Mission ...
Western Wisconsin WDB is a collaborative, interactive and coordinated network of training resources and support services that is providing and retaining a well-skilled labor force for employers in western Wisconsin.

Vision ...
To provide a comprehensive and integrated and customer-driven and results-oriented system for workforce development that responds to the needs of the employers, job seekers, incumbent workers and youth.

Western Wisconsin Workforce Development Board, Inc.

WDB Executive Committee

Monday, January 22, 2018
2:00 to 3:30 p.m.

Western Wisconsin Workforce Development Center
2615 East Avenue South
La Crosse, WI 54601

Call in: (712) 775-7031
Meeting ID: 651-305-857

RSVP your attendance to Jessie
fossj@westernwdb.org

Upcoming Meetings

Monday, March 26, 2018
Monday, May 21, 2018

Committee Members

- ☐ Mark Glendenning, Chair — *Inland*
- ☐ Patti Balacek — *Western Technical College*
- ☐ Tammy Brown, Chair Elect — *Logistics Health, Inc.*
- ☐ Judy Berg — *Berg Enterprises*
- ☐ Jodi Roesler, Past Chair — *Dairyland Power Coop*
- ☐ Pete Eide, Secretary/Treasurer — *Bethel Home and Services, Inc.*
- ☐ James Hill — *LADCO*

Executive Committee Agenda
Meeting Agenda
Monday, January 22, 2018
2:00 to 3:30 p.m.
Workforce Development Center
Small Conference Room

Western Wisconsin Workforce Development Board, Inc.

Agenda Item		Page(s)	Action
I.	**CONSENT ITEMS**		
	A. Call to Order		
	B. Announcements and Introductions		
II.	**ORDER OF BUSINESS**		
	A. Meeting Minutes — November 27, 2017	Pages 3 - 4	X
	B. Financials	Pages 5 - 9	X
	C. Job Center Certification	Page 10	X
	D. Audit Report for Year End June 30, 2017	Pages 11 - 41	X
III.	**CONCLUSION**		
	A. Unfinished Business		
	B. New Business		
IV.	**ADJOURN**		

Board Chair: Mark Glendenning
Minute Scribe: Jessie Foss
Meeting Attendance: See Page 2

I. CONSENT ITEMS

A. Call to Order

Mr. Glendenning called the meeting to order at 2:02 p.m. A quorum was present as indicated by roll call.

B. Announcements and Introductions

None.

II. ORDER OF BUSINESS

A. Meeting Minutes — September 25, 2017

Motion made (Hill/Roesler) to approve the meeting minutes from the September 25, 2017 WDB Executive Committee meeting. Motion carried unanimously.

B. Financials

Ms. Jessie presented the September 2017 financials. She noted that the WIOA Youth contract was slightly overspent due to larger invoices coming in during the busier summer months.

Discussion was held on the board's strategy moving forward in an uncertain fiscal/funding environment. Request was made to add this topic to the December 18, 2017 Full Board agenda.

Motion made (Roesler/Balacek) to approve the financials. Motion carried unanimously.

C. Committee Reports

Ms. Balacek reported on the November 16, 2017 WDB Operations Committee Meeting. Discussion was held during the meeting surrounding program and contract performance and how service providers are reporting. Ms. Mitchell believes the current monthly reporting works well. Ms. Balacek reported Ms. Berg agreed to sit on the RFP taskforce.

Motion made (Brown/Hill) to approve the committee report. Motion carried unanimously.

D. Final PY 17 Budget

Ms. Mitchell presented the PY 17 Budget. Allocations are now actual numbers and Ms. Mitchell increased dollar amounts contracted to subcontractors so they can expend old money. This budget has been approved by the Local Elected Officials.

Motion made (Roesler/Balacek) to approve the Final PY 17 Budget. Motion carried unanimously.

III. CONCLUSION

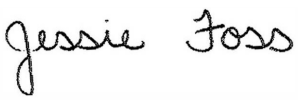
A. Old Business
None.

B. New Business
None.

IV. ADJOURN

Mr. Hill moved to adjourn the meeting. Meeting adjourned at 2:30 p.m.

