

Milwaukee Area Technical College District

Report on Federal and State Awards

June 30, 2023

Milwaukee Area Technical College District

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**Report on Internal Control
Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
With *Government Auditing Standards***

Independent Auditors' Report

To the Board of Directors of
Milwaukee Area Technical College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Milwaukee Area Technical College District, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2023. Our report includes a reference to other auditors who audited the financial statements of Milwaukee Area Technical College Foundation, a discretely presented component unit, as described in our report on the District's financial statements. The financial statements of Milwaukee Area Technical College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Milwaukee Area Technical College Foundation or that are reported on separately by those auditors who audited the financial statements of Milwaukee Area Technical College Foundation, a discretely presented component unit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Milwaukee, Wisconsin
December 20, 2023

**Report on Compliance
for Each Major Federal and Major State Program;
Report on Internal Control Over Compliance; and
Report on the Schedules of Expenditures of
Federal and State Awards Required by the Uniform Guidance
and the *State Single Audit Guidelines***

Independent Auditors' Report

To the Board of Directors of
Milwaukee Area Technical College District

Report on Compliance for Each Major Federal and Major State Program

Opinion on Each Major Federal and Major State Program

We have audited Milwaukee Area Technical College District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* (the *Guidelines*) that could have a direct and material effect on each of the District's major federal and major state programs for the year ended June 30, 2023. The District's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal and Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *Guidelines*. Our responsibilities under those standards, the Uniform Guidance, and the *Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and major state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *Guidelines*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedules of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *Guidelines*

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 20, 2023, which contained unmodified opinions on those financial statements. 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 *Guidelines* and are 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 basic 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 of America. In our opinion, the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Milwaukee, Wisconsin
December 20, 2023

Milwaukee Area Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Major Federal Award Programs									
U.S. Department of Education									
Student Financial Assistance Cluster Programs -									
Federal Supplemental Educational Opportunity									
Grant Program (FSEOG)	84.007	N/A	60400	7/1/22 to 6/30/23	\$ 990,099	\$ 1,096,201	\$ -	\$ 980,789	\$ -
Federal Work Study (FWS)	84.033	N/A	61000	7/1/22 to 6/30/23	719,481	1,127,023	-	666,491	-
Federal Pell Grant Program	84.063	N/A	60600	7/1/22 to 6/30/23	20,000,000	21,086,215	-	21,364,451	-
Federal Pell Grant Program - Admin	84.063	N/A	60547	7/1/22 to 6/30/23	110,000	-	-	-	-
Federal Direct Student Loans	84.268	N/A	NONE	7/1/22 to 6/30/23	24,587,005	24,587,005	-	24,587,005	-
Federal Direct Loan Program - Veterans Allowance	84.268	N/A	60530	7/1/22 to 6/30/23	15,288	10,288	-	4,802	-
Total Student Financial Assistance Cluster Programs					<u>46,421,873</u>	<u>47,906,732</u>	-	<u>47,603,538</u>	-
Education Stabilization Fund									
COVID-19: CARES Act Higher Education Emergency Relief Funds, Student Aid Portion	84.425E	P425E200912	61100	7/1/22 to 6/30/23	9,835,034	9,835,034	-	8,198,169	-
COVID-19: CARES Act Higher Education Emergency Relief Funds, Institutional Portion	84.425F	P425F202097	19710	7/1/22 to 6/30/23	6,292,803	6,292,803	-	6,292,136	-
Total Education Stabilization Fund					<u>16,127,837</u>	<u>16,127,837</u>	-	<u>14,490,305</u>	-
Total U.S. Department of Education					<u>62,549,710</u>	<u>64,034,569</u>	-	<u>62,093,843</u>	-
Total Major Federal Award Programs					<u>62,549,710</u>	<u>64,034,569</u>	-	<u>62,093,843</u>	-

