



Southwest Wisconsin Technical College

District Board Meeting

Regular Meeting

January 18, 2018

Held at

Southwest Tech
1800 Bronson Boulevard
Fennimore, WI

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Annotated Agenda

BOARD MEETING NOTICE/AGENDA

Thursday, January 18, 2018

6:00 – Presentation on Mental Health Services / Clery Act and Dinner

7:00 p.m. – Board Meeting

Room 492-493 – College Connection

ANNOTATED AGENDA

OPEN MEETING

The following statement will be read: "The January 18, 2018, regular meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore in an attempt to make the general public aware of the time, place and agenda of the meeting."

A. Roll Call

B. Reports/Forums/Public Input

1. Student Senate Report – Kaye Woodke, Student Senate President

CONSENT AGENDA

A. Approval of Agenda

A copy of the January 18, 2018, agenda is included with the electronic Board material.

B. Minutes of the Regular Meeting of November 16, 2017

Minutes of the November 16, 2017, regular Board meeting are included with the Board packet.

C. Financial Reports

1. Purchases Greater than \$2,500

2. Treasurer's Cash Balance

3. Budget Control

Each report is available electronically with all other Board material. There are reports for the months of November and December. Caleb White, Vice President for Administrative Services, will be at the meeting and available for any questions.

D. Contract Revenue

There were five contracts totaling \$3,636.37 in November 2017 and 18 contracts totaling \$53,680.83 in December 2017 being presented for Board approval. The Contract Revenue Reports are included with the electronic Board material.

E. Personnel Items

Three employment recommendations, one transfer, and one resignation are being presented for approval in the Personnel Report. Information is included in the electronic Board packet.

F. American Association of Community Colleges 2018 Membership

The 2018 American Association of Community Colleges (AACC) membership renewal invoice in the amount of \$3,412 is available electronically with all other Board material.

Recommendation: Approve the Consent Agenda as presented.

OTHER ITEMS REQUIRING BOARD ACTION

A. FY2017 Financial Audit

Wegner CPAs, Madison, WI, will present the audit report. The management representation letter and final audit report are available electronically with all other Board material.

Recommendation: Approve the 2016-17 Financial Audit as presented.

B. Clarity Clinic Lease

Included in the electronic Board material is a lease for Clarity Clinic Platteville, Inc. to rent 821 square feet of office/retail space from the College.

Recommendation: Approve the lease with Clarity Clinic Platteville, Inc. for \$50/month for the period of February 1, 2018, through June 30, 2018.

BOARD MONITORING OF COLLEGE EFFECTIVENESS

A. Foundation Quarterly Update

Holly Clendenen will present the FY2018 second quarter Foundation report to the Board highlighting the activities and results of fundraising efforts and other initiatives. The report is available with the electronic Board material.

B. Board Monitoring Report – Safety & Security

Dan Imhoff, Director of Facilities, and Heath Ahnen, Director of Information Technology Services, will present the Safety & Security Board Monitoring Report. The report is included with the electronic Board material.

C. Staffing Update

Krista Weber, Chief Human Resources Officer, will provide an update on College staffing. A summary is available electronically with the Board material.

INFORMATION AND CORRESPONDENCE

A. Enrollment Report

The 2017-18 Comparison FTE Report and Fall 2018 Application Report are available electronically with all other Board material. Caleb White will be available at the meeting for any questions.

B. Chairperson's Report

C. College President's Report

1. College Happenings

D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

A. Agenda

1. Board Retreat
2. Budget Assumptions & Parameters

B. Time and Place

ADJOURN TO CLOSED SESSION

A. Consideration of adjourning to closed session for the purpose of

1. Discussing personnel issues per Wis. Statutes 19.85(1)(f) {Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.}.
2. Approval of October 26, 2017, Closed Session Minutes

RECONVENE TO OPEN SESSION

A. Action, if necessary, on Closed Session Items

ADJOURNMENT

Open Meeting

The following statement will be read: "The November 16, 2017, regular meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore and Village of Gays Mills in an attempt to make the general public aware of the time, place and agenda of the meeting."

A. Roll Call

B. Reports/Forums/Public Input

1. Student Senate Report – Kaye Woodke, Student Senate President

Consent Agenda

A. Approval of Agenda



BOARD MEETING NOTICE/AGENDA

Thursday, January 18, 2018

6:00 – Presentation on Mental Health Services / Clery Act and Dinner

7:00 p.m. – Board Meeting

Room 492-493 – College Connection

AGENDA

OPEN MEETING

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- A. Roll Call
- B. Reports/Forums/Public Input
 - 1. Student Senate Report – Kaye Woodke, Student Senate President

CONSENT AGENDA

- A. Approval of Agenda
- B. Minutes of the Regular Meeting of November 16, 2017
- C. Financial Reports
 - 1. Purchases Greater than \$2,500
 - 2. Treasurer's Cash Balance
 - 3. Budget Control
- D. Contract Revenue
- E. Personnel Items
- F. American Association of Community Colleges 2018 Membership

OTHER ITEMS REQUIRING BOARD ACTION

- A. FY2017 Financial Audit
- B. Clarity Clinic Lease

BOARD MONITORING OF COLLEGE EFFECTIVENESS

- A. Foundation Quarterly Update
- B. Board Monitoring Report – Safety & Security
- C. Staffing Update

INFORMATION AND CORRESPONDENCE

- A. Enrollment Report
- B. Chairperson's Report
- C. College President's Report
- D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

- A. Agenda
- B. Time and Place

ADJOURN TO CLOSED SESSION

- A. Consideration of adjourning to closed session for the purpose of
 - 1. Discussing personnel issues per Wis. Statutes 19.85(1)(f) {Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.}.
 - 2. Approval of October 26, 2017, Closed Session Minutes

RECONVENE TO OPEN SESSION

- A. Action, if necessary, on Closed Session Items

ADJOURNMENT

{Facilities at Southwest Tech are handicap accessible. For all accommodations call 608-822-2400 or 608-822-2401 to reach the Director of Facilities, or e-mail accom@swtc.edu}

B. Minutes of the Regular Board Meeting of November 16, 2017

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF SOUTHWEST WISCONSIN TECHNICAL COLLEGE NOVEMBER 16, 2017

The Board of Southwest Wisconsin Technical College met in open session of a regular Board meeting commencing at 7:10 p.m. on November 16, 2017, at Building Automation Products, Inc. (BAPI), in the Village of Gays Mills, Crawford County, Wisconsin. The following members were present:

Chuck Bolstad, Darlene Mickelson, Russell Moyer, Eileen Nickels, Chris Prange and Donald Tuescher

Absent: Linda Erickson, Melissa Fitzsimons, and James Kohlenberg

Others present for all or a portion of the meeting included Dr. Jason S. Wood, College President; College Staff: Karen Campbell and Caleb White. Public present included Ritch Stevenson, BAPI.