Respectfully recorded,
Jessie Foss, recorder



Respectfully submitted,
Mark Glendenning

Present	Not Present	Others Present
Mark Glendenning	Judy Berg	Jessie Foss, Western WI WDB
Tammy Brown	Pete Eide	Betsy Jessie (via telephone), JRM CPAs
Patti Balacek (via telephone)		Julie Mitchell, Western WI WDB
James Hill (via telephone)		
Jodi Roesler (via telephone)		

WIOA Adult Budget to Actuals (17-18)
Through 11/30/2017
WIOA

	Budget Approved Annual	Actual Expensed Through 11/30/2017	Budget Remaining (Overspent)	% Expended SL 42%
REVENUE				
Planned Carryover PY 16-17	70,619			
Additional Carryover from PY 16-17	98,082			
Allocations	295,410	132,702		
Less Est Carryover-6/30/18	(59,082)	-		
TOTAL REVENUE	**405,029**	**132,702**		**33%**
EXPENSES - OPERATIONAL				
Staff Wages	4,901	5,280	(379)	108%
Staff Fringe	2,111	1,864	247	88%
Staff Travel	316	68	248	22%
Staff Development	217	-	217	0%
Supplies	277	31	246	11%
Rent	26,310	10,696	15,614	41%
Telephone	186	168	18	90%
Postage, Printing and Photocopying	116	83	33	72%
IT Access/Tech Support/Software	368	25	343	7%
Licenses, Membership and Fees	1,197	1,804	(607)	151%
Insurance	25	-	25	0%
Board, LEO, Meeting Expenses	358	120	238	34%
Subtotal	36,382	20,138	16,244	55%
Business Services--WTC	31,500	-	31,500	0%
Transition to New Provider	20,000	-	20,000	0%
Subcontractor Expenses-WCI	318,000	112,564	205,436	35%
TOTAL EXP - OPERATIONAL	**405,882**	**132,702**	**273,180**	**33%**
Prior Year Expenditures	-	-		
TOTAL FUND EXPENDITURES	**405,882**	**132,702**	**273,180**	
Excess Revenue to be budgeted	*(853)*			

WIOA Youth Budget to Actuals (17-18)
Through 11/30/2017
WIOA

	Budget Approved Annual	Actual Expensed Through 11/30/2017	Budget Remaining (Overspent)	% Expended SL 42%
REVENUE				
Planned Carryover PY 16-17	87,606			
Additional carryover from PY 16-17	92,877	-		
Allocations	371,979	297,541		
Less Est Carryover-6/30/18	(74,396)	-		
TOTAL REVENUE	**478,066**	**297,541**	-	**62%**
EXPENSES - OPERATIONAL				
Salaries/Wages	7,102	3,638	3,464	51%
Staff Fringes	3,085	1,408	1,677	46%
Staff Travel	447	68	379	15%
Staff Development	314	-	314	0%
Supplies	406	37	369	9%
Rent	9,389	3,773	5,616	40%
Telephone	255	114	141	45%
Postage, Printing and Photocopying	168	23	145	14%
IT, Access/Tech Support/Software	540	15	525	3%
Licenses, Memberships, fees	1,756	771	985	44%
Board, LEO Meeting Expenses	527	28	499	5%
Insurances	38	-	38	0%
Subtotal	24,027	9,875	14,152	41%
Subcontractor Expenses - New Provider	21,101	-	21,101	0%
Subcontractor Expenses - WisCorps	433,000	287,666	145,334	66%
TOTAL EXP - OPERATIONAL	**478,128**	**297,541**	**180,587**	**62%**
Prior Year Expenditures	-	-	-	-
TOTAL FUND EXPENDITURES	**478,128**	**297,541**		
Excess Revenue to be budgeted	*(62)*			

WIOA Admin Budget to Actuals (17-18)
Through 11/30/2017
WIOA

	Budget Approved Annual	Actual Expensed Through 11/30/2017	Budget Remaining (Overspent)	% Expended SL 42%
REVENUE				
Planned Carryover PY 16-17	26,040			
Additional Carryover from PY 16-17	25,215	-		
Allocations	102,871	43,644		
Less Est Carryover-6/30/18	(20,574)	-		
TOTAL REVENUE	**133,552**	**43,644**	**-**	**33%**
EXPENSES - OPERATIONAL				
Staff Wages	49,568	17,128	32,440	35%
Staff Fringe	22,490	6,103	16,387	27%
Staff Travel	2,720	1,636	1,084	60%
Staff Development	2,182	359	1,823	16%
Supplies	3,006	191	2,815	6%
Rent	11,481	3,643	7,838	32%
Telephone	2,224	555	1,669	25%
Postage, Printing and Photocopying	1,253	236	1,017	19%
IT Access/Tech Support/Software	4,008	263	3,745	7%
Licenses, Membership and Fees	13,026	6,922	6,104	53%
Insurances	2,754	-	2,754	0%
LEO, Board Expenses, meeting expenses	4,058	770	3,288	19%
Subtotal	118,770	37,805	80,965	32%
Fiscal Agent Expenses	14,739	5,839	8,900	40%
Current Fiscal Year Expenditures	133,509	43,644	89,865	33%
Prior Year Expenditures	-	-		
TOTAL EXPENSES - OPERATIONAL	**133,509**	**43,644**	**89,865**	
Excess revenue to be budgeted	*43*			
Funds used to temporarily cover program costs for grants that were not yet released to the agency		*(0)*		

