

Western Technical College District

La Crosse, Wisconsin

Federal and State Single Audit Reports

Year Ended June 30, 2019

Western Technical College District

Federal and State Single Audit Reports

Year Ended June 30, 2019

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

District Board
Western Technical College District
La Crosse, Wisconsin

We have audited, 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, the financial statements of the business-type activities of Western Technical College District (Western) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Western's basic financial statements, and have issued our report thereon dated November 13, 2019. Our report includes a reference to other auditors who audited the financial statements of Western Technical College Foundation, Inc. (the "Foundation"), as described in our report on Western's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Western's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Western's internal control. Accordingly, we do not express an opinion on the effectiveness of Western'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 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 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting 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'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 Western's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Western's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

November 13, 2019
Eau Claire, Wisconsin



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

District Board
Western Technical College District
La Crosse, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Western Technical College District's (Western) 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, 2019. Western'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

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Western's major federal and state programs based on an 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; 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 *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Those standards and the 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 or state program occurred. An audit includes examining, on a test basis, evidence about Western's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. The financial statements of the Western Technical College Foundation, Inc. (the "Foundation"), a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

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 a legal determination on Western's compliance.

Basis for Qualified Opinion on the Student Financial Assistance Cluster

As described in the accompanying schedule of findings and questioned costs, Western did not comply with the requirements regarding timeliness of student enrollment reporting for graduates and other students who ceased enrollment in the Student Financial Assistance Cluster as described in finding number 2019-001. Compliance with such requirements is necessary, in our opinion, for Western to comply with the requirements applicable to the programs.

Qualified Opinion on the Student Financial Assistance Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Western complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Student Financial Assistance Cluster for the year ended June 30, 2019.

Unmodified Opinion on Major State Programs

In our opinion, Western 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 state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Western 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'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 are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major 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'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 the attention of 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, and therefore material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a material weakness.

Western's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Western's response was not subject to the auditing procedures applied in the audit of compliance, and accordingly we express no opinion on the response.

Report on the Schedules of Expenditures of Federal and State Awards

We have audited the financial statements of the business-type activities of Western as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Western's basic financial statements. We issued our report thereon dated November 13, 2019, which contained unmodified opinions on those basic financial statements. Our report includes a reference to other auditors who audited the financial statements of Western Technical College Foundation, Inc. (the "Foundation") as described in our report on Western's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration and is not a required part of the basic 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 basic 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 basic financial statements or to the basic 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 basic financial statements as a whole.

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 *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

November 13, 2019
Eau Claire, Wisconsin

Western Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Award Description	Federal Catalog Number	Grant/Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				Federal	Match/ Local		
<u>U.S. Department of Interior</u>							
Individual Reservations							
Indian Education - Higher Education Grant Program Cluster	15.114	N/A	\$ 170,374	\$ 170,374	\$ -	\$ 170,374	\$ -
<u>U.S. Department of Labor</u>							
Direct Payment							
YouthBuild							
YouthBuild La Crosse	17.274	YB-29962-17-60-A-55	1,004,320	301,708	26	301,734	-
<u>National Science Foundation</u>							
Direct Payment							
Education and Human Resources							
Project ADAPT - Automation Workforce Development through Aligned Industry Partners	47.076	1801063	564,093	210,626	83	210,709	-
<u>U.S. Department of Veteran Affairs</u>							
Direct Payment							
Survivors and Dependents Educational Assistance	64.117	N/A	4,335	4,335	-	4,335	-
<u>U.S. Department of Education</u>							
Direct Payments							
Student Financial Assistance Cluster							
Federal Supplemental Educational Opportunity Grants	84.007	P007A184564	107,978	107,978	35,992	143,970	-
Supplemental Educational Opportunity Grants							
Federal Work-Study Program	84.033						
Work Study		P033A184564	117,146	117,146	39,048	156,194	-
Administrative Fees		P033A184564	9,684	9,684	-	9,684	-
Total Federal Work-Study Program				126,830	39,048	165,878	-

Western Technical College District

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

Award Description	Federal Catalog Number	Grant/Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				Federal	Match/Local		
<u>U.S. Department of Education (Continued)</u>							
Federal Pell Grant Program	84.063						
Grants		P063P172435	\$ (2,851)	\$ (2,851)	\$ -	\$ (2,851)	\$ -
Grants		P063P182435	6,538,086	6,538,086	-	6,538,086	-
Administrative Fees		P063Q162435	15	15	-	15	-
Administrative Fees		P063Q172435	665	665	-	665	-
Administrative Fees		P063Q182435	8,195	8,195	-	8,195	-
Total Federal Pell Grant Program				6,544,110	-	6,544,110	-
Federal Direct Student Loans	84.268						
Stafford Loans		P268K182435	(8,927)	(8,927)	-	(8,927)	-
Stafford Loans		P268K192435	10,033,707	10,033,707	-	10,033,707	-
Total Federal Direct Student Loans				10,024,780	-	10,024,780	-
Total Student Financial Assistance Cluster				16,803,698	75,040	16,878,738	-
<u>Wisconsin Technical College System</u>							
Adult Education - Basic Grants to States	84.002						
Adult Basic Education		02-701-146-129	207,047	207,047	347,616	554,663	-
Institutionalized Individuals		02-704-146-119	63,750	63,750	39,964	103,714	-
Adult Basic Education for Re-entry Students		02-708-146-119	63,750	63,750	22,083	85,833	-
Total Adult Education - Basic Grants to States				334,547	409,663	744,210	-

