

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**

**FINANCIAL STATEMENTS WITH  
SUPPLEMENTARY INFORMATION**

June 30, 2018 and 2017

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Bay Area Workforce Development Board, Inc.  
Green Bay, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Bay Area Workforce Development Board, Inc., which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our 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 from material misstatement.

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bay Area Workforce Development Board, Inc. as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2018 on our consideration of Bay Area Workforce Development Board, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Bay Area Workforce Development Board, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bay Area Workforce Development Board, Inc.'s internal control over financial reporting and compliance.

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Madison, Wisconsin  
December 31, 2018

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2018 and 2017

	2018	2017
<b>ASSETS</b>		
Cash	\$ 283,334	\$ 439,096
Grants receivable	244,482	461,589
Prepaid expenses	14,732	14,168
Equipment - net	3,861	3,847
<b>Total assets</b>	<b>\$ 546,409</b>	<b>\$ 918,700</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 362,365	\$ 418,219
Accrued payroll and related expenses	23,699	23,405
Grant funds received in advance	150,815	465,066
Total liabilities	536,879	906,690
<b>NET ASSETS</b>		
Unrestricted	9,530	12,010
<b>Total liabilities and net assets</b>	<b>\$ 546,409</b>	<b>\$ 918,700</b>

See accompanying notes.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended June 30, 2018 and 2017

	2018	2017
<b>UNRESTRICTED NET ASSETS</b>		
REVENUE		
Government grants	\$ 4,522,383	\$ 4,719,768
Program income	302,201	220,300
Other income	60,059	69,219
Total unrestricted revenue	4,884,643	5,009,287
EXPENSES		
Program services		
Employment and training	1,274,884	1,373,223
Subgrantee employment and training	3,094,540	3,054,171
Total program services	4,369,424	4,427,394
Supporting activities		
Administration	517,699	586,040
Total expenses	4,887,123	5,013,434
<b>Change in net assets</b>	(2,480)	(4,147)
Net assets - beginning of year	12,010	16,157
<b>Net assets - end of year</b>	<b>\$ 9,530</b>	<b>\$ 12,010</b>

See accompanying notes.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (2,480)	\$ (4,147)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	2,480	4,147
(Increase) decrease in assets		
Grants receivable	217,107	(214,603)
Prepaid expenses	(564)	1,515
Increase (decrease) in liabilities		
Accounts payable	(55,854)	(64,356)
Accrued payroll and related expenses	294	1,557
Grant funds received in advance	(314,251)	356,307
Net cash flows from operating activities	(153,268)	80,420
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of equipment	(2,494)	(3,362)
<b>Change in cash</b>	(155,762)	77,058
Cash - beginning of year	439,096	362,038
<b>Cash - end of year</b>	<u>\$ 283,334</u>	<u>\$ 439,096</u>

See accompanying notes.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018 and 2017

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Bay Area Workforce Development Board, Inc. (BAWDB) was organized as a nonprofit corporation in 1979. BAWDB prepares youth and unskilled adults for entry into the workforce and provides economically disadvantaged individuals and others facing barriers to employment with job training in Florence, Marinette, Oconto, Outagamie, Shawano, Door, Kewaunee, Manitowoc, Sheboygan, Menominee, and Brown counties in Wisconsin. The primary source of revenue for BAWDB is federal funds passed through the Wisconsin Department of Workforce Development (DWD).

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

BAWDB reports 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.

**Grants Receivable**

BAWDB considers all grants receivable to be fully collectible. Accordingly, no allowance for doubtful amounts has been developed. If amounts become uncollectible, they will be charged to operations when that determination is made.

**Equipment**

Purchases of equipment in excess of \$1,000 are capitalized at cost. Depreciation is computed using the straight-line method. BAWDB owns equipment acquired with grant funds while used in the programs for which they were purchased or in other future authorized programs. However, DWD has a reversionary interest in those assets. Their disposition, as well as any proceeds, is subject to DWD regulations.