WIOA DW Budget to Actuals (17-18)
Through 11/30/2017
WIOA

	Budget Approved Annual	Actual Expensed Through 11/30/2017	Budget Remaining (Overspent)	% Expended SL 42%
REVENUE				
Planned Carryover PY 16-17	65,109			
Additional Carryover from PY 16-17	173,277	-		
Allocations	258,486	27,989		
Less Est Carryover-6/30/18	(51,697)	-		
TOTAL REVENUE	**445,175**	**27,989**		**6%**
EXPENSES - OPERATIONAL				
Staff Wages	1,570	340	1,230	22%
Staff Fringes	666	50	616	8%
Staff Travel	105	68	37	65%
Staff Development	70	-	70	0%
Supplies	87	-	87	0%
Rent	25,585	79	25,506	0%
Telephone	57	11	46	20%
Postage, Printing and Photocopying	36	-	36	0%
IT Access/Tech Support/Software	115	2	113	2%
Licenses, Membership and Fees	375	206	169	55%
Board, LEO Meeting Expenses	113	-	113	0%
Insurances	8	-	8	0%
	-			
Subtotal	28,787	757	28,030	3%
Job center expense	-	-	-	0%
Transition to New Provider	10,500	-	10,500	0%
Business Services-WTC	6,500	6,759	(259)	104%
Subcontractors-WCI	400,000	20,473	379,527	5%
TOTAL EXP - OPERATIONAL	**445,787**	**27,989**	**417,798**	**6%**
Prior Year Expenditures	-	-		
TOTAL FUND EXPENDITURES	**445,787**	**27,989**		
Excess Revenue to be budgeted	*(612)*			

Western Wisconsin Workforce Development Board

GRANT STATUS REPORT
As of November 30, 2017

	WIOA Administration	WIOA Administration	WIOA Adult	WIOA Adult	WIOA Dislocated Wkr	WIOA Dislocated Wkr
Grant period	7/1/16-6/30/18	7/1/17-6/30/19	7/1/16-6/30/18	7/1/17-6/30/19	7/1/16-6/30/18	7/1/17-6/30/19
Grant available	$ 124,074	$ 102,871	$ 353,097	$ 295,410	$ 325,543	$ 258,486
Prior year expenditures	*$ 72,819*	*$ -*	*$ 184,396*	*$ -*	*$ 86,887*	*$ -*
Current YTD expenditures	*$ 43,644*	*$ -*	*$ 132,702*	*$ -*	*$ 27,989*	*$ -*
Total expenditures	*$ 116,463*	*$ -*	*$ 317,098*	*$ -*	*$ 114,876*	*$ -*
Grant balance	$ 7,611	$ 102,871	$ 35,999	$ 295,410	$ 210,667	$ 258,486
Percent Spent	93.87%	0.00%	89.80%	0.00%	35.29%	0.00%

	WIOA Youth	WIOA Youth	DOC WTW	Special Response	Transition	Apprentice
Grant period	7/1/16-6/30/18	7/1/17-6/30/19	7/1/17-6/30/18	7/1/17-6/30/19	7/1/17-6/30/18	7/1/17-6/30/18
Grant available	$ 438,028	$ 371,979	$ 58,000	$ 111,389	$ 140,032	$ 75,681
Prior year expenditures	*$ 257,545*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 16,513*
Current YTD expenditures	*$ 180,483*	*$ 117,058*	*$ 22,388*	*$ 18,744*	*$ 107,692*	*$ 19,895*
Total expenditures	*$ 438,028*	*$ 117,058*	*$ 22,388*	*$ 18,744*	*$ 107,692*	*$ 36,408*
Grant balance	$ -	$ 254,921	$ 35,612	$ 92,645	$ 32,341	$ 39,273
Percent Spent	100.00%	31.47%	38.60%	16.83%	76.90%	48.11%

Special Response Grant - This grant covers dislocated workers from the following employers: Eagle Systems and Services, Everbrite, LB&B Associates, ATK, Chartwells, and Foremost Farms.

Dept of Corrections Window to Work (DOC WtW) - This program is to help offenders get back on their feet by helping with employment and surrounding support services.

Rapid Response Transition Grant – This grant is intended to fund Title 1 Adult and Dislocated Worker program services as well as costs incurred in WIOA transition and implementation activities. These activities include WIOA training, new procurements or revised contracts, hiring of additional staff, strategic planning and renegotiation of One-Stop MOU's.