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor Federal Award Programs									
U. S. Department of Agriculture									
<i>Passed thru Wisconsin Department of Public Instruction</i>									
Child and Adult Care Food Program -									
Child Care Centers Food Rebate	10.558	N/A	N/A	7/1/22 to 6/30/23	\$ 36,320	\$ 45,341	\$ -	\$ 45,341	\$ -
Total US. Department of Agriculture					<u>36,320</u>	<u>45,341</u>	<u>-</u>	<u>45,341</u>	<u>-</u>
U. S. Department of Labor									
<i>Passed Through Wisconsin Technical College System Board</i>									
Apprenticeship USA Grants -									
SAE Operational Enhancements	17.285	09-525-155-252	15250	7/1/22 to 6/30/23	22,657	22,657	-	22,657	-
Youth Apprenticeship	17.285	09-531-155-262	15310	7/1/22 to 6/30/23	23,740	22,986	-	22,986	-
Total 17.285					<u>46,397</u>	<u>45,643</u>	<u>-</u>	<u>45,643</u>	<u>-</u>
Total US. Department of Labor					<u>46,397</u>	<u>45,643</u>	<u>-</u>	<u>45,643</u>	<u>-</u>
National Science Foundation									
Research and Development Cluster									
<i>Passed Through Peralta Community College District</i>									
STEM Education -									
BEST Center	47.076	DUE-1204930	10320	7/1/22 to 6/30/23	25,000	22,727	-	22,727	-
STEM Education - Access to Careers in ABT	47.076	DUE-2201667	15860	7/1/22 to 6/30/23	99,848	99,848	-	99,848	-
STEM Education - GUSTO	47.076	DUE-1902518	11650	6/1/19-5/31/22	146,843	98,365	-	98,365	-
Total Research and Development Cluster					<u>271,691</u>	<u>220,940</u>	<u>-</u>	<u>220,940</u>	<u>-</u>
Total National Science Foundation					<u>271,691</u>	<u>220,940</u>	<u>-</u>	<u>220,940</u>	<u>-</u>

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2023

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor Federal Award Programs (continued)									
U.S. Department of Education									
<i>Passed Through Wisconsin Technical College System Board</i>									
Adult Education State Grant Program									
AEFL Comprehensive Program	84.002	09-401-146-123	14010	7/1/22 to 6/30/23	\$ 597,720	\$ 612,887	\$ 457,570	\$ 1,070,457	\$ 85,000
AEFL Bilingual Program	84.002	09-401-146-123	14011	7/1/22 to 6/30/23	190,588	175,421	-	175,421	-
Re-Entry Grant	84.002	09-402-146-113	14020	7/1/22 to 6/30/23	75,000	42,694	5,232	51,695	-
Total 84.002					<u>863,308</u>	<u>831,002</u>	<u>462,802</u>	<u>1,297,573</u>	<u>85,000</u>
<i>Passed Through Wisconsin Technical College System Board</i>									
Career and Technical Education - Basic Grants to States -									
Capacity Building for Equity & Inclusion	84.048	09-166-150-223	11660	7/1/22 to 6/30/23	111,008	63,944	-	63,944	-
Achieving Student Success (Umbrella project)	84.048	09-418-150-233	14180	7/1/22 to 6/30/23	72,204	73,840	-	62,477	-
Achieving Student Success (Special Needs)	84.048	09-418-150-233	14181	7/1/22 to 6/30/23	695,957	568,173	234,266	802,439	-
Achieving Student Success (Multicultural)	84.048	09-418-150-233	14182	7/1/22 to 6/30/23	134,432	211,871	648,429	860,300	-
Achieving Student Success (JobShop)	84.048	09-418-150-233	14183	7/1/22 to 6/30/23	102,738	90,736	55,632	146,368	-
Achieving Student Success (Bilingual)	84.048	09-418-150-233	14184	7/1/22 to 6/30/23	176,620	133,836	-	133,836	-
Achieving Student Success (Academic Support)	84.048	09-418-150-233	14187	7/1/22 to 6/30/23	469,158	556,558	271,669	828,227	-
Tech Prep	84.048	09-427-150-213	14270	7/1/22 to 6/30/23	72,220	72,220	-	72,220	-
Strengthening CTE Programs - Health	84.048	09-690-150-253	16901	7/1/22 to 6/30/23	120,709	106,864	-	106,864	-
Strengthening CTE Programs - Human Services	84.048	09-690-150-253	16903	7/1/22 to 6/30/23	89,074	70,981	-	70,981	-
Strengthening CTE Programs - Business	84.048	09-690-150-253	16905	7/1/22 to 6/30/23	230,512	221,161	-	221,161	-
MATC NTO Project	84.048	09-882-150-263	18820	7/1/22 to 6/30/23	110,073	110,073	-	110,073	-
Total 84.048					<u>2,384,705</u>	<u>2,280,257</u>	<u>1,209,996</u>	<u>3,478,890</u>	<u>-</u>
Child Care Access Means Parents in School									
CCAMPIS	84.335A	P335A180202	11290	10/1/18 to 9/30/22	268,951	227,498	-	227,498	-
CCAMPIS	84.335A	P335A220023	15990	10/1/22 to 9/30/23	271,387	271,387	-	271,387	-
Total 84.335					<u>540,338</u>	<u>498,885</u>	<u>-</u>	<u>498,885</u>	<u>-</u>
Total U.S. Department of Education					<u>3,788,351</u>	<u>3,610,144</u>	<u>1,672,798</u>	<u>5,275,348</u>	<u>85,000</u>
Total Nonmajor Federal Award Programs					<u>4,142,759</u>	<u>3,922,068</u>	<u>1,672,798</u>	<u>5,587,272</u>	<u>85,000</u>
Total Federal Award Programs					<u>\$ 66,692,469</u>	<u>\$ 67,956,637</u>	<u>\$ 1,672,798</u>	<u>\$ 67,681,115</u>	<u>\$ 85,000</u>