Chairperson Prange called the meeting to order. Proof of notice was given as to the time, place, and purpose of the meeting. The following is the official agenda:

BOARD MEETING NOTICE/AGENDA

Thursday, November 16, 2017

5:30 p.m. – Tour of Building Automation Products, Inc.

6:30 p.m. – Dinner

7:00 p.m. - Board Meeting

Building Automation Products, Inc.

750 N. Royal Avenue

Gays Mills, WI 54631

AGENDA

OPEN MEETING

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OPEN MEETING

A. Roll Call

B. Reports/Forums/Public Input

CONSENT AGENDA

- A. Approval of Agenda
- B. Minutes of the Board Retreat / Regular Meeting of October 26, 2017
- C. Financial Reports
 - 1. Purchases Greater than \$2,500
 - 2. Treasurer's Cash Balance
 - 3. Budget Control
- D. Contract Revenue
- E. Personnel Items

OTHER ITEMS REQUIRING BOARD ACTION

- A. Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$16,000,000 General Obligation Refunding Bonds
- B. Consortium RFP - Financial Advisory Services
- C. Bid: Building 300 Administration - Fire Protection
- D. Grant County Economic Development Corporation Lease for 2018

BOARD MONITORING OF COLLEGE EFFECTIVENESS

- A. 2018-19 Budget Process
- B. Staffing Update

INFORMATION AND CORRESPONDENCE

- A. Enrollment Report
- B. Chairperson's Report
- C. College President's Report
- D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

- A. Agenda
- B. Time and Place

ADJOURNMENT

{Facilities at Southwest Tech are handicap accessible. For all accommodations call 608-822-2400 or 608-822-2401 to reach the Director of Facilities, or e-mail accom@swtc.edu}

After a review of the Consent Agenda, including the November 16, 2017, agenda; October 26, 2017, Board minutes; financial reports; four contracts totaling \$6,798.14 in October 2017; and the retirement of Karla Blackburn, Nursing Instructor, Mr. Tuescher moved to approve the Consent Agenda. Ms. Nickels seconded the motion; motion carried.

John Mehan of Robert W. Baird & Company presented on refinancing the 2008 referendum borrowing including new legislation that will not allow advance refunds starting January 2018. Mr. Mehan noted the bonds eligible for refinancing are Build America Bonds, which are taxable bonds that the College receives a subsidy back for from the federal government. The proposal would be to refinance before the end of December between \$6,400,000 and \$6,500,000 with a parameters resolution for non-bank qualified bonds at an interest rate projected at 3.0 percent with a savings between \$60,000 and \$70,000 annually. The maturity date on the refinanced bonds would not extend the debt past the original date. Mr. Tuescher

moved to approve the Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$16,000,000 General Obligation Refunding Bonds. Mr. Bolstad seconded the motion. Upon a roll call vote where all Board members present voted affirmatively, the motion carried.

Caleb White, Vice President for Administrative Services, presented the Consortium Request for Proposals (RFP) for Financial Advisory Services. The WTCS Purchasing Consortium put out an RFP to provide financial advisory services for half of the 16 WTCS colleges. The public opening was held on September 8, 2017. The scope of the RFP included providing coordination of debt issuance and drafting/issuing of an Official Statement (OS). Four proposals were received with two companies being invited for interviews. Mr. Tuescher moved to award the contract for Financial Advisory Services to RW Baird & Co., Inc., Milwaukee, WI. Mr. Bolstad seconded the motion, which unanimously carried.

Mr. White presented the bid for Building 300 Administration Fire Protection. The bid opening was held October 26, 2017, with two bids received. Mr. White noted that the project will be completed this winter and will consist of interior renovation of Building 300 to extend the fire protection sprinkler system through the administration area. Mr. Tuescher moved to award the Building 300 Administration – Fire Protection project to Automatic Fire System, Inc., Rockford, IL, with the low bid of \$44,765. Ms. Nickels seconded the motion; the motion carried.

Ms. Nickels motioned to approve the 2018 lease for Grant County Economic Development Corporation. The lease remains the same as the 2017 lease agreement. Mr. Moyer seconded the motion. The motion carried with Ms. Mickelson abstaining from the vote.

Caleb White outlined the 2018-19 Budget Process. Budget requests are due after the first of the year, with a preliminary budget brought to the Board in April and May. The Board will need to approve the FY2019 budget at the June 2018 Board meeting.

Caleb White provided an update on College staffing. Positions in various stages of the hiring process included an LTE full-time Midwifery Instructor, a Student Success Coach, an Evening Custodian, and a Nursing Instructor. The Board reviewed the 2017-18 Comparison FTE Report noting that enrollment reflects a 4.05% increase compared to the previous year. Mr. White reported that returning and new student registrations for the second semester are currently happening.

Under the Chairperson's Report, a recap of the Fall District Boards Association Meeting was given. Some of the topics discussed were Clery Act reporting, loan default rate, and WCTC's veterans showcase.

Discussion followed on the District Board members' travel policy. In order to be consistent when spouses attend a board dinner or activity with a meal, the College will cover reasonable expenses of the spouses' meal. This has been an inconsistent practice. Other meals incurred by spouses during travel will not be covered by the College. The Board is expected to stay within its overall travel budget through planning and rotating attendance at the national events.

Mr. Moyer and Mr. Bolstad expressed interest in attending the ACCT National Legislative Summit, Washington, DC – February 11–14, 2018.

Under the President's Report, President Wood thanked Ritch Stevenson, President/Owner of BAPI, for the tour and the hospitality for hosting the District Board Meeting. Dr. Wood reviewed his 2017-18 goals, which he updated after the October Board Retreat from the input the Board members provided at the retreat.

President Wood updated the Board on the emergency situation that happened November 1. At the December Board meeting, there will be a presentation on the Clery Act and student mental health services provided by the college. The Board asked that a shout out from them be given to those who handled the emergency on November 1.

With no further business to come before the Board, Mr. Moyer moved to adjourn the meeting with Ms. Mickelson seconding the motion. The motion carried and the meeting adjourned at 8:49 p.m.

