs of Bldg & Equip.	-	-	-	911	-	-	25,932	11,734
Training	-	-	-	-	-	252	631	45
Travel	132	7,918	-	9,025	-	115	38,784	4,786
Private Hire Attendant Program	-	-	-	110,021	-	-	-	-
Other Services								
Transferred Other/Local	-	338,733	-	-	-	-	-	-
Transferred Subgranted Federal & State	-	-	-	52,079	72,224	-	285,637	148,652
Sub-contracted Services	-	-	-	597,739	-	-	306,646	18,436
<b>Total disbursements</b>	<b>31,584</b>	<b>508,570</b>	<b>-</b>	<b>1,177,930</b>	<b>72,224</b>	<b>20,970</b>	<b>1,707,788</b>	<b>477,039</b>
Excess (deficiency) of receipts over disbursements	<u>410,368</u>	<u>(275,921)</u>	<u>4,357</u>	<u>(82,399)</u>	<u>(6,019)</u>	<u>4,060</u>	<u>(89,433)</u>	<u>45,382</u>
Cash basis fund balance - beginning	<u>611,689</u>	<u>353,197</u>	<u>20,150</u>	<u>(135,577)</u>	<u>(12,037)</u>	<u>(4,060)</u>	<u>(193,697)</u>	<u>(84,471)</u>
Cash basis fund balance - ending	<u>\$ 1,022,057</u>	<u>\$ 77,276</u>	<u>\$ 24,507</u>	<u>\$ (217,976)</u>	<u>\$ (18,056)</u>	<u>\$ -</u>	<u>\$ (283,130)</u>	<u>\$ (39,089)</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.  
 COMBINING SCHEDULE OF ACTIVITIES - CASH BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	NSIP	PASRR	RCAP Transition	Drug Grant	CDSMP	SHIP Medicare Part D	INDOT Rural Transit	ARRA Rural Transit
<b>REVENUE</b>								
Intergovernmental	\$ 130,916	\$ 187,888	\$ 35,000	\$ 1,622	\$ 16,504	\$ 30,090	\$ 245,949	\$ 15,850
Transferred Subgranted Federal	-	-	-	-	-	-	-	-
Transferred Subgranted State	-	-	-	-	-	-	-	-
Transferred Other/Local	-	-	-	-	-	-	-	-
Other	85	-	-	-	-	74	6,001	-
Total receipts	131,001	187,888	35,000	1,622	16,504	30,164	251,950	15,850
<b>EXPENDITURES</b>								
Direct Salary & Fringe Costs								
Direct Salaries & Wages	-	98,234	8,930	668	11,925	14,660	85,261	-
Fringe Benefits	-	53,922	683	408	7,815	8,872	58,722	-
Other Operating Costs								
Audit Costs & Related Svcs	-	617	-	8	-	16	378	-
Catered Meals	153,490	-	-	-	-	-	-	-
Communication Costs	-	578	-	5	-	807	1,238	-
Conference	-	-	-	-	-	-	75	-
Consumables	-	-	-	313	-	-	-	-
Contractual	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-
Fuel	-	-	-	-	-	-	53,819	-
Fundraising/Special Events	-	-	-	-	-	-	-	-
Indirect Cost	-	21,482	-	218	-	1,081	13,937	-
Insurance	-	-	-	-	-	-	4,555	-
Janitorial	-	-	-	-	-	-	-	-
Maintenance/Repairs	-	-	-	-	-	-	26,898	-
Marketing	-	-	-	-	-	5,077	1,058	-
Miscellaneous	-	552	34,337	-	1,434	913	1,292	15,850
Office Supplies	-	11	82	-	-	-	19	-
Per Diem	-	11	-	-	-	-	-	-
Pest Control	-	-	-	-	-	-	-	-
Printing & Publications	-	-	-	-	-	-	15	-
Rental Costs of Bldg & Equip.	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	668	-
Travel	-	3,063	1,821	2	642	961	45	-
Private Hire Attendant Program	-	-	-	-	-	-	-	-
Other Services								
Transferred Other/Local	-	-	-	-	-	-	-	-
Transferred Subgranted Federal & State	-	-	-	-	-	-	-	-
Sub-contracted Services	-	-	-	-	-	-	-	-
Total disbursements	153,490	178,470	45,853	1,622	21,816	32,387	247,980	15,850
Excess (deficiency) of receipts over disbursements	(22,489)	9,418	(10,853)	-	(5,312)	(2,223)	3,970	-
Cash basis fund balance - beginning	(24,507)	(22,697)	-	-	(2,634)	(4,729)	(41,060)	-
Cash basis fund balance - ending	<u>\$ (46,996)</u>	<u>\$ (13,279)</u>	<u>\$ (10,853)</u>	<u>\$ -</u>	<u>\$ (7,946)</u>	<u>\$ (6,952)</u>	<u>\$ (37,090)</u>	<u>\$ -</u>