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of State Awards
Year Ended June 30, 2023

<u>State Grantor Pass-Through Grantor Program Title/Program Title</u>	<u>State ID Number</u>	<u>Project Identification</u>	<u>Internal Project Identification</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>State Revenue</u>	<u>Match</u>	<u>Total Expenditures</u>	<u>Expenditures to Subrecipients</u>
Major State Award Programs									
Wisconsin Technical College Systems Board									
State Aid for Technical Colleges									
State Aid-Outcomes Based Funding	292.105	N/A	N/A	7/1/22 to 6/30/23	\$ 3,323,587	\$ 3,323,587	\$ -	\$ 3,323,587	\$ -
State Aids for Technical Colleges	292.105	N/A	N/A	7/1/22 to 6/30/23	11,922,800	12,333,800	-	12,333,800	-
Total 292.105					<u>15,246,387</u>	<u>15,657,387</u>	<u>-</u>	<u>15,657,387</u>	<u>-</u>
Wisconsin Higher Educational Aids Board									
Higher Education Grant	235.102	N/A	60001	7/1/22 to 6/30/23	<u>4,750,000</u>	<u>5,832,709</u>	<u>-</u>	<u>5,862,555</u>	<u>-</u>
Wisconsin Department of Revenue									
Property Tax Relief Aid	292.162	N/A	N/A	7/1/22 to 6/30/23	<u>66,814,523</u>	<u>66,814,522</u>	<u>-</u>	<u>66,814,522</u>	<u>-</u>
Total Major State Award Programs					<u>86,810,910</u>	<u>88,304,618</u>	<u>-</u>	<u>88,334,464</u>	<u>-</u>
Nonmajor State Award Programs									
Wisconsin Higher Educational Aids Board									
GI Bill Remission Funding	235.105	N/A	N/A	7/1/22 to 6/30/23	50,600	61,354	-	61,354	-
Minority Undergraduate Retention Grant	235.107	N/A	60004	7/1/22 to 6/30/23	137,000	83,500	-	83,500	-
Talent Incentive Program	235.114	N/A	60002	7/1/22 to 6/30/23	119,000	159,348	-	159,300	-
HSNL Nursing Grants	235.117	N/A	60008	7/1/22 to 6/30/23	5,000	3,500	-	3,500	-
Indian Student Assistance Grants	235.132	N/A	60003	7/1/22 to 6/30/23	<u>3,900</u>	<u>9,900</u>	<u>-</u>	<u>9,900</u>	<u>-</u>
Total Wisconsin Higher Educational Aids Board					<u>315,500</u>	<u>317,602</u>	<u>-</u>	<u>317,554</u>	<u>-</u>

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of State Awards
Year Ended June 30, 2023