Western Technical College District

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

Award Description	Federal Catalog Number	Grant/Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				Federal	Match/ Local		
U.S. Department of Education (Continued)							
Wisconsin Technical College System							
Career and Technical Education - Basic Grants to States	84.048						
Career Prep		02-711-150-219	\$ 40,719	\$ 40,719	\$ 61	\$ 40,780	\$ -
Non-Traditional Occupations Services		02-737-150-269	35,232	35,232	175	35,407	-
Support Services and Remedial Instruction/ Special Populations		02-750-150-239	337,131	337,131	455,232	792,363	-
Program Improvement/Curriculum Modification and Alternate Delivery		02-786-150-259	88,003	88,003	171	88,174	-
Total Career and Technical Education - Basic Grants to States				501,085	455,639	956,724	-
Rehabilitation Services - Vocational Rehabilitation Grants to States							
Rehabilitation Services	84.126	N/A	34,059	34,059	-	34,059	-
Direct Payment							
Adult Education - National Leadership Activities	84.191D						
PROVEN to Work: Improved and Expanded Reentry Education Model		V191D150033	1,199,667	270,450	149	270,599	-
Project YES - Young Parents Educational Success	84.335A						
CCAMPIS - Childcare Access Means Parents in School		P335A170164	67,170	57,097	-	57,097	-
Total U.S. Department of Education				18,000,936	940,491	18,941,427	-

Western Technical College District

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

Award Description	Federal Catalog Number	Grant/Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				Federal	Match/ Local		
<u>U.S. Department of Homeland Security</u>							
<u>Wisconsin Technical College System</u>							
FEMA Assistance to Firefighters	97.044						
Fire Equipment for Improved Training		02-739-153-119	\$ 31,027	\$ 28,378	\$ 4,256	\$ 32,634	\$ -
TOTAL FEDERAL AWARDS				\$18,716,357	\$ 944,856	\$19,661,213	\$ -

Western Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2019

Award Description	State I.D. Number	Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				State	Match		
<u>Wisconsin Higher Education Aids Board</u>							
Wisconsin Higher Education Grant	235.102	N/A	\$ 1,181,857	\$ 1,181,857	\$ 542	\$ 1,182,399	\$ -
Remission of Fees for Veterans and Dependents	235.105	N/A	266,232	266,232	-	266,232	-
Minority Retention Grant	235.107	N/A	11,130	11,130	-	11,130	-
Covenant Scholars	235.108	N/A	11,876	11,876	-	11,876	-
Academic Excellence Scholarship Grant	235.109	N/A	3,375	3,375	3,375	6,750	-
Talent Incentive Program	235.114	N/A	55,300	55,300	-	55,300	-
Nursing Student Loan	235.117	N/A	12,000	12,000	-	12,000	-
Covenant Foundation	235.131	N/A	5,250	5,250	-	5,250	-
Indian Student Assistance Grant	235.132	N/A	27,775	27,775	-	27,775	-
Technical Excellence Scholarship	235.119	N/A	57,377	57,377	57,375	114,752	-
Total Wisconsin Higher Education Aids Board				1,632,172	61,292	1,693,464	-
<u>Wisconsin Technical College System</u>							
Emergency Assistance Grants/Student Emergency Fund	292.104	02-833-104-119	17,494	19,503	-	19,503	-
State Aids for Vocational, Technical, and Adult Education	292.105	N/A	5,576,736	5,576,736	-	5,576,736	-
<u>Grants to District Boards</u>							
Statewide Grants							
Supporting WACRAO Veterans' Conference		02-803-124-199	2,494	2,494	5	2,499	-
Meeting the Captioning Needs for Western		02-811-124-198	20,000	14,804	-	14,804	-
Shortening Dev. Ed & Integrating Supports for Gatekeeper Courses		02-852-124-198	20,000	18,064	-	18,064	-
Systemwide Plumbing Apprenticeship BTL Course Content Development		02-860-124-188	36,300	8,035	57	8,092	-
<i>Passed through Chippewa Valley Technical College</i> AMN-NW Gold Collar Careers		01-887-124-189	7,269	7,269	547	7,816	-
Apprentice-Related Instruction							
Machinist/Tool and Die/Injection Mold Set-up		02-861-124-119	5,400	5,400	-	5,400	-
Career Pathways							
Career Pathway through IT Academies		02-846-124-129	125,378	71,350	23,783	95,133	-
Creating a New Career Pathway in Digital Marketing		02-850-124-129	111,651	110,127	36,707	146,834	-