Darlene Mickelson, Secretary

C. Financial Reports

1. Purchases Greater than \$2,500

SOUTHWEST WISCONSIN TECHNICAL COLLEGE				
PURCHASES GREATER THAN \$2,500				
FOR THE PERIOD 12/01/2017 TO 12/31/2017				
Invoices				
Vendor	Invoice #	Description	Amount	
PEOPLES STATE BANK	12.13.17 BUYBACK	book buyback	\$35,000.00	
SWTC FOUNDATION LOAN ACCOUNT	SUM/FALL 1718 FA ADV	Sum/Fall 1718 fin aid adv	\$14,940.30	
DONAVAN LEASING CORP	2013 DOGE DART	2013 Dodge Dart	\$7,995.00	
FRANSYL EQUIPMENT CO. INC.	16568	Repairs to digger derrick truc	\$7,757.11	
GALLAGHER KOSTER	22358	students enrolled in fall 2017	\$6,900.00	
CENGAGE LEARNING	62413273	Fall 17-18 e-books	\$6,656.00	
WI TECHNICAL COLLEGE SYSTEM	1800103	Consult	\$6,454.12	
Aaron P Brewer	1456971	Opp Student Refund	\$4,502.00	
Erica A Dederich	1458043	Opp Student Refund	\$3,667.00	
NIELAND REFRIGERATION	173031	Stainless Steel freezer	\$3,209.41	
NIELAND REFRIGERATION	173031 X	stainless steel freezer	\$3,209.41	
Lindsey A McClaren	1458066	Opp Student Refund	\$2,970.00	
SYSCO FOODS OF BARABOO	118473191	food/supplies	\$2,952.99	
WPS HEALTH INSURANCE	120617000124	N Kies Medicare Prem	\$2,829.36	
Jenna L Ingvalson	1456960	Opp Student Refund	\$2,770.00	
Total Invoices				\$111,812.70
Purchase Orders				
Vendor	PO #	Description	Amount	
MILLER KIMBERLEY K	6580	Charger Enterprises: K Miller: Support on WI DOJ	\$5,440.00	
BADGER WELDING SUPPLIES, INC.	2375	Welding: Pipe Beveling Machine	\$3,516.00	
Total Purchase Orders				\$8,956.00
Bank Withdrawals				
Vendor	Transaction #	Audit Trail	Amount	
Sikick Dec 2017 H Ins Consor	WDL	CMTRX00001941	\$308,338.76	
IRS 941 12.15.17 Payroll	WDL	CMTRX00001954	\$168,511.96	
IRS 941 12.29.17 Payroll	WDL	CMTRX00001965	\$120,718.77	
ETF November 2017	WDL	CMTRX00001965	\$118,163.80	
IRS 941 12.1.17 Payroll	WDL	CMTRX00001941	\$114,861.67	
WDR WT6 12.15.17 Payroll	WDL	CMTRX00001955	\$30,192.26	
WDR WT6 12.29.17 Payroll	WDL	CMTRX00001965	\$22,529.53	
WDR WT-6 12.1.17 Payroll	WDL	CMTRX00001941	\$21,333.39	
The Hartford #581084351641	WDL	CMTRX00001954	\$9,812.72	
Wells Fargo #690278037	WDL	CMTRX00001942	\$7,388.00	

Vendor	Transaction #	Audit Trail	Amount	
Wells Fargo #6920454439	WDL	CMTRX00001956	\$6,388.00	
Delta Dental #157677	WDL	CMTRX00001964	\$5,037.14	
Delta Dental # 152426	WDL	CMTRX00001946	\$4,583.27	
Delta Dental #153514	WDL	CMTRX00001950	\$4,477.22	
Delta Dental #156574	WDL	CMTRX00001957	\$3,457.86	
Total Bank Withdrawals				\$945,794.35
Payroll				
Payroll Date	Transaction #	Audit Trail	Amount	
Direct Deposit 12/29/2017	WDL	UPRCC00000643	\$303,202.55	
Direct Deposit 12/15/2017	WDL	UPRCC00000637	\$298,148.42	
Direct Deposit 12/1/2017	WDL	UPRCC00000635	\$291,153.65	
Direct Deposit 12/15/2017	WDL	UPRCC00000640	\$90,854.92	
Direct Deposit 12/15/2017	WDL	UPRCC00000641	\$13,260.48	
Direct Deposit 12/15/2017	WDL	UPRCC00000639	\$8,406.28	
Direct Deposit 12/29/2017	WDL	UPRCC00000642	\$7,502.71	
Direct Deposit 12/1/2017	WDL	UPRCC00000632	\$6,585.85	
Direct Deposit 12/29/2017	WDL	UPRCC00000644	\$6,204.46	
Direct Deposit 12/15/2017	WDL	UPRCC00000636	\$5,790.60	
Direct Deposit 12/1/2017	WDL	UPRCC00000633	\$4,191.86	
Direct Deposit 12/1/2017	WDL	UPRCC00000634	\$4,047.56	
Total Payroll				\$1,039,349.34
Purchase Cards				
Vendor	Transaction #	Audit Trail	Amount	
US Bank 11.28.17 Statement	WDL	CMTRX00001950	\$35,801.14	
US Bank 12.12.17 P Card	WDL	CMTRX00001963	\$104,299.05	
Total Purchase Cards				\$140,100.19
Total Purchases > \$2,500				\$2,246,012.58

2. Treasurer's Cash Balance

Southwest Wisconsin Technical College			
Report of Treasurers Cash Balance 12/31/2017			
Receipts			
Fund			
1 General	228,039.21		
2 Special Revenue	-		
3 Capital Projects	102,707.85		
4 Debt Service	-		
5 Enterprise	59,032.36		
6 Internal Service	339,651.93		
7 Financial Aid/Activities	201,442.14		
Total Receipts		930,873.49	
Expenses			
Fund			
1 General	2,047,644.01		
2 Special Revenue			
3 Capital Projects	67,484.32		
4 Debt Service	-		
5 Enterprise	86,381.67		
6 Internal Service	333,810.24		
7 Financial Aid/Activities	136,661.52		
Total Expenses		2,671,981.76	
Net cash change - month			(1,741,108.27)
EOM Cash Balances			
-Main Checking 1176	732,616.61		
-Peoples State Bank 4187	9,609.29		
-Federal Funds checking 1192	29.39		
-Money Market 3915	9,533,522.77		
-Offset account 4011	848,819.22		
-Cash on Hand	2,940.00		
-Local Government Investment Pool	1,176,899.33		
Ending Cash/Investment Balance		12,304,436.61	

1. Budget Control

Southwest Wisconsin Technical College							
YTD Summary for Funds 1-7							
For 6 Months ended December 2017							
	2017-18	2017-18	2017-18	2016-17	2015-16	2014-15	2013-14
	<u>Budget</u>	<u>YTD Actual</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
General Fund Revenue	23,143,000.00	6,397,324.78	27.64	26.42	28.08	25.61	24.97
General Fund Expenditures	23,613,000.00	10,697,602.24	45.30	45.66	46.13	42.08	44.72
Capital Projects Fund Revenue	2,530,000.00	2,620,044.56	103.56	101.04	99.51	100.57	101.03
Capital Projects Fund Expenditures	3,243,000.00	1,245,846.68	38.42	36.00	24.50	41.99	37.91
Debt Service Fund Revenue	5,272,000.00	192,504.67	3.65	4.34	4.18	3.47	3.62
Debt Service Fund Expenditures	5,359,600.00	643,358.76	12.00	12.57	12.68	14.03	13.74
Enterprise Fund Revenue	2,100,000.00	875,811.99	41.71	41.91	49.08	48.60	48.12
Enterprise Fund Expenditure	2,000,000.00	879,000.17	43.95	45.27	45.90	44.64	41.47
Internal Service Fund Revenue	4,350,000.00	2,012,003.72	46.25	48.92	49.83	47.11	46.28
Internal Service Fund Expenditures	4,350,000.00	2,055,633.08	47.26	46.46	65.40	59.51	48.39
Trust & Agency Fund Revenue	8,000,000.00	3,390,231.10	42.38	44.80	41.39	43.27	48.33
Trust & Agency Fund Expenditures	8,030,000.00	3,369,107.59	41.96	44.89	41.63	44.40	49.11
Grand Total Revenue	45,395,000.00	15,487,920.82	34.12	34.01	29.24	33.30	34.23
Grand Total Expenditures	46,595,600.00	18,890,548.52	40.54	41.17	42.09	41.00	41.88

D. Contract Revenue

There were five contracts totaling \$3,636.37 in November 2017 and 18 contracts totaling \$53,680.83 in December 2017 being presented for Board approval. The Contract Revenue Reports are included below.