State Grantor Pass-Through Grantor Program Title/Program Title	State ID Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor State Award Programs (continued)									
Wisconsin Technical College Systems Board									
Student Emergency Fund	292.104	09-111-104-112	11110	7/1/22 to 6/30/23	\$ 48,465	\$ 48,465	\$ -	\$ 48,465	\$ -
Workforce Advancement Training									
Professional Development	292.124	09-055-124-153	10550	7/1/22 to 6/30/23	101,232	101,232	50,617	151,849	-
Sheet Metal Worker Apprentice	292.124	09-103-124-113	11030	7/1/22 to 6/30/23	30,000	30,000	-	30,000	-
Bartolotta Restaurants	292.124	09-189-124-172	11890	7/1/22 to 11/30/23	9,186	-	-	-	-
QET-Core Industry	292.124	09-201-124-131	12010	7/1/20 to 9/30/22	12,356	5,796	-	5,796	-
Children's Hospital & Froedtert Hospital	292.124	09-396-124-172	13960	7/1/21 to 8/31/22	4,757	1,896	-	1,896	-
COA Youth and Family Centers	292.124	09-478-124-172	14780	7/1/21 to 8/31/22	2,024	2,024	-	2,024	-
Menomonee Valley Partners	292.124	09-489-124-172	14890	7/1/21 to 8/31/22	6,372	842	-	842	-
Steele Solutions	292.124	09-490-124-172	14900	7/1/21 to 8/31/22	22,853	18,426	-	18,426	-
MATC College Now IET	292.124	09-542-124-202	15420	7/1/22 to 6/30/23	200,000	200,000	-	200,000	-
Training the Uniquely Able	292.124	09-573-124-133	15730	7/1/22 to 6/30/23	85,006	85,006	-	85,006	-
Diagnostic Medical Sonography	292.124	09-577-124-143	15770	7/1/22 to 6/30/23	127,206	127,206	-	127,206	-
IT Web/Software Developer CP	292.124	09-578-124-123	15780	7/1/22 to 6/30/23	122,806	57,234	11,502	71,545	-
¡Sí se puede! MATC Completion	292.124	09-579-124-163	15790	7/1/22 to 6/30/23	166,141	84,108	16,694	112,143	-
Granville Economic-WAT	292.124	09-582-124-173	15820	7/1/22 to 8/31/23	18,779	18,779	-	18,779	-
Blast Cleaning-WAT	292.124	09-583-124-173	15830	7/1/22 to 8/31/23	15,807	15,807	-	15,807	-
Latino Entr Network-WAT	292.124	09-584-124-173	15840	7/1/22 to 8/31/23	11,266	11,266	-	11,266	-
Ebenezer Child Care-WAT	292.124	09-585-124-173	15850	7/1/22 to 8/31/23	29,090	29,090	-	29,090	-
Program-to-Program Articul.	292.124	09-594-124-183	15940	9/1/22 to 6/30/23	38,600	38,600	-	38,600	-
State Leadership-Enrollment	292.124	09-595-124-193	15950	7/1/22 to 6/30/23	156,877	156,877	-	156,877	-
AAC&U Conference	292.124	09-603-124-183	16030	1/1/23 to 6/30/23	3,000	3,000	-	3,000	-
Painting & Decorating Apprent.	292.124	09-976-124-113	19760	8/22/22 to 6/30/23	10,000	9,830	-	9,830	-
Total 292.124					<u>1,173,358</u>	<u>997,019</u>	<u>78,813</u>	<u>1,089,982</u>	<u>-</u>
Total Wisconsin Technical College Systems Board					<u>1,221,823</u>	<u>1,045,484</u>	<u>78,813</u>	<u>1,138,447</u>	<u>-</u>
Wisconsin Department of Natural Resources									
State Aid - Computers	370.503	N/A	N/A	7/1/22 to 6/30/23	-	1,173	-	1,173	-
Wisconsin Department of Safety and Professional Services									
Military Training for Civilian Careers		PO# 16500-000000729	15870	7/1/22 to 6/30/23	14,181	14,182	-	14,182	-
Wisconsin Department of Revenue									
State Aid-Personal Property Tax	835.103	N/A	N/A	7/1/22 to 6/30/23	456,714	456,714	-	456,714	-
State Aid in Lieu of Computer Taxes	835.109	N/A	N/A	7/1/22 to 6/30/23	1,344,457	1,364,312	-	1,364,312	-
Total Wisconsin Department of Revenue					<u>1,801,171</u>	<u>1,821,026</u>	<u>-</u>	<u>1,821,026</u>	<u>-</u>
Total Nonmajor State Award Programs					<u>3,352,675</u>	<u>3,199,467</u>	<u>78,813</u>	<u>3,292,382</u>	<u>-</u>
Total State Award Programs					<u>\$ 90,163,585</u>	<u>\$ 91,504,085</u>	<u>\$ 78,813</u>	<u>\$ 91,626,846</u>	<u>\$ -</u>

