

December 20, 2024

Board Members
Western Technical College District
LaCrosse, Wisconsin

Dear Board Members:

We have audited the financial statements of the business-type activities of the Western Technical College District (the "District") for the year ended June 30, 2024. We did not audit the discretely presented component unit. Professional standards require that we provide you with the following information related to the audit:

Our Responsibility Under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, the Uniform Guidance, and State of Wisconsin Single Audit Guidelines

As stated in our engagement letter dated May 28, 2024, our responsibility, as described by professional standards, is to express opinions 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. The financial statements of the Western Technical College Foundation, Inc., a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

In planning and performing our audit, we considered Western Technical College District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions 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 or state 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 and State of Wisconsin Single Audit Guidelines.

As part of obtaining reasonable assurance about whether Western Technical College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance and State of Wisconsin Single Audit Guidelines, we examined, on a test basis, evidence about Western Technical College District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and State of Wisconsin Single Audit Guidelines applicable to each of its major federal and state programs for the purpose of expressing an opinion on Western Technical College District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Western Technical College District's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope, timing, and with respect to significant risks identified by us, all of which were communicated in our letter dated July 2, 2024, in addition to our engagement letter dated May 28, 2024, accepted by management.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Western Technical College District 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 year.

We noted no transactions entered into by the during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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 affecting the financial statements were as follows:

- The District estimates the useful lives of capital assets (including lease and subscription assets) for purposes of calculating depreciation. We reviewed the lives assigned to the capital assets in order to determine that depreciation and amortization expense on the assets is reasonable.
- The recorded value of the total OPEB liability and deferred outflows related to OPEB - District OPEB plan are subjective and contingent upon the methods and assumptions used in the actuarial studies. We evaluated key factors and assumptions used to develop these amounts in determining that it is reasonable in relation to the financial statements.
- The information used for the net pension liability (asset) and deferred outflows and inflows related to pensions for the Wisconsin Retirement System (WRS) and the net OPEB liability and deferred outflows and inflows related to OPEB for the Local Retiree Life Insurance Fund (LRLIF) were provided by the Wisconsin Department of Employment Trust Funds (ETF) and audited by the plan auditor. We reviewed the independent auditor's report, evaluated the competence and independence of the plan auditor, and verified and recalculated the allocation percentage and the amounts allocated to the District for its proportional share of the WRS collective pension amounts and LRLIF collective OPEB amounts.

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 known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed no audit adjustments that could, in our judgement, either individually or in the aggregate, have a significant effect on the Districts financial reporting process.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as 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, 2024, 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, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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 District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Required Supplementary Information Accompanying Audited Financial Statements

We applied certain limited procedures to the management's discussion and analysis, the schedules of employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System, the schedules of employer's proportionate share of the net OPEB liability and employer contributions – Local Retiree Life Insurance Fund, and the schedule of changes in the employer's total OPEB liability and related ratios – District OPEB plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information Accompanying Audited Financial Statements

We were engaged to report on the schedules of revenues, expenditures, and changes in fund balance – budget and actual (non-GAAP budgetary basis), which accompany the basic financial statements but are not RSI. With respect to this supplementary information accompanying the basic 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 basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic 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 have read the Data Collection Form and have found no material inconsistencies with the information and, furthermore, management has not requested us to devote attention to any documents containing audited financial statements.

Internal Control Matters

In planning and performing our audits of the financial statements of Western Technical College District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our audit 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 reasonable possibility that a material misstatement of the District’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 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.

We thank the employees and administration of Western Technical College District for the cooperation and assistance given us during our engagement. Should you require additional information on the above communications, we would welcome the opportunity to discuss it with you.

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

Sincerely,

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

Wipfli LLP