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.  
 COMBINING SCHEDULE OF ACTIVITIES - CASH BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Veteran's	INDOT Planning	INDOT Rural Planning	EDA	EPA Brownfield	Grant Adm Projects	Payroll Agency Fund	Totals
<b>REVENUE</b>								
Intergovernmental	\$ 59,198	\$ 313,816	\$ 16,846	\$ 105,667	\$ 257,994	\$ 147,206	\$ -	\$ 4,447,806
Transferred Subgranted Federal	-	-	-	-	-	-	-	435,762
Transferred Subgranted State	-	-	-	-	-	-	-	124,303
Transferred Other/Local	17,124	-	-	25,662	-	-	-	405,193
Other	-	-	-	-	-	-	-	206,928
<b>Total receipts</b>	<b>76,322</b>	<b>313,816</b>	<b>16,846</b>	<b>131,329</b>	<b>257,994</b>	<b>147,206</b>	<b>-</b>	<b>5,619,992</b>
<b>EXPENDITURES</b>								
Direct Salary & Fringe Costs								
Direct Salaries & Wages	47,943	153,793	4,479	62,755	4,300	65,663	-	1,358,111
Fringe Benefits	27,226	89,161	2,056	36,352	1,685	34,197	-	750,709
Other Operating Costs	-	-	-	-	-	-	-	-
Audit Costs & Related Svcs	122	1,348	91	1,115	-	-	-	10,481
Catered Meals	2,515	-	-	-	-	-	-	487,301
Communication Costs	687	1,055	18	1,540	8	-	-	13,285
Conference	-	3,843	-	1,285	-	-	-	5,731
Consumables	-	-	-	-	-	-	-	7,134
Contractual	2,790	-	-	-	249,735	-	-	252,525
Equipment	-	1,177	650	284	-	-	-	6,026
Fuel	-	695	367	-	-	-	-	93,377
Fundraising/Special Events	-	-	-	-	-	-	-	4,112
Indirect Cost	3,632	38,390	1,476	31,501	290	-	-	309,853
Insurance	-	1,002	-	-	-	-	-	10,735
Janitorial	706	-	-	-	-	-	-	7,836
Maintenance/Repairs	-	227	-	-	-	-	-	44,562
Marketing	709	-	-	-	-	-	-	24,302
Miscellaneous	4,352	3,931	634	3,366	13	1,802	-	125,379
Office Supplies	-	601	-	767	-	180	-	8,749
Per Diem	-	34	-	120	-	28	-	250
Pest Control	-	-	-	-	-	-	-	8,692
Printing & Publications	-	1,447	-	-	-	-	-	20,932
Rental Costs of Bldg & Equip.	2,368	-	-	-	-	-	-	40,945
Training	-	-	-	-	-	-	-	1,596
Travel	-	1,517	-	10,549	995	7,844	-	88,199
Private Hire Attendant Program	-	-	-	-	-	-	-	110,021
Other Services								
Transferred Other/Local	19,673	7,365	-	-	-	10,752	-	376,523
Transferred Subgranted Federal & State	-	23,897	-	-	-	6,246	-	588,735
Sub-contracted Services	-	-	-	-	-	-	-	922,821
<b>Total disbursements</b>	<b>112,723</b>	<b>329,483</b>	<b>9,771</b>	<b>149,634</b>	<b>257,026</b>	<b>126,712</b>	<b>-</b>	<b>5,678,922</b>
Excess (deficiency) of receipts over disbursements	<u>(36,401)</u>	<u>(15,667)</u>	<u>7,075</u>	<u>(18,305)</u>	<u>968</u>	<u>20,494</u>	<u>-</u>	<u>(58,930)</u>
Cash basis fund balance - beginning	<u>34,856</u>	<u>(30,951)</u>	<u>(13,495)</u>	<u>(17,408)</u>	<u>91</u>	<u>77,197</u>	<u>8,000</u>	<u>517,857</u>
Cash basis fund balance - ending	<u>\$ (1,545)</u>	<u>\$ (46,618)</u>	<u>\$ (6,420)</u>	<u>\$ (35,713)</u>	<u>\$ 1,059</u>	<u>\$ 97,691</u>	<u>\$ 8,000</u>	<u>\$ 458,927</u>