Wisconsin Apprenticeship Growth and Enhancement Strategies (WAGE$) Grant – This grant is intended to fund activities that will lead to additional Registered Apprenticeship opportunities in 3 key sectors – Advanced Manufacturing, Health Care and Information Technology.

Department of Workforce Development
Employment and Training Division
Bureau of Workforce Training
P.O. Box 7972
Madison, WI 53707
Telephone: (608) 266-5370
Fax: (608) 267-0330
Email: DWDDET@dwd.wisconsin.gov

STATE OF WISCONSIN
DWD
Department of Workforce Development

Scott Walker, Governor
Raymond Allen, Secretary

December 20, 2017

Julie Mitchell, WDB Director
Western Wisconsin Workforce Development Board
2615 East Avenue South, Suite 101
La Crosse, WI 54601

Dear Ms. Mitchell:

Thank you for submitting the Wisconsin Job Center System Self-Certification Checklist for the comprehensive job centers within your local Workforce Development Area. This letter serves to confirm that your local Workforce Development Board has certified the comprehensive one-stop centers listed on the Certification signature page dated December 19, 2017, effective until July 1, 2019.

The Workforce Innovation and Opportunity Act of 2014 requires an assessment of the effectiveness, physical and programmatic accessibility and continuous improvement of one-stop centers and the one-stop delivery system be conducted at least once every 3 years (WIOA Sec. 121(g)(1); 20 CFR § 678.800(d)). This assessment, or certification, is a prerequisite to receiving infrastructure funding as described in WIOA section 121(h), 20 CFR § 678.800 (d) and 20 CFR § 678.730.

Sincerely,

Phil Koenig
Director, Bureau of Workforce Training

CC: Mark Glendenning, WDB Chair
Stephanie Elmer, Local Program Liaison

WIPFLi LLP
CPAs and Consultants

Wipfli LLP
2501 West Beltline Highway, Suite 401
Madison, WI 53713

PO Box 8700
Madison, WI 53708-8700

608.274.1980
fax 608.274.8085

www.wipfli.com

December 19, 2017

Board of Directors
Western Wisconsin Workforce Development Board, Inc.
La Crosse, Wisconsin 54602

Dear Board of Directors:

We have audited the financial statements of Western Wisconsin Workforce Development Board, Inc. (the "Organization") for the year ended June 30, 2017, and have issued our report thereon dated December 19, 2017. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility Under Auditing Standards Generally Accepted in the United States and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As stated in our engagement letter dated August 28, 2017, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered 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 with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Organization'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. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Organization's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the purpose of expressing an opinion on the Organization's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Organization's compliance with those requirements.

Supplementary Information Accompanying Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements and, furthermore, management has not requested us to devote attention to any documents containing audited financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to your representative, Ms. Julie Mitchell Sullivan, in our information letter dated September 18, 2017 about planning matters in addition to our engagement letter dated August 28, 2017, accepted by Ms. Julie Mitchell.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the period under audit.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were useful lives of leasehold improvements, allocation of functional expenses, and collectability of receivables.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of Leasehold Improvement Payable, in Note 5 to the financial statements, is based on estimated payments in future periods and a discount rate of 5%.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. We proposed no audit adjustments that could, in our judgement, either individually or in the aggregate, have a significant effect on the Organization's financial reporting process.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 19, 2017, a copy of which accompanies this letter.

Management Consultations With Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, management has not obtained any opinions from other independent accountants on the application of accounting principles generally accepted in the United States which would affect the Organization's financial statements or on the type of opinion which may be rendered on the financial statements.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors for the preceding year. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

We appreciate the opportunity to be of service to Western Wisconsin Workforce Development Board, Inc.

This communication is intended solely for the information and use of the Board of Directors and, if appropriate, management and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Wipfli LLP

Wipfli LLP

Enc.

Western Wisconsin
Workforce Development Board, Inc.

Rivers Region
On the Upper Mississippi

Wipfli LLP
2501 West Beltline Highway, Suite 401
P.O. Box 8700
Madison, WI 53708-8700

This representation letter is provided in connection with your audit of the financial statements of Western Wisconsin Workforce Development Board, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2017 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects in accordance with accounting principles generally accepted in the United States (GAAP).