2017-2018 CONTRACTS

11/1/2017 - 11/30/2017

INDIRECT COST FACTOR

<u>Contract #</u>	<u>Service Provided</u>	<u>Contact</u>	<u>Number Served</u>	<u>Price</u>	<u>Exchange of Services</u> (Instructional Fees Waived)	<u>On-Campus</u>	<u>Off-Campus</u>	<u>Waiver</u>
03-2018-0092-T-42 Rural Medical Ambulance Service	Emergency Medical Technician Refresher- Participant Guarantee	Kris Wubben	3	\$	328.95	No	X	
03-2018-0109-T-42 Highland EMS	12 Hour AEMT Refresher - Participant Guarantee	Kris Wubben	4	\$	176.64	No	X	
03-2018-0115-T-41 Dillman Equipment	Recognizing Security Threats Presentation	Amy Charles		\$	250.00	No	X	
03-2018-0116-I-19 St. Charles Borromeo School	Heartsaver CPR/AED	Kris Wubben	6	\$	385.78	Yes	X	
03-2018-0130-I-41 Cummins Emission Solutions	Confined Space for Attendants, Entrants, & Supervisors Training	Amy Charles	25	\$	2,495.00	No	X	
TOTAL of all Contracts			38	\$	3,636.37			
Exchange of Services			6	\$	385.78			
For Pay Service			32	\$	3,250.59			

2017-2018 CONTRACTS

12/1/2017 - 12/31/2017

							INDIRECT COST FACTOR		
<u>Contract Holder</u>	<u>Contract #</u>	<u>Service Provided</u>	<u>Contact</u>	<u>Number Served</u>	<u>Price</u>	<u>Exchange of Services</u> (Instructional Fees Waived)	<u>On-Campus</u>	<u>Off-Campus</u>	<u>Waiver</u>
Foremost Farms USA	03-2018-0098-I-41	Confined Space, Fall Protection & Walking Training	Amy Charles	55	\$ 2,245.00	No		X	
Schuman Cheese	03-2018-0111-I-41	Conflict Resolution	Amy Charles	6	\$ 695.00	No		X	
Schuman Cheese	03-2018-0111-I-41	Crucial Conversations	Amy Charles	6	\$ 1,385.00	No		X	
Schuman Cheese	03-2018-0111-I-41	Performance Management	Amy Charles	6	\$ 1,385.00	No		X	
Schuman Cheese	03-2018-0111-I-41	Motivation & Engagement	Amy Charles	6	\$ 1,385.00	No		X	
Nu-Pak, Inc.	03-2018-0117-I-41	Heartsaver CPR/AED	Kris Wubben	28	\$ 1,556.08	No		X	
Shullsburg Ambulance	03-2018-0118-I-42	BLS for Healthcare Provider	Kris Wubben	16	\$ 800.00	No		X	
Schreiber Foods - WAT Grant	03-2018-0121-I-23	OSHA 10 General Industry	Amy Charles	31	\$ 4,400.00	No		X	
SW CAP	03-2018-0125-I-41	BLS for Healthcare Provider - CPR	Kris Wubben	4	\$ 388.75	No		X	
Fennimore Rescue Squad	03-2018-0128-T-42	EMT Refresher - Participant Agreement	Kris Wubben		\$ 548.25	No		X	
Prosperity Southwest	03-2018-0131-F-23	Administrative and Financial Services (Oct - Dec)	Amy Charles		\$ 10,687.50	No		X	
Fennimore High School	03-2018-0408-I-13	WI Statute 118.15	Julie Pluemer	5	\$ 14,473.50	No	X		
Iowa-Grant High School	03-2018-0410-I-13	WI Statute 118.15	Julie Pluemer	2	\$ 6,090.00	No	X		
Ithaca High School	03-2018-0436-I-13	WI Statute 118.15	Julie Pluemer	1	\$ 1,473.50	No	X		
Lancaster High School	03-2018-0412-I-13	WI Statute 118.15	Julie Pluemer	1	\$ 930.75	No	X		
Potosi High School	03-2018-0418-I-13	WI Statute 118.15	Julie Pluemer	1	\$ 528.00	No	X		
River Ridge High School	03-2018-0444-I-13	WI Statute 118.15	Julie Pluemer	1	\$ 2,489.00	No	X		
Weston High School	03-2018-0428-I-13	WI Statute 118.15	Julie Pluemer	1	\$ 2,220.50	No	X		
TOTAL of all Contracts				170	\$ 53,680.83				
Exchange of Services				-	\$ -				
For Pay Service				170	\$ 53,680.83				

E. Personnel Items

Three employment recommendations, one transfer, and one resignation are being presented for approval in the Personnel Report. Information is available below.

PERSONNEL REPORT January 18, 2017

Employment: NEW HIRES

Name	Pam Bartels
Title	Associate Degree Nursing Instructor
Number of Applicants and Number Interviewed	3 applicants / 1 interviewed
Start Date	January 8, 2018
Salary/Wages	\$62,000
Classification	Full-Time Regular
Education and/or Experience	Master's degree in Nursing, 21 years of hands-on experience and 1 year as Adjunct Nursing Instructor at Southwest Tech

Name	Kyle Bennett
Title	Student Success Coach
Number of Applicants and Number Interviewed	64 applicants / 11 interviewed
Start Date	January 10, 2018
Salary/Wages	\$48,000
Classification	Full-Time Regular
Education and/or Experience	Bachelor's degree in Spanish and Education, 7.5 years of teaching experience, fluent in Spanish

Name	Hilary Schlenger
Title	LTE Midwifery Instructor
Number of Applicants and Number Interviewed	3 applicants / 3 interviewed
Start Date	January 2, 2018
Salary/Wages	\$62,000
Classification	Full-Time Regular
Education and/or Experience	Master's in Midwifery from Philadelphia University, 35 years of experience as a Midwife, 20 years teaching experience, RN, Certified Professional Midwife (CPM), Certified Nurse Midwife (CNM)

PROMOTIONS / TRANSFERS

Cora Beth Halverson	Student Success Coach
---------------------	-----------------------

RETIREMENTS / RESIGNATIONS

Katharine Caywood (Resignation 1/5/18)	Marketing Specialist
----------------------------------------	----------------------

F. American Association of Community Colleges 2018 Membership

The 2018 American Association of Community Colleges (AACC) membership renewal invoice in the amount of \$3,412 is available below.