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards
Year Ended June 30, 2023

1. Basis of Presentation

The Milwaukee Area Technical College District Board (the District) oversees the operation of the Milwaukee Area Technical College (MATC) under the provisions of Chapter 38 of the Wisconsin Statutes. The District includes Milwaukee County, most of Ozaukee County and portions of Waukesha and Washington Counties and the local municipalities located therein. The accompanying schedules of expenditures of federal and state awards (the Schedules) include the federal and state award activity of the District under programs of the federal and state government for the year ended June 30, 2023. 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* (Uniform Guidance) and the *State Single Audit Guidelines*. Because the Schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of District.

Programs Subject to Single Audit

Federal awards received by the District (either directly from the federal government or passed through the State of Wisconsin), awards received from the State of Wisconsin and awards to the District passed through other governmental entities have been included in the Schedules of Expenditures of Federal and State Awards.

The following amounts are noncash award programs included on the Schedules of Expenditures of Federal and State awards. No monies were received or expended by the District. However, the program is included in the scope of the Single Audit within the Student Financial Assistance cluster:

<u>Direct Loan Program</u>	<u>Loans Disbursed</u>
Subsidized	\$ 10,635,919
Unsubsidized	<u>13,951,086</u>
Total Direct Loan Program	<u>\$ 24,587,005</u>

Oversight Agency

Although the Department of Education has been designated as the District's federal oversight agency for the single audit, certain responsibilities related to the single audit have been delegated by the Department of Education to the Wisconsin Technical College System Board.

Contingencies

All federal and state awards are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements by the grantor agencies for costs disallowed under the terms of the awards. It is the opinion of District management that all costs charged against federal and state awards are allowable under the regulations of those programs.

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies

Consistent with the District's basic financial statements, revenues and 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 (and OMB circular A-87/A-21/A-122, if applicable), 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. Pass-through entity identifying numbers are presented where available.

The District has a plan for allocation of indirect costs related to federal and state awards. The amounts allocated to awards during a fiscal year are based on the total costs of central services, the portion to be allocated to the departments and the portion that the District can reasonably expect to recover through reimbursement by federal and/or state programs.

Certain program funds are passed through the District to sub-grantee organizations. The Schedules do not contain separate schedules disclosing how the sub-grantees outside of the District's control utilized the funds. The District requires sub-grantees to submit a separate audit report disclosing the use of program funds.

3. Indirect Cost Rate

The District has not elected to use the 10% de minimis indirect cost rate.

4. Reconciliation of Federal and State Awards to the Basic Financial Statements

Reconciliation of Federal Revenue

Federal revenue per basic financial statements:	\$ 45,324,822
Medicare	-
Other	(1,955,190)
Noncash awards, Direct Loan Program	<u>24,587,005</u>
 Total federal revenue per schedule (direct and pass-through)	 <u><u>\$ 67,956,637</u></u>

Reconciliation of State Revenue

State revenue per basic financial statements:	
State grants	\$ 7,148,623
State operating appropriation	<u>84,389,144</u>
 Total state revenue per basic financial statements	 91,537,767
 Other	 <u>(33,682)</u>
 Total state revenue per schedule (direct and pass-through)	 <u><u>\$ 91,504,085</u></u>

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2023

5. District Matching Funds

The Schedule of Expenditures of Federal Awards includes only federal awards received for the various programs. The District is required to provide matching funds for certain federal programs. The total amount of matching funds is disclosed on the accompanying Schedule of Expenditures of Federal Awards.

6. Administrative Cost Allowance

The Student Financial Assistance allowable expenditures for the fiscal year 2023 include amounts claimed for administrative costs of \$0.