This representation letter is also provided in connection with your audit of the federal and state award programs of Western Wisconsin Workforce Development Board, Inc. (the "Organization") as of and for the year ended June 30, 2017 which was performed in accordance with auditing standards generally accepted in the United States; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); State of Wisconsin Single Audit Guidelines; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

We understand that the purpose of your testing of transactions and records from the Organization's federal and state programs was to obtain reasonable assurance that the Organization had complied, in all material respects, with the compliance requirements that could have a direct and material effect on each of its major programs.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 28, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with GAAP.

2. The financial statements referred to above are fairly presented in conformity with GAAP.

Wisconsin Workforce Development Center
2615 East Avenue South, Suite 101
La Crosse, Wisconsin 54601
Phone: 608-789-5499 • Fax: 608-789-6046 • www.westernwdb.org

3. We acknowledge our responsibility for 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the statement of financial position date and have been appropriately reduced to their estimated net realizable value.

7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of GAAP.

8. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.

9. There are no uncorrected adjustments that have not been corrected to the financial statements taken at a whole.

10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with GAAP.

11. Material concentrations have been properly disclosed in accordance with GAAP.

12. Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with GAAP.

13. As part of your audit, you prepared the draft financial statements and related notes and schedule of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonattest/nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.

14. We accept responsibility for and have designated an individual with suitable skill, knowledge, or experience to oversee the following nonattest services:

    a. Data collection form preparation
    b. Tax return preparation
    c. Financial statement preparation assistance

Information Provided

15. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, and all audit or relevant monitoring reports, if any, received from funding sources.

    b. Additional information that you have requested from us for the purpose of the audit.

c. Unrestricted access to persons within the Organization from who you determined it necessary to obtain audit evidence.

d. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.

16. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.

17. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization involving:

    a. Management.

    b. Employees who have significant roles in internal control.

    c. Others where the fraud could have a material effect on the financial statements.

19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, regulators, or others.

20. We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse whose effect should be considered when preparing financial statements.

21. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GAAP.

22. We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.

23. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any material asset been pledged, except as disclosed in the notes to the financial statements.

24. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.

25. The Organization has identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.

26. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Organization vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.

27. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

28. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

29. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

30. Western Wisconsin Workforce Development Board, Inc. is an exempt organization under Section 501 (c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up to date.

31. We acknowledge our responsibility for presenting the Schedule of Expenditures of Federal Awards and Other Financial Activity in accordance with accounting principles generally accepted in the United States, and we believe the Schedule of Expenditures of Federal Awards and Other Financial Activity, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States. The methods of measurement and presentation of the Schedule of Expenditures of Federal Awards and Other Financial Activity have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

With Respect to Federal and State Award Programs

32. With respect to federal award programs:

    a. We are responsible for understanding and complying with, and have complied with the requirements of the Uniform Guidance and any other applicable laws and regulations and provisions of contracts and grant agreements.

    b. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program.

    c. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards. We believe the internal control system is adequate and is functioning as intended.

    d. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to federal programs and related activities.

    e. We have received no requests from a federal agency to audit one or more specific programs as a major program.

    f. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards OR confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.

g. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the applicable compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

h. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

i. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2CFR Part 200, Subpart E).

j. We have disclosed to you our interpretation of compliance requirements that have varying interpretations, if any.

k. We have made available to you all documentation relating to the compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

l. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

m. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.

n. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the date as of which compliance was audited.

o. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.

p. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

q. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the requirements of the Uniform Guidance.

r. We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued with six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.

s. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.

t. We have charged costs to federal awards in accordance with applicable cost principles.

u. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

v. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

w. We are responsible for and have accurately completed the auditee section of the Data Collection Form as required by the Uniform Guidance.

x. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

y. We have disclosed to you all contracts or other agreements with our service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

33. There have been no irregularities or instances of fraud involving management, employees who administer federal or state programs, or other employees that could have a material effect on federal and state programs.

34. We have identified to you any previous audits, attestation engagements, or other studies related to the audit objectives and whether related recommendations have been implemented.

35. There has been no known noncompliance occurring subsequent to June 30, 2017 or events occurring subsequent to that date that would require adjustment to or disclosure in the schedule of expenditures of federal and state awards.

Schedule of Expenditures of Federal and State Awards

36. The schedule of expenditures of federal and state awards and related notes to the schedule of expenditures of federal and state awards are accurate and complete in all material respects, presents the information required by Uniform Guidance, and include all federal program expenditures made during the year ended June 30, 2017.

37. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.

38. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

Sincerely,

Julie Mitchell, Executive Director

12/19/17

Report Date

Western Wisconsin Workforce Development Board, Inc.

La Crosse, Wisconsin

Financial Statements and Supplementary Information
Year Ended June 30, 2017

Western Wisconsin Workforce Development Board, Inc.