Recommendation: Approve the Consent Agenda as presented.



American Association of Community Colleges
One Dupont Circle, NW, Suite 410, Washington, DC, 20036, USA
Phone: (202) 728-0200 Fax: (202) 833-2467

Page: 1 of 1

ANNUAL DUES NOTICE

Date: 20-Nov-2017
Bill-To: 000000001102-0

Order Number: 1000166665
Order Date: 21-Aug-2017
Invoice Number :

Southwest Wisconsin Technical College
Attn: Jason S. Wood
President
1800 Bronson Blvd
Fennimore, WI 53809

Product	Fulfill Status	Status	Qty	Unit Price	Unit Discount	Coupon	Adjustment	Total
AACC/INST_MBR-AACC - Institutional Member 01-Jan-2018 to 31-Dec-2018	Active	Proforma	1	3,362.00	0.00	0.00	0.00	3,362.00
AACC/PRES_ACADEMY-AACC - Presidents Academy Fee 01-Jan-2018 to 31-Dec-2018	Active	Proforma	1	50.00	0.00	0.00	0.00	50.00
Shipping:								0.00
Total :								3,412.00
Paid To Date								0.00
Current Amount Due :								3,412.00

Please detach the lower portion and return it with your payment. Thank you.

Customer: 000000001102-0 Southwest Wisconsin Technical College
Order No.: 1000166665 Invoice No:

Balance Due(USD) 3,412.00

Federal Tax ID: 53 0196569

Amount: _____

Send payments to: American Association of Community Colleges
PO Box 75263
Baltimore, MD 21275

Other Items Requiring Board Action

A. FY2017 Financial Audit

Wegner CPAs, Madison, WI, will present the audit report. The management representation letter and final audit report are available below.

Recommendation: Approve the 2016-17 Financial Audit as presented.



December 15, 2017

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

We have audited the financial statements of Southwest Wisconsin Technical College for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 1, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Southwest Wisconsin Technical College 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 2017. We noted no transactions entered into by Southwest Wisconsin Technical College 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 estimates affecting the financial statements were:

Management's estimate of the other post-employment benefits (OPEB) liability is based on the entry age normal level% of salary actuarial cost method. We evaluated the key factors and assumptions used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension asset is based on the unit credit actuarial cost method as determined by Wisconsin Retirement System (WRS). We evaluated the key factors and assumptions used to develop the net pension asset in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

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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. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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 15, 2017. Attached is a copy of management's written representations.

Management Consultations with Other Independent 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 Southwest Wisconsin Technical College'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 Southwest Wisconsin Technical College'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

We applied certain limited procedures to the schedule of net pension assets, schedule of funding progress for post-employment benefit plans other than pension, schedule of net pension assets, and schedule of employer contributions, 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.

We were engaged to report on other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, 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 of America, 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.

Restriction on Use

This information is intended solely for the use of board of directors and management of Southwest Wisconsin Technical College and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Wegner CPAs, LLP

A handwritten signature in black ink, appearing to read "Scott R. Haumersen".

Scott R. Haumersen, CPA
Partner

December 15, 2017

To Wegner CPAs, LLP

This representation letter is provided in connection with your audit of the financial statements of Southwest Wisconsin Technical College as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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 December 15, 2017, 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 June 1, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
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. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. 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.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which Southwest Tech is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. 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.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within Southwest Tech from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. 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.
14. We have no knowledge of any fraud or suspected fraud that affects Southwest Tech and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting Southwest Tech's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. 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, and we have not consulted a lawyer concerning litigation, claims, or assessments.

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

Government-specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
21. Southwest Tech has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
23. We have identified and disclosed to you all instances that 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.
24. 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.
25. We have identified and disclosed to you all instances that 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.
26. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
27. As part of your audit, you assisted with preparation of the financial statements, related notes, and schedule of expenditures of federal and state awards. We acknowledge our responsibility as it relates to those 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, related notes, and schedule of expenditures of federal and state awards.
28. Except as made known to you, Southwest Tech has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
29. Southwest Tech has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
30. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

31. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
32. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
33. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
34. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
35. Provisions for uncollectible receivables have been properly identified and recorded.
36. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
37. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
38. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
39. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
40. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
41. We have appropriately disclosed Southwest Tech's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
42. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
43. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
44. With respect to the supplementary information on which an in-relation-to opinion is issued:
 - a. We acknowledge our responsibility for presenting the combining and individual fund financial schedules in accordance with U.S. GAAP, and we believe the combining and individual fund financial schedules, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the combining and individual fund financial schedules 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.

- b. If the combining and individual fund financial statements are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

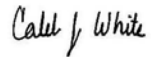
45. With respect to federal and state award programs:

- a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* (the *Guidelines*), including requirements relating to preparation of the schedule of expenditures of federal and state awards.
- b. We acknowledge our responsibility for presenting the schedule of expenditures of federal and state awards (SEFSA) and related notes in accordance with the requirements of the Uniform Guidance and the *Guidelines*, and we believe the SEFSA, including its form and content, is fairly presented in accordance with the Uniform Guidance and the *Guidelines*. The methods of measurement or presentation of the SEFSA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFSA.
- c. If the SEFSA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFSA no later than the date we issue the SEFSA and the auditor's report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and the *Guidelines* compliance audit, and have included in the SEFSA, expenditures made during the audit period for all awards provided by federal and state agencies in the form of federal and state awards, federal and state cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal and state programs and have identified and disclosed to you the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major federal and major state program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provides reasonable assurance that we are managing our federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal and state awards (including amendments, if any) and any other correspondence with federal and state agencies or pass-through entities relevant to federal and state programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the *OMB Compliance Supplement* and the appendices to the

Guidelines, relating to federal and state awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal and state awards.

- j. We have disclosed any communications from federal and state awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. 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.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- o. 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.
- p. 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.
- q. 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 period covered by the auditor's report.
- r. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal or state agency or pass-through entity, as applicable.
- t. We have charged costs to federal and state 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 the *Guidelines*, and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- v. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- w. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

We have carefully read this letter before signing it and understand, while you have provided the language of this letter to us, we are making these representations to you. We understand our obligation to carefully consider the possibility that any of the representations are not accurate. We have inquired of other members of management or employees of Southwest Wisconsin Technical College to the extent necessary to obtain a high degree of assurance that these representations are true. We know that you will be relying on them in the issuance of your report.