Western Technical College District

Schedule of Expenditures of State Awards (Continued)

Year Ended June 30, 2019

Award Description	State I.D. Number	Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				State	Match		
<u>Wisconsin Technical College System (Continued)</u>							
Grants to District Boards (Continued)	292.124						
Core Industry							
Meeting the Regional Need for Medical Assistants		02-848-124-139	\$ 749,959	\$ 285,812	\$ -	\$ 285,812	\$ 199,420
Developing Markets							
Supporting Industrial Automation Diffusion		02-851-124-149	199,990	63,698	-	63,698	-
Professional Development							
Maintaining Occupational Excellence at Western		02-820-124-159	4,586	3,645	3,644	7,289	-
Western Teaching and Learning Excellence		02-829-124-159	53,074	53,074	27,049	80,123	-
Workforce Advancement Training Grants							
McLoone Metal Graphics		02-832-124-179	11,315	4,508	48	4,556	-
Advanced Fiber Products		02-910-124-178	24,034	8,290	-	8,290	-
Badger Mining Corporation		02-912-124-178	63,049	18,017	-	18,017	-
Dura Tech Industries		02-915-124-178	25,270	13,339	-	13,339	-
GEA Farm Technologies		02-916-124-178	33,661	5,083	-	5,083	-
Hi-Crush		02-917-124-178	29,856	4,788	-	4,788	-
Interior Systems International		02-918-124-178	10,525	5,056	-	5,056	-
La Crosse Seed		02-919-124-178	10,909	5,872	-	5,872	-
Norwinn Company		02-920-124-178	14,379	5,149	-	5,149	-
Westby Cooperative Creamery		02-921-124-178	22,310	4,250	-	4,250	-
Walker Engineered Products		02-922-124-178	18,423	2,228	-	2,228	-
CNA/CMA		02-923-124-178	55,004	4,942	-	4,942	-
Ashley Furniture		02-927-124-179	48,371	19,257	-	19,257	-
City Brewing Company		02-928-124-179	20,888	14,410	-	14,410	-
Electromechanical Consortium		02-929-124-179	65,878	44,218	-	44,218	-
Hi-Crush		02-930-124-179	48,928	36,149	-	36,149	-
Logistics Health Incorporated		02-931-124-179	28,636	22,591	-	22,591	-
Metallics, Inc.		02-933-124-179	7,897	7,897	439	8,336	-
Regal Beloit		02-934-124-179	29,316	22,690	-	22,690	-
Triple R		02-935-124-179	25,450	11,236	-	11,236	-
Tri-State Ambulance		02-936-124-179	151,767	88,909	-	88,909	-
USEMCO		02-937-124-179	36,257	32,265	429	32,694	-
Total Grants to District Boards				1,024,916	92,708	1,117,624	199,420

Western Technical College District

Schedule of Expenditures of State Awards (Continued)

Year Ended June 30, 2019

Award Description	State I.D. Number	Pass-Through Agency Number	Program or Award Amount	Revenues		Total Expenditures	Passed Through to Subrecipients
				State	Match		
<u>Wisconsin Technical College System (Continued)</u>							
Co-Bundle! Grant	232.132	02-853-132-119	\$ 6,430	\$ 6,430	\$ -	\$ 6,430	\$ -
Fire Service Certification Program	292.137	N/A	32,733	32,733	-	32,733	-
Interagency Funds HazMat Program	292.138	N/A	3,510	3,510	-	3,510	-
Property Tax Relief Aid	292.162	N/A	15,186,143	15,186,143	-	15,186,143	-
Total Wisconsin Technical College System				21,849,971	92,708	21,942,679	199,420
<u>Wisconsin Department of Workforce Development</u>							
Expanded Wisconsin Fast Forward	445.109						
Nursing Assistant High School Academies		EFF182HS10012	95,571	21,932	-	21,932	-
Total Expanded Wisconsin Fast Forward				21,932	-	21,932	-
TOTAL STATE AWARDS				\$ 23,504,075	\$ 154,000	\$ 23,658,075	\$ 199,420

Western Technical College District

Notes to the Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2019

Note 1 Basis of Presentation

The accompanying schedules of expenditures of federal and state awards include the federal and state award activity of Western Technical College District under programs of the federal and state government for the year ended June 30, 2019. The information in these schedules 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* and *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Because the schedules present only a selected portion of the operations of Western Technical College District, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of Western Technical College District.