Financial Statements and Supplementary Information
Year Ended June 30, 2017

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WIPFLi LLP

Independent Auditor's Report

Board of Directors
Western Wisconsin Workforce Development Board, Inc.
La Crosse, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Western Wisconsin Workforce Development Board, Inc., which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and other financial assistance, Schedules A-1 to A-2, which is 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*, issued by the Wisconsin Department of Administration, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017, on our consideration of Western Wisconsin 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 on the effectiveness of Workforce Development Board, Inc.'s internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Western Wisconsin Workforce Development Board, Inc.'s internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP

December 19, 2017
Madison, Wisconsin

Western Wisconsin Workforce Development Board, Inc.

Statement of Financial Position
June 30, 2017

Assets		
Current assets:		
Cash	$	3,000
Other receivables		75
Grants receivable		246,912
Total current assets		249,987
Leasehold improvements, net		107,375
TOTAL ASSETS	$	357,362
Liabilities and Net Assets		
Current liabilities:		
Current maturities of leasehold improvement payable, net	$	9,806
Accounts payable		233,434
Accrued payroll and related expenses		7,085
Accrued vacation		5,908
Grant funds received in advance		3,000
Total current liabilities		259,233
Long-term leasehold improvement payable, net		97,767
Total liabilities		357,000
Unrestricted net assets		362
TOTAL LIABILITIES AND NET ASSETS	$	357,362

See accompanying notes to financial statements.

Western Wisconsin Workforce Development Board, Inc.

Statement of Activities
Year Ended June 30, 2017

Revenue:	
Grant and contract revenue	$ 1,446,087
Other income	2,915
Total revenue	1,449,002
Expenses:	
Salaries and wages	105,254
Pension	5,040
Other employee benefits	28,216
Accounting	33,212
Board expenses	4,932
Depreciation	8,948
Equipment, repairs and maintenance	12,535
Insurance	2,566
Job center expense	2,506
Occupancy	61,061
Other	31,192
Staff travel and development	6,619
Participant training	69,601
Subcontractor	1,077,320
Total expenses	1,449,002
Change in net assets	0
Net assets at beginning of the year	362
Net assets at end of the year	$ 362

See accompanying notes to financial statements.

Western Wisconsin Workforce Development Board, Inc.

Statement of Cash Flows
Year Ended June 30, 2017

Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	$	0
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation		8,948
Changes in operating assets and liabilities:		
Grants receivable	(	35,617)
Other receivables		744
Accounts payable	(	2,941)
Accrued payroll and related expenses	(	1,290)
Accrued vacation		1,140
Grant funds received in advance	(	4,706)
Net cash used in operating activities	(	33,722)
Cash flows from financing activities:		
Principal payments on leasehold improvement payable	(	9,329)
Net cash used in financing activities	(	9,329)
Change in cash	(	43,051)
Cash at beginning of the year		46,051
Cash at end of the year	$	3,000
Supplemental schedule of other cash activity:		
Interest paid and expensed	$	5,633

See accompanying notes to financial statements.

Western Wisconsin Workforce Development Board, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Western Wisconsin Workforce Development Board, Inc. was organized as a nonprofit corporation in 2000. Western Wisconsin Workforce Development Board, Inc. was formed to the local Workforce Development Board in accordance with the provision of the federal Workforce Investment Act for the counties of: Buffalo, Trempealeau, Jackson, Monroe, Juneau, La Crosse, Vernon and Crawford. Western Wisconsin Workforce Development Board, Inc. is primarily supported through federal and state government grants. Approximately 96% of Western Wisconsin Workforce Development Board, Inc.'s revenue is federal pass-through funds received from the State of Wisconsin, Department of Workforce Development (DWD) for the year ended June 30, 2017.

Basis of Presentation

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

Classification of Net Assets

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

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

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

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

Use of Estimates

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

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to Western Wisconsin Workforce Development Board, Inc. that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets, if the restrictions expire in the fiscal year in which the contributions are recognized.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

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

B. Grant Awards That Are Exchange Transactions

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

Other Receivables

Other receivables consist primarily of amounts billed for shared space costs. Western Wisconsin Workforce Development Board, Inc. analyzes the receivables and records an allowance for doubtful accounts based on prior collection, experience, and specific customer attributes. There was no allowance for doubtful accounts related to other receivables at June 30, 2017.

Leasehold Improvements

Western Wisconsin Workforce Development Board, Inc. considers property, equipment and lease improvements to be items with a cost of $5,000 or more and an estimated useful life of over one year. These assets are capitalized at cost and depreciated over their useful life. Leasehold improvements are amortized using the straight-line method over the initial term of the lease or useful life, whichever is shorter. Amortization expense is included with depreciation expense.