Caleb White
Vice President for Administrative Services



Kelly Kelly
Controller – Fiscal Services

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
Fennimore, Wisconsin

AUDITED FINANCIAL STATEMENTS

June 30, 2017 and 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Southwest Wisconsin Technical College, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise Southwest Wisconsin Technical College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Southwest Wisconsin Technical College Foundation, Inc. and the SWTC Real Estate Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

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 Southwest Wisconsin Technical College'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 Southwest Wisconsin Technical College'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 opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of business-type activities and the discretely presented component unit of the Southwest Wisconsin Technical College, as of June 30, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

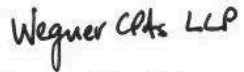
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of net pension liability and employer contributions, and the schedule of funding progress-other post-employment benefits on pages 4-11 and 48-50 required to be presented to supplement the basic financial statements and related notes. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Southwest Wisconsin Technical College's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*, and is also 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 combining and individual fund financial statements and schedules, and schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic 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 on our consideration of Southwest Wisconsin Technical College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southwest Wisconsin Technical College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwest Wisconsin Technical College's internal control over financial reporting and compliance.

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

Wegner CPAs, LLP
Madison, Wisconsin
December 15, 2017

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

The discussion and analysis of the financial performance of Southwest Wisconsin Technical College (Southwest Tech) provides an overview of its financial activities, identifies changes in its financial position, and assists the reader of these financial statements in focusing on noteworthy financial issues for the fiscal year ended June 30, 2017.

Southwest Tech provides lifelong learning opportunities with an individualized focus for students and communities.

The analysis focuses on Southwest Tech's financial performance as a whole. It should be read in conjunction with Southwest Tech's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Southwest Tech's government-wide financial statements reflect the following:

- Received and managed 44 federal, state or local grants totaling \$2.12 million
- Updated official statement for borrowing and maintained Southwest Tech's rating of Aa2 through Moody's.
- Borrowed \$2.5 million at 1.01 percent interest rate.
- Continued participation in Districts Mutual Insurance (DMI), the insurance company formed by the colleges in the Wisconsin Technical College System to provide property and casualty coverage.
- Participated in the formation of Wisconsin Technical Colleges Employee Benefits Consortium (WTCEBC) with five other Wisconsin technical colleges to provide employee benefits. Initial service includes employee health coverage.
- Increase purchase card activity to over 7,200 annual transactions. As a result, the number of accounts payable checks being issued continues to decrease, saving time and money for Southwest Tech and increasing vendor satisfaction with payment timing.
- Disbursed student financial aid totaling \$3,326,506 in grants, \$3,227,239 in loans, and \$63,221 in college work study earnings.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities performed by Southwest Tech are classified as either operating or non-operating activities. Because Southwest Tech receives the majority of its revenue from the taxpayers and other state and local governments, Southwest Tech will always report an operating deficit or loss.

The utilization of capital assets is reflected in the financial statements as depreciation, which expenses the cost of an asset over its expected useful life.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

The following summary shows a condensed version of the Statement of Revenues, Expenses and Changes in Net Position:

Table 1
Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2017	2016	Change	% Change
OPERATING REVENUE				
Student fees	\$ 5,354,979	\$ 5,240,160	\$ 114,819	2.19
Federal grants	4,269,671	4,497,752	(228,081)	(5.07)
State grants	2,573,769	2,703,022	(129,253)	(4.78)
Contract revenues	1,805,577	2,137,306	(331,729)	(15.52)
Auxiliary revenues	1,601,305	2,213,087	(611,782)	(27.64)
Total operating revenues	15,605,301	16,791,327	(1,186,026)	(7.06)
OPERATING EXPENSES				
Instruction	14,584,086	15,483,174	(899,088)	(5.81)
Instructional resources	251,308	349,695	(98,387)	(28.14)
Student services	2,453,273	2,156,682	296,591	13.75
General institutional	4,576,235	3,673,642	902,593	24.57
Physical plant	1,968,777	1,928,771	40,006	2.07
Auxiliary enterprise services	593,067	2,258,952	(1,665,885)	(73.75)
Depreciation	2,568,360	2,504,915	63,445	2.53
Student aid	3,327,558	3,198,708	128,850	4.03
Total operating expenses	30,322,664	31,554,539	(1,231,875)	(3.90)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	9,963,198	9,585,952	377,246	3.94
State appropriations	8,117,012	8,550,495	(433,483)	(5.07)
Investment income	29,834	26,168	3,666	14.01
Loss on disposal of capital assets	(8,433)	(10,576)	2,143	-
Interest expense	(1,245,649)	(1,327,762)	82,113	(6.18)
Total non-operating revenues	16,855,962	16,824,277	31,685	0.19
Increase in net assets	2,138,599	2,061,065	\$ 77,534	
Net assets - beginning of year	29,709,869	27,648,804		
Net assets - end of year	\$ 31,848,468	\$ 29,709,869		

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

Operating revenues are the charges for services offered by Southwest Tech. Total operating revenues decreased \$1,186,026 or 7.06% for fiscal year 2017. These increases are primarily due to the following:

- During 2017 Southwest Tech generated \$5,354,979 for tuition and fees charged to students compared to \$5,240,160 in 2016. This was an increase of \$114,819 or 2.19%.
- The state increased tuition rates 1.5% and 2.0% in 2017 and 2016.
- Southwest Tech receives funding from the federal and state governments for specific purposes, including financial aid payments to students. Southwest Tech received \$6,843,440 for the federal and state governments for 2017 compared to \$7,200,775 for 2016. This figure is indicative of the continued efforts of Southwest Tech to seek out new sources of revenue.
 - ✓ State revenue decreased \$129,253 or 4.78% in 2017 compared to 2016. State funding levels fluctuate between years based on the specific grants available each year as well as the amount of funding the state provides for financial aid.
 - ✓ Federal funding decreased \$228,081 or 5.07% in 2017 compared to 2016. The level of enrollment impacts the amount of federal financial aid that is awarded each year. Federal funding levels fluctuate between years based on the specific grants available each year as well as the amount of funding the state provides for financial aid.
- Revenue from industrial and technical assistance contracts with business and industry, local school districts, UW Platteville and the Department of Corrections was \$1,805,577 in 2017 and \$2,137,306 in 2016.
- Southwest Tech operates auxiliary enterprise operation such as the book store, food service, and childcare center. Southwest Tech had sales of \$1,601,305 for 2017 compared to \$2,213,087 in 2016 for these activities.

Operating expenses are costs incurred for providing education, training and services. Total operating expenses increased \$1,231,875 or 3.90% compared to 2016. The majority of the Southwest Tech's expenses, 49%, are for instructional related costs. Student financial aid and general institutional accounts for an additional 23%, while auxiliary services and other expenses account for the remaining 28% of total operating expenses.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

The graph below depicts Southwest Tech's operating revenues by source:



The graph below categorizes operating expenses by function.



SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

Non-operating revenues (expenses) are revenue and expense items not related directly to providing instruction. Net non-operating revenues increased \$31,685 or 0.19% in 2017.

- State operating appropriations decreased \$433,483 or 5.07% in 2017. Final state aid payments are not received until November following the fiscal year end. State aid is determined by a formula that takes into consideration actual expenditures, student FTE's, and equalized property valuations of each of the sixteen technical colleges in Wisconsin.
- Property tax revenue increased \$377,246 or 3.94% in 2017 compared to 2016. Property taxes are the biggest source of funding for Southwest Tech.