**Government Grants**

The programs of BAWDB are funded by grants from DWD. Revenue from these grants is based upon the actual cost of providing services up to the maximum amount specified in the grants. Costs are allocated to these grants in accordance with established procedures and are subject to audit by DWD. No determination has been made regarding the effect, if any, such audits could have on the financial statements.

**Income Tax Status**

BAWDB is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, BAWDB qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

**Date of Management's Review**

Management has evaluated subsequent events through December 31, 2018, the date which the financial statements were available to be issued.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2018 and 2017

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Expense Allocation**

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 program services and supporting activities benefited. The following program services and supporting activities are included in the accompanying financial statements:

*Employment and training*—Help prepare youth and unskilled adults for entry into the workforce. Also, provide job training to economically disadvantaged individuals and others facing barriers to employment.

*Subgrantee employment and training*—Subcontract with jobs centers to work directly with clients to increase the attainment of basic skills, work readiness or occupational skills, and secondary diplomas or other credentials.

*Administration*—Includes accounting and production of financial reports, development and oversight of the annual budget, maintenance of personnel records, maintenance of personnel evaluations, and organizational governance.

**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. Actual results could differ from those estimates.

NOTE 2—ECONOMIC DEPENDENCY

Approximately 95% of BAWDB's funding is provided from U.S. Department of Labor funds passed through DWD.

NOTE 3—EQUIPMENT

Equipment consisted of the following at June 30, 2018 and 2017:

	2018	2017
Equipment	\$ 175,596	\$ 173,102
Less accumulated depreciation	171,735	169,255
Equipment - net	\$ 3,861	\$ 3,847

Depreciation expense was \$2,480 and \$4,147 for fiscal 2018 and 2017.

NOTE 4—PENSION PLAN

BAWDB sponsors a simplified employee pension plan covering substantially all full-time employees. BAWDB's contributions to the plan are determined at the discretion of the board of directors. Total expense was \$21,941 and \$21,813 for fiscal 2018 and 2017.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018 and 2017

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NOTE 5—CONDITIONAL PROMISES TO GIVE

BAWDB has numerous grants for which the grantor agencies' promises are conditioned upon BAWDB incurring certain qualifying expenses under the grant programs. At June 30, 2018 and 2017, these conditional promises totaled approximately \$3,368,000 and \$2,850,000. These promises will be recognized as revenues when the respective conditions are met in future years.

NOTE 6—OPERATING LEASE

BAWDB leases space for its administrative offices and program operations under operating leases that expire at various dates through September 30, 2019. These leases generally require BAWDB to pay all executory costs such as maintenance and utilities. These leases also include a clause that allows BAWDB to terminate or renegotiate the lease in the event BAWDB's funding is substantially reduced. Rent expense for the years ending June 30, 2018 and 2017 was \$150,329 and \$154,579.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>WIOA Cluster</b>				
Department of Labor				
Wisconsin Department of Workforce Development— WIOA Adult Program	17.258	500, 504, 508	\$ 737,590	\$ 1,213,573
Wisconsin Department of Workforce Development— WIOA Youth Activities	17.259	512, 623	870,126	1,350,786
Wisconsin Department of Workforce Development— WIOA Dislocated Worker Formula Grants	17.278	624, 626, 630	<u>944,365</u>	<u>1,481,129</u>
<b>Total WIOA Cluster</b>			2,552,081	4,045,488
<b>Other Programs</b>				
Department of Labor				
Wisconsin Department of Workforce Development— H-1B Job Training Grants	17.268	260, 264	<u>78,586</u>	<u>88,765</u>
<b>Total Department of Labor</b>			2,630,667	4,134,253
Department of Health and Human Services				
Wisconsin Department of Children and Families—Chafee Education and Training Vouchers Program (ETV)	93.599	3398	-	4,121
Wisconsin Department of Children and Families—Chafee Foster Care Independence Program	93.674	3360, 3361	<u>164,111</u>	<u>356,660</u>
<b>Total Department of Health and Human Services</b>			<u>164,111</u>	<u>360,781</u>
<b>Total expenditures of federal awards</b>			<u>\$ 2,794,778</u>	<u>\$ 4,495,034</u>
State Grantor/Program		State Identifying Number	Passed Through to Subrecipients	Total State Expenditures
Wisconsin Department of Corrections				
Windows to Work Pre and Post Release Programming		410.101 410.111 410.112	\$ 287,201	\$ 302,201
Wisconsin Department of Workforce Development Fast Forward		445.109	-	<u>27,349</u>
<b>Total expenditures of state awards</b>			<u>\$ 287,201</u>	<u>\$ 329,550</u>