Note 1: Summary of Significant Accounting Policies (Continued)

Income Taxes

Western Wisconsin Workforce Development Board, Inc. is a nonprofit corporation organized under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and Wisconsin franchise income taxes.

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

Cost Allocation

Direct costs that can be identified specifically with a final cost objective are directly charged to the program benefited. Joint costs incurred for the common benefit of two or more organization programs that cannot be readily identified with a final cost objective are allocated on the basis of personnel hours spent on specific programs. Continuous time studies are used as the basis for allocating all joint costs.

Subsequent Event

Subsequent events have been evaluated through December 19, 2017, which is the date the financial statements were available to be issued.

Note 2: Concentration of Credit Risk

Western Wisconsin Workforce Development Board, Inc. maintains cash at one financial institution. Account balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At times during the year balances in this account may exceed the insurance limits. Management believes these financial institutions have strong credit ratings and credit risk related to these deposits is minimal.

Note 3: Grants Receivable

Grants receivable at June 30, 2017, consisted of the following:

State of Wisconsin: Dept. of Workforce Development (DWD)	$	239,453
State of Wisconsin: Dept. of Correction (DOC)		6,759
Other		700
Total	$	246,912

Note 4: Leasehold Improvements

A summary of the leasehold improvements as of June 30, is as follows:

Leasehold improvements	$	134,219
Accumulated depreciation	(	26,844)
Leasehold improvements, net	$	107,375

Note 5: Leasehold Improvement Payable

Leasehold improvement payable consisted of the following at June 30:

Note payable to PM2, LLC at 0% interest with monthly payments of $1,247 for years one through ten and $518 thereafter, due June 2029.	$	135,815
Discounted at 5% - imputed interest on 0% loan	(	28,242)
Subtotal		107,573
Current portion	(	9,806)
Long-term leasehold improvement payable	$	97,767

The maturity of the leasehold improvement payable is as follows:

2018	$	9,806
2019		10,308
2020		10,835
2021		11,389
2022		11,972
Thereafter		53,263
Total	$	107,573

Note 6: Lease Activity

Western Wisconsin Workforce Development Board, Inc. leases a facility for operation of its programs. Rent expense for the year ended June 30, 2017, was $61,061. The lease contains two 5 year extensions. The future minimum lease payments are as follows:

2018	$	66,287
2019		67,281
Total	$	133,568

Note 7: Pension Plan

Western Wisconsin Workforce Development Board, Inc. has established a retirement plan authorized under Section 401(k) of the Internal Revenue Code. Employee contributions are vested upon contribution to the plan. The total pension expense for the year ended June 30, 2017, was $5,040.

Note 8: Functional Classification of Expenses

The following program and supporting services are reflected in the statement of activities for the year ended June 30, 2017:

Program activities		
Adult programs	$	419,728
Youth programs		492,588
Dislocated worker programs		373,310
Other programs		19,428
Total program activities		1,305,054
Management and general		143,948
Total expenses	$	1,449,002

Note 9: Grant Awards

At June 30, 2017, Western Wisconsin Workforce Development Board, Inc. had commitments for future funding under various grant awards of approximately $749,000. The revenue relating to these grants is not recognized in the accompanying financial statements as the revenue recognition is conditional on the incurrence of expenditures or the performance of services in the future.

Supplementary Information

Western Wisconsin Workforce Development Board, Inc.

Schedule A-1
Schedule of Expenditures of Federal Awards and Other Financial Assistance
Year Ended June 30, 2017