STATEMENT OF NET POSITION

The Statement of Net Position includes all assets, (items that Southwest Tech owns and amounts that are owed to Southwest Tech by others) and liabilities (amounts Southwest Tech owes to others and what has been collected from others prior to providing the services). This statement is prepared using the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service to Southwest Tech, regardless of when cash is exchanged.

Net position increased \$2,138,599 or 7.20% in 2017 compared to an increase of \$2,061,065 or 7.45% in 2016. Southwest Tech ended its fiscal year with net position of \$31,848,468 in 2017 of which \$16,978,615 was net investment in capital assets, \$307,930 was restricted for student financial aid, \$1,123,734 was restricted for capital projects, \$1,360,433 was restricted for debt service assistance, and \$12,077,756 was unrestricted net position. Unrestricted net position represents the amount of discretionary resources that can be used to fund general Southwest Tech operations.

Total assets decreased \$748,290 or 1.19% in 2017 and \$1,500,203 or 2.34% in 2016. Other assets decreased \$398,518 or 6.77%. Net capital assets decreased \$194,158 or 0.44% in 2017 compared to an increase of \$325,433 or 0.72% in 2016.

Southwest tech's current liabilities decreased \$534,907 or 7.87% in 2017 compared to an increase of 555,117 or 7.55% in 2016.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

STATEMENT OF NET POSITION (continued)

The components of the statement of net position are summarized in Table 2:

Table 2
Condensed Statements of Net Position

	2017	2016	Change	% Change
ASSETS				
Cash and cash equivalents	\$ 13,492,226	\$ 12,151,260	\$ 1,340,966	11.04
Net capital assets	44,433,615	44,627,773	(194,158)	(0.44)
Other assets	5,486,318	5,884,836	(398,518)	(6.77)
Total assets	63,412,159	62,663,869	748,290	1.19
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension	5,677,298	7,422,364	(1,745,066)	(23.51)
LIABILITIES				
Current liabilities	6,259,146	6,794,053	(534,907)	(7.87)
Net pension liability	711,859	1,414,636	(702,777)	(49.68)
Long-term liabilities	27,313,749	29,179,234	(1,865,485)	(6.39)
Total liabilities	34,284,754	37,387,923	(3,103,169)	(8.30)
DEFERRED INFLOWS OF RESOURCES				
Related to pension	2,956,235	2,988,441	(32,206)	(1.08)
NET POSITION				
Net invested in capital assets	16,978,615	15,722,773	1,255,842	7.99
Restricted for student financial aid	307,930	299,472	8,458	2.82
Restricted for capital projects	1,123,734	608,030	515,704	84.82
Restricted for debt service	1,360,433	1,255,978	104,455	8.32
Unrestricted	12,077,756	11,823,616	254,140	2.15
Total net position	\$ 31,848,468	\$ 29,709,869	\$ 2,138,599	7.20

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017, Southwest Tech had \$77,053,812 in capital assets, including land, land improvements, buildings and improvements, and moveable equipment. Total accumulated depreciation on these assets was \$32,620,197. Asset acquisitions totaled \$2,363,152. Southwest Tech recognized depreciation expense of \$2,568,360. Detailed information about capital assets can be found in Note 3 to the financial statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Long-term Debt

As of June 30, 2017, Southwest Tech had \$27,455,000 in general obligation debt outstanding compared to \$28,905,000 in 2016. Southwest Tech maintained its Aa2 rating from Moody's Investor service on its current and outstanding long-term debt. Debt service requirements of Southwest Tech are current and are secured by a tax levy adopted by the District Board. Wisconsin statutes require that the first property tax receipts be segregated for annual debt service payments. All general obligation debt for equipment is repaid in five years, while debt related to building and major remodeling is repaid in 10-20 years. The current debt adequately replaces and expands the equipment and facility needs of Southwest Tech. Detailed information about Southwest Tech's long-term debt is presented in Note 4 to the financial statements.

FINANCIAL POSITION

Southwest Tech continues to maintain a strong financial position. Its major revenue sources are property taxes, state aids, student tuition and fees, federal and state grants and contracts with business and industry.

Moody's "Aa2" rating reflects Southwest Tech's:

- Very diverse and large property tax base
- Good economic indicators as measured by median household effective buying income (EBI)
- Very strong reserves supported by additional liquidity in enterprise funds
- Low overall net debt burden

"...stable outlook reflects our anticipation that management will continue to make budget and program adjustments that will minimize enrollment losses and further state changes to technical college district funding. We believe that the district's maintenance of very strong reserves and conservative budgeting provide with flexibility..."

ECONOMIC FACTORS

The current state's economy coupled with the state's continuing budget challenges causes considerable concern for future funding levels. Southwest Tech's strengths in countering an economic downturn are summarized in the following statements:

- Southwest Tech has articulation agreements with other institutions of higher learning that provide options for students to fulfill program requirements locally and finish with minimal time elsewhere
- Unique programs such as Golf Course Management, Midwifery and online programs/courses draw students from outside of the district and state

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

ECONOMIC FACTORS (continued)

- Southwest Tech is 1 of 2 colleges in the state technical college system that provide student housing on campus. This benefits students that decide not to commute or reside further than reasonable daily travel distances.
- The level of our fund balances affords us time and flexibility to adjust to changing conditions.
- Capital financing through debt service allows us to keep pace with current technology.

Southwest Wisconsin Technical College faces challenges among which are:

- Historically below the state average in equalized valuation growth.
- Declining K-12 population equating to a smaller future customer base from high school graduates.
- Cost of operations continues to increase (wages, benefits, insurance, utilities, etc.)

These challenges make the execution of the budget a continuous work in progress as adjustments need to occur when revenue sources change. Southwest Tech has effectively survived previous difficult times and is a stronger institution as a result of it. The current financial position of the Southwest Tech allows us the flexibility to adjust to change and maintain this positive status in the future.

CONTACTING SOUTHWEST WISCONSIN TECHNICAL COLLEGE'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of Southwest Tech's finances for all those with an interest in Southwest Tech's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Caleb White, Vice President for Administrative Services, 1800 Bronson Boulevard, Fennimore, WI 53809.