Note 2 Summary of Significant Accounting Policies

Expenditures reported on the schedules are reported on the accrual basis of accounting, except for federal awards expenditures by subrecipients. 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 schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Western Technical College District has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Western Technical College District

Notes to the Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2019

Note 4 Subrecipients

For the year ended June 30, 2019, no federal awards were provided to subrecipients.

Of the state expenditures presented in the schedule, Western Technical College District provided state awards to subrecipients as follows:

Award Number	State I.D. Number	Funding Agency	Subrecipient	Amount Provided to Subrecipients
02-848-124-139	292.124	Wisconsin Technical College System	Mid-State Technical College	\$ 199,420

Western Technical College District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2019

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	No
Noncompliance material to the financial statements?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified not considered to be material weakness(es)?	No
Type of auditor's report issued on compliance for major programs:	
Student Financial Assistance Cluster	Qualified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major federal programs:	

CFDA Number

Name of Federal Program or Cluster

	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans

Western Technical College District

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2019

Section I – Summary of Auditor's Results (Continued)

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as a low-risk auditee? Yes

State Awards

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified not considered to be material weakness(es)? No

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

Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? No

Identification of major state programs:

State I.D. Number	Name of State Program
235.102	Wisconsin Higher Education Grant
235.114	Talent Incentive Program
235.119	Technical Excellence Scholarship
292.105	State Aids for Vocational, Technical, and Adult Education
292.162	Property Tax Relief Aid

Dollar threshold used to distinguish between Type A and Type B Programs \$250,000

Section II – Financial Statement Findings

There were no findings required to be reported in accordance with *Generally Accepted Government Auditing Standards*.

Western Technical College District

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2019

Section III – Federal and State Findings and Questioned Costs

2019-001 Late Enrollment Reporting for Loan Programs

Program Affected - Student Financial Assistance Cluster (Title IV Programs)

Criteria - Per 34 CFR 685.309, schools must complete and return within 30 days the Enrollment Reporting roster file sent by the Department of Education. Once received, the institution must update for changes in student status, report the date the enrollment status was effective, enter the new anticipated completion date, and submit the changes electronically through the batch method or the NSLDS website. Institutions are responsible for timely reporting, whether they report directly or via a third party servicer. Unless the school expects to complete its next roster within 60 days, the school must notify the lender or the guaranty agency within 30 days, if it discovers that a student who received a loan either did not enroll or ceased to be enrolled on at least a half-time basis.

Condition - During our testing of enrollment reporting for 2019, we selected a total of 71 students who had either graduated or ceased enrollment during the year. For five out of the 71 students, we noted that their status was not properly updated within the required timeframe.

Known Questioned Costs - \$0

Cause - For students who received late approval to graduate, Western's procedures did not appropriately identify and update their status. Several other students were identified by Western, but were not properly identified by their third-party servicer.

Effect - The Clearinghouse and lenders were not notified within the property time period that students had graduated and ceased enrollment.

Recommendation - We recommend the personnel at Western review and update their procedures for reporting graduate students to the Clearinghouse to ensure that students who graduate under uncommon circumstances are properly updated within the required timeframes. Western should also monitor the activities of their third-party servicer to ensure that the updates they submit are properly reflected in the student's enrollment history.

Management's Response – Upon notification of the situation by Wipfli, Western updated the records of the identified students to ensure that their status has been appropriately updated to NSLDS. Additionally, Western has identified several new processes to assure our graduates are being reported to the NSLDS within the required time frame.

Western Technical College District

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2019

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 noncompliance, nonmaterial noncompliance, 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:

Wisconsin Higher Education Aids Board No
Wisconsin Technical College System No
Wisconsin 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

Dan Walker, CPA

Date of report

November 13, 2019

Western Technical College District

Schedule of Prior Year's Findings and Questioned Costs

Year Ended June 30, 2019

Financial Statement Findings

None.

Federal and State Award Findings and Questioned Costs

None.

November 11, 2019

Western Technical College submits the following corrective action plan for the identified finding for the year ended June 30, 2019.

Finding 2019-001 – Late Enrollment Reporting for Loan Programs

Corrective Action

Upon notification of the situation by Wipfli, Western has identified several new processes to assure our graduates are being reporting to the NSLDS within the 60-day period.

1. Create new reports to identify courses not applying to the students' academic plans. Manually update these courses once identified.
2. Send reports of students near completion to the Academic Deans to identify potential graduates who may have course substitutions. The Deans will sign off on each student and send the report back.
3. Manually update all students submitted to the National Student Clearinghouse via Degree Verify whose graduation came back as G not applied.
4. Work with the National Student Clearinghouse to ensure the updates submitted are properly reflected in the student's enrollment history.

Person Responsible

Sandra Peterson, Registrar

Projected Completion Date: January 21, 2020

Respectively submitted,