See accompanying notes to schedule of expenditures of federal and state awards.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
Year Ended June 30, 2018

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NOTE 1—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the “Schedule”) includes the federal and state award activity of Bay Area Workforce Development Board, Inc. under programs of the federal government and state agencies for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines*. Because the Schedule presents only a selected portion of the operations of Bay Area Workforce Development Board, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Bay Area Workforce Development Board, Inc.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3—INDIRECT COST RATE

Bay Area Workforce Development Board, Inc., has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
Year Ended June 30, 2018

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There were no prior audit findings.



INDEPENDENT AUDITOR'S 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  
Bay Area Workforce Development Board, Inc.  
Green Bay, Wisconsin

We have audited, in accordance with the 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, the financial statements of Bay Area Workforce Development Board, Inc., which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 31, 2018.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bay Area Workforce Development Board, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bay Area Workforce Development Board, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Bay Area Workforce Development Board, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### Compliance and Other Matters

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

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### **Purpose of this Report**

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

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Madison, Wisconsin  
December 31, 2018



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM AND MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

To the Board of Directors  
Bay Area Workforce Development Board, Inc.  
Green Bay, Wisconsin

**Report on Compliance for Major Federal Program and Major State Program**

We have audited Bay Area Workforce Development Board, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* (the *Guidelines*) that could have a direct and material effect on Bay Area Workforce Development Board, Inc.'s major federal program and its major state program for the year ended June 30, 2018. Bay Area Workforce Development Board, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for Bay Area Workforce Development Board, Inc.'s major federal program and its major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *Guidelines*. Those standards, the Uniform Guidance, and the *Guidelines* 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 or major state program occurred. An audit includes examining, on a test basis, evidence about Bay Area Workforce Development 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 on compliance for the major federal program and the major state program. However, our audit does not provide a legal determination of Bay Area Workforce Development Board, Inc.'s compliance.

**Opinion on Major Federal Program and Major State Program**

In our opinion, Bay Area Workforce Development Board, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and its major state program for the year ended June 30, 2018.

**Report on Internal Control over Compliance**

Management of Bay Area Workforce Development Board, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements

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referred to above. In planning and performing our audit of compliance, we considered Bay Area Workforce Development Board, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program and its major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and its major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Guidelines*, 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 Bay Area Workforce Development Board, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *Guidelines*. Accordingly, this report is not suitable for any other purpose.

Wegner CPAs LLP

Wegner CPAs, LLP  
Madison, Wisconsin  
December 31, 2018

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2018

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**Section I—Summary of Auditor's Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258, 17.259 17.278	WIOA Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes

**Section II—Financial Statement Findings**

No matters were reported

**Section III—Federal and State Award Findings and Questioned Costs**

No matters were reported

**BAY AREA WORKFORCE DEVELOPMENT BOARD, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2018

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**Section IV—Other Issues**

Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue, or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines* :

Department of Children and Families	No
Department of Corrections	No
Department of Workforce Development	No

Was a management letter or other document conveying audit comments issued as a result of this audit? Yes

Name and signature of partner



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Scott R. Haumersen, CPA

Date of report

November 30, 2018