Milwaukee Area Technical College District

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I – Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Noncompliance material to financial statements noted? yes X no

Federal and State Awards

Internal control over major programs:

	<u>Federal Programs</u>		<u>State Programs</u>	
Material weakness(es) identified?	<u> </u> yes	<u> X </u> no	<u> </u> yes	<u> X </u> no
Significant deficiencies identified that are not considered to be material weakness(es)?	<u> </u> yes	<u> X </u> none reported	<u> </u> yes	<u> X </u> none reported

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

	<u>Unmodified</u>	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance or the <i>State Single Audit Guidelines</i> ?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Auditee qualified as low-risk auditee?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Dollar threshold used to distinguish between type A and type B programs:	<u> \$750,000 </u>	<u> \$250,000 </u>

Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster(D)</u>
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grant Program (FSEOG)
84.033	Federal Work Study Program (FWS)
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
	Education Stabilization Fund:
84.425E	COVID-19: CARES Act Higher Education Emergency Relief Funds, Student Aid Portion
84.425F	COVID-19: CARES Act Higher Education Emergency Relief Funds, Institutional Portion

Milwaukee Area Technical College District

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
292.105	State Aid for Technical Colleges
235.102	Higher Education Grant
292.162	Property Tax Relief Aid

Section II – Financial Statement Findings Required to Be Reported in Accordance With Government Auditing Standards

No findings were reported.

Section III – Federal and State Awards Findings and Questioned Costs

No findings were reported.

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?

_____ yes X 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 Technical College Systems Board	_____	yes	<u> X </u>	no
Wisconsin Higher Educational Aids Board	_____	yes	<u> X </u>	no
Wisconsin Department of Natural Resources	_____	yes	<u> X </u>	no
Wisconsin Department of Revenue	_____	yes	<u> X </u>	no
Wisconsin Department of Safety and Professional Services	_____	Yes	<u> X </u>	no

Was a Management Letter or other document conveying audit comments issued as a result of this audit?

_____ yes X no

Name and signature of partner



Paul Frantz, CPA, Partner

Date of report

December 20, 2023

Milwaukee Area Technical College District

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Finding No. 2022-001 – Internal Control Over Financial Reporting

Condition/Context: During the annual financial audit, a material error in the District's OPEB actuary study was identified that resulted in the need to recalculate the third-party determined liability. Accordingly, the District needed to adjust its records and financial statements for the recalculated OPEB liability.

Status: Corrective action was taken and the finding was not repeated.

Finding No. 2022-002 – Report Filed After Due Date

ALN and Program: 84.007; 84.033; 84.063; 84.268 – Student Financial Assistance Cluster

Award Amount: \$46,751,524

Award Number: N/A

Award Year: 7/1/2021-6/30/2022

Condition / Context: The FISAP for award year 2021-2022 was filed on October 12, 2022. Our sample was statistically valid.

Status: Corrective action was taken and the finding was not repeated.

Finding No. 2022-003 – R2T4 Return Calculation Errors

ALN and Program: 84.007; 84.033; 84.063; 84.268 – Student Financial Assistance Cluster

Award Amount: \$46,751,524

Award Number: N/A

Award Year: 7/1/2021-6/30/2022

Condition / Context: The auditor selected 21 unenrolled students who had Title IV returns for testing. For each student selected, the return amount was incorrectly calculated because the payment period was not used as the basis for the determination. Our sample was statistically valid.

Status: Corrective action was taken and the finding was not repeated.

Milwaukee Area Technical College District

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Finding No. 2022-004 – Reporting Discrepancies – Enrollment

ALN and Program: 84.007; 84.033; 84.063; 84.268 – Student Financial Assistance Cluster

Award Amount: \$46,751,524

Award Number: N/A

Award Year: 7/1/2021-6/30/2022

Condition / Context: We selected a sample of 25 Pell and Direct Loan students from the institution's records that had a reduction or increase in attendance levels, graduated, withdrew, dropped out or enrolled but never attended during the audit period. We compared the data in the students' NSLDS Enrollment Detail to the students' academic files and other institutional records and verified that the institution is accurately reporting the significant Campus-Level and Program-Level enrollment data elements that ED considers high risk. Of the 25 sampled, 10 had discrepancies between the status documented in MATC's institutional records and the status reported on the NSLDS. Our sample was not statistically valid.

Status: Corrective action was taken and the finding was not repeated.