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

***OVERDRAWN CASH BALANCES***

The cash balances of several funds were overdrawn at December 31, 2011. The overdrawn funds were all reimbursable grant funds which had amounts due.

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

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

Compliance

We have audited the compliance of the West Central Indiana Economic Development District, Inc. (Economic Development District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal program for the year ended December 31, 2011. The Economic Development District's major federal program is 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 the Economic Development District's management. Our responsibility is to express an opinion on the Economic Development District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Economic Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Economic Development District's compliance with those requirements.

In our opinion, the Economic Development District complied in all material respects with the compliance requirements referred to above that that could have a direct and material effect on each of its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The management of the Economic Development District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Economic Development District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

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 the Economic Development District's internal control over compliance.

A deficiency in 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 material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the Economic Development District's management, District Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 26, 2012

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF COMMERCE</u>		
Direct Grant		
Economic Development - Support for Planning Organizations	11.302	\$ 61,628
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>		
Pass-Through Indiana Department of Transportation		
Highway Planning and Construction Cluster		
Highway Planning and Construction	20.205	240,833
Formula Grants for Other Than Urbanized Areas (Nonurbanized Area Formula Program)	20.509	127,761
Public Transportation Research	20.514	7,817
Total for federal grantor agency		135,578
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>		
Direct Grant		
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	
BF-00E94401-0		220,353
BF-00E94801-0		17,566
Total for federal grantor agency		237,919
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		
Pass-Through Indiana Family and Social Services Administration		
Aging Cluster		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	503,702
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	521,839
Nutrition Services Incentive Program	93.053	153,490
Total for cluster		1,179,031
Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	5,248
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	21,424
National Family Caregiver Support, Title III, Part E	93.052	168,318
Social Services Block Grant	93.667	263,467
ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management Program	93.725	21,815
Medicaid Cluster		
Medical Assistance Program	93.778	133,853
Total for Cluster		133,853
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	20,970
Total for federal grantor agency		1,947,979
Total federal awards expended		\$ 2,490,084

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

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

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the West Central Indiana Economic Development District, Inc. (Economic Development District), and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

II. Subrecipients

Of the federal expenditures presented in the schedule, the Economic Development District provided federal awards to subrecipients as follows for the year ended December 31, 2011:

<u>Program Title</u>	<u>2011</u>
Aging Cluster	<u>\$ 139,804</u>



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

No matters are reportable.

WEST CENTRAL INDIANA ECONOMIC DEVELOPMENT DISTRICT, INC.  
EXIT CONFERENCE

The contents of this report were discussed on July 26, 2012, with Mervin J. Nolot, Director, and Dana Jill M. McLain, Bookkeeper. The officials concurred with our audit finding.