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Program Period	Program or Award Amount	Pass-Through to Subrecipient	Federal Expenditures
U.S. Department of Labor						
Passed through State of Wisconsin Department of Workforce Development (DWD)						
WIOA Administration	17.258	#3639	04/01/16-06/30/18	$ 41,358	$ 0	$ 24,273
WIOA Adult - Q2-4	17.258	#3598	10/01/15-06/30/17	389,381	126,177	177,730
WIOA Adult	17.258	#3640	07/01/17-06/30/18	353,097	154,894	184,396
Total Federal Expenditures - CFDA 17.258					**281,071**	**386,399**
WIOA Administration	17.259	#3639	04/01/16-06/30/18	41,358	0	24,273
WIOA - Administration - Q2-4	17.259	#3595	10/01/15-06/30/17	74,016	0	71,129
WIOA - Youth	17.259	#3576	04/01/15-06/30/17	534,044	203,628	235,043
WIOA - Youth	17.259	#3624	04/01/16-06/30/18	438,028	257,545	257,545
Total Federal Expenditures - CFDA 17.259					**461,173**	**587,990**
WIOA - Special Response - Annual	17.278	#RRG1609Annual	06/30/16-06/30/17	40,554	32,168	40,554
WIOA - Special Response - Transition	17.278	#RRG1609TG	06/30/16-06/30/17	95,647	68,951	95,647
WIOA Administration	17.278	#3639	04/01/16-06/30/18	41,358	0	24,273
WIOA Dislocated Worker - Q2-4	17.278	#3594	10/01/15-06/30/17	276,773	109,286	150,222
WIOA Dislocated Worker	17.278	#3641	07/01/16-06/30/18	325,543	73,811	86,887
Total Federal Expenditures - CFDA 17.278					**284,216**	**397,583**
Total Federal Expenditures - WIA Cluster (CFDA 17.258, 17.259 and 17.278)					**1,026,460**	**1,371,972**
Wisconsin Apprenticeship Growth and Enhancement Strategies (WAGE$)	17.268	#3631	10/01/15-09/30/20	126,135	**0**	**16,513**
TOTAL U.S. DEPARTMENT OF LABOR					**1,026,460**	**1,388,485**
TOTAL FEDERAL EXPENDITURES					**1,026,460**	**1,388,485**

See Independent Auditor's Report.

Western Wisconsin Workforce Development Board, Inc.

Schedule A-2
Schedule of Expenditures of Federal Awards and Other Financial Assistance
Year Ended June 30, 2017

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Program Period	Program or Award Amount	Pass-Through to Subrecipient	State Expenditures
OTHER STATE PROGRAMS						
Passed through State of Wisconsin Department of Corrections						
Window to Work	N/A	#410039-V17-RLH5725-ING-09	07/01/16-06/30/17	58,000	**50,860**	**57,602**
TOTAL FEDERAL AND OTHER FINANCIAL ASSISTANCE					**$ 1,077,320**	**$ 1,446,087**

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and other financial assistance (the "Schedule") includes the federal, state and other local grant activity of Western Wisconsin Workforce Development Board, Inc. under programs of the federal, state and local government for the year ended June 30, 2017. 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 Wisconsin State Single Audit Guidelines. Because the schedule presents only a selected portion of the operations of Western Wisconsin Workforce Development Board, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Western Wisconsin 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 - Indirect Cost Rate

Western Wisconsin Workforce Development Board, Inc. has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

WIPFLI LLP

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

Board of Directors
Western Wisconsin Workforce Development Board, Inc.
La Crosse, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Western Wisconsin Workforce Development Board, Inc. which comprise the statement of financial position as of June 30, 2017, 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 19, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Western Wisconsin 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 Western Wisconsin Workforce Development Board, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Western Wisconsin 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 Western Wisconsin 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*.

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* and in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

December 19, 2017
Madison, Wisconsin

WIPFLi LLP

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

Board of Directors
Western Wisconsin Workforce Development Board, Inc.
La Crosse, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Western Wisconsin Workforce Development Board, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2017. Western Wisconsin Workforce Development Board, Inc.'s major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Western Wisconsin Workforce Development Board, Inc.'s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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*, issued by the Wisconsin Department of Administration. Those standards and Uniform Guidance 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 and state program occurred. An audit includes examining, on a test basis, evidence about Western Wisconsin 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 each major federal and state program. However, our audit does not provide legal determination on Western Wisconsin Workforce Development Board, Inc.'s compliance.

Opinion on Each Major Federal and State Program

In our opinion, Western Wisconsin 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 each of its major federal and state programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of Western Wisconsin Workforce Development Board, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Western Wisconsin Workforce Development Board, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major or federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit 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 Western Wisconsin 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 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 or state program will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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 Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

December 19, 2017
Madison, Wisconsin

Western Wisconsin Workforce Development Board, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major federal and state programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)] and *State Single Audit Guidelines*, as applicable?	No

Identification of major federal and state programs:

Name of Federal Major Program or Cluster	CFDA No.
• **U.S. Department of Labor**	
WIOA cluster	17.258, 17.259 and 17.278

Name of State Major Program or Cluster	State ID No.
Windows to Work	N/A

Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	$750,000
State	$250,000
Auditee qualified as low-risk auditee?	Yes

Western Wisconsin Workforce Development Board, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2017

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Year Findings

None

Section V - 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 related to grants/contracts with funding agencies that require audits to be in accordance with the *Wisconsin State Single Audit Guidelines?*	
Wisconsin Department of Workforce Development	No
Wisconsin Department of Corrections	No
Was a management letter or other document conveying audit comments issued as a result of this audit?	No
Name and signature of partner	Jean M. Christensen, CPA
Date of report	December 19, 2017