Additional information about Southwest Wisconsin Technical College and its services can also be found at <http://www.swtc.edu>.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	Primary Government		Component Unit	
	2017	2016	2017	2016
ASSETS				
CURRENT ASSETS				
Cash and investments	\$ 13,492,226	\$ 12,151,260	\$ 523,020	\$ 299,091
Taxes receivable	3,249,760	3,218,878	-	-
Accounts receivable, net	581,733	1,446,081	228,571	243,384
Student accounts receivable	544,876	554,369	-	-
Due from other governments	35,357	80,217	-	-
Accrued self-insurance	486,459	-	-	-
Inventories	432,257	483,333	-	-
Prepaid expenses	155,876	101,958	-	-
Total current assets	18,978,544	18,036,096	751,591	542,475
NONCURRENT ASSETS				
Investments	-	-	3,356,268	3,030,170
Capital assets not being depreciated	813,445	813,962	236,539	80,000
Capital assets being depreciated, net	43,620,170	43,813,811	1,984,567	2,036,401
Total noncurrent assets	44,433,615	44,627,773	5,577,374	5,146,571
Total assets	63,412,159	62,663,869	6,328,965	5,689,046
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension	5,677,298	7,422,364	-	-
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and other current liabilities	941,258	866,112	186,983	624,843
Accrued salaries and benefits	555,426	821,576	-	-
Accrued interest	37,098	77,922	-	-
Accrued self-insurance	-	282,779	-	-
Compensated absences	647,533	816,314	-	-
Unearned revenue	552,831	479,350	-	-
Current portion of long-term debt	3,525,000	3,450,000	66,306	67,371
Total current liabilities	6,259,146	6,794,053	253,289	692,214
NONCURRENT LIABILITIES				
Net pension liability	711,859	1,414,636	-	-
Long-term debt, net of current portion	23,930,000	25,455,000	1,783,867	1,396,440
Post-employment benefits	3,383,749	3,724,234	-	-
Total noncurrent liabilities	28,025,608	30,593,870	1,783,867	1,396,440
Total liabilities	34,284,754	37,387,923	2,037,156	2,088,654
DEFERRED INFLOWS OF RESOURCES				
Related to pension	2,956,235	2,988,441	-	-
NET POSITION				
Net investment in capital assets	16,978,615	15,722,773	-	-
Permanently restricted	-	-	2,469,345	1,345,773
Temporarily restricted	-	-	837,841	1,692,399
Restricted				
Student financial assistance	307,930	299,472	-	-
Capital projects	1,123,734	608,030	-	-
Debt service	1,360,433	1,255,978	-	-
Unrestricted	12,077,756	11,823,616	984,623	562,220
Total net position	\$ 31,848,468	\$ 29,709,869	\$ 4,291,809	\$ 3,600,392

See accompanying notes to the financial statements

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2017 and 2016

	Primary Government		Component Unit	
	2017	2016	2017	2016
OPERATING REVENUES				
Tuition and fees				
Program fees (net of \$124,827 and \$115,396 scholarship allowances, respectively)	\$ 4,317,812	\$ 4,185,348	\$ -	\$ -
Material fees (net of \$9,246 and \$6,924 scholarship allowances, respectively)	326,224	339,803	-	-
Other student fees (net of \$20,034 and \$16,155 scholarship allowances, respectively)	710,943	715,009	-	-
Federal grants and contracts	4,269,671	4,497,752	-	-
State grants and contracts	2,573,769	2,703,022	-	-
Non-governmental grants and contracts	1,805,577	2,137,306	-	-
Auxiliary enterprise services	1,601,305	2,213,087	-	-
Contributions and other support	-	-	1,291,895	442,140
Rental income	-	-	439,489	417,049
Total operating revenues	15,605,301	16,791,327	1,731,384	859,189
OPERATING EXPENSES				
Instruction	14,584,086	15,483,174	-	-
Instructional resources	251,308	349,695	-	-
Student services	2,453,273	2,156,682	-	-
General institution	4,576,235	3,673,642	-	-
Physical plant	1,968,777	1,928,771	-	-
Auxiliary enterprise services	593,067	2,258,952	-	-
Depreciation	2,568,360	2,504,915	-	-
Student aid	3,327,558	3,198,708	-	-
Program activities and other	-	-	1,366,133	1,104,201
Total operating expenses	30,322,664	31,554,539	1,366,133	1,104,201
Operating loss	(14,717,363)	(14,763,212)	365,251	(245,012)
NONOPERATING REVENUES (EXPENSES)				
State appropriations	8,117,012	8,550,495	-	-
Local property taxes	9,963,198	9,585,952	-	-
Loss on disposal of capital assets	(8,433)	(10,576)	-	-
Investment income	29,834	26,168	326,166	142,062
Interest on capital asset-related debt	(1,245,649)	(1,327,762)	-	-
Total non-operating revenues (expenses)	16,855,962	16,824,277	326,166	142,062
Change in net position	2,138,599	2,061,065	691,417	(102,950)
Net position - beginning of year	29,709,869	27,648,804	3,600,392	3,703,342
Net position - end of year	\$ 31,848,468	\$ 29,709,869	\$ 4,291,809	\$ 3,600,392

See accompanying notes to the financial statements

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities		
Tuition and fees received	\$ 5,437,953	\$ 5,263,050
Federal and state grants received	6,888,300	7,173,782
Business, industry and school district contract revenues received	2,669,925	2,086,155
Payments to employees, including related benefits	(20,322,421)	(22,918,756)
Payments to suppliers	(7,894,150)	(6,105,310)
Auxiliary enterprise revenues received	1,601,305	2,213,087
Net Cash Flows from Operating Activities	(11,619,088)	(12,287,992)
Cash flows from non-capital financing activities		
Local property taxes received	9,932,316	9,497,394
State appropriations received	8,117,012	8,550,495
Net Cash Flows from Non-Capital Financing Activities	18,049,328	18,047,889
Cash flows from capital and related financing activities		
Purchases of capital assets	(2,382,635)	(2,190,048)
Proceeds from issuance of capital debt	2,500,000	2,500,000
Principal paid on capital debt	(3,950,000)	(3,880,000)
Interest paid on capital debt	(1,286,473)	(1,330,841)
Net Cash Flows from Capital and Related Financing Activities	(5,119,108)	(4,900,889)
Cash flows from capital and related financing activities		
Investment income received	29,834	26,168
Net Increase in Cash and Cash Equivalents	1,340,966	885,176
Cash and Cash Equivalents - Beginning of Year	12,151,260	11,266,084
Cash and Cash Equivalents - End of Year	\$ 13,492,226	\$ 12,151,260
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$(14,717,363)	\$(14,763,212)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	2,568,360	2,504,915
Changes in assets and liabilities		
Accounts receivable, net	864,348	(51,151)
Student accounts receivable	9,493	(11,890)
Due from other governments	44,860	(26,992)
Inventories	51,076	55,975
Prepaid expenses	(53,918)	53,659
Net pension asset	1,010,083	864,519
Accounts payable and other current liabilities	75,146	(311,617)
Accrued salaries and benefits	(266,150)	(221,532)
Accrued self-insurance	(769,238)	(148,221)
Compensated absences	(168,781)	24,552
Unearned revenue	73,481	34,780
Post-employment benefits	(340,485)	(291,777)
Net cash used in operating activities	\$(11,619,088)	\$(12,287,992)

See accompanying notes to the financial statements

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Southwest Wisconsin Technical College (Southwest Tech), is comprised of five full Southwest Wisconsin counties and portions of four others, became operational on July 1, 1967, pursuant to Chapter 292, Laws of Wisconsin of 1965. The geographic area of the Southwest Tech is comprised of most of Crawford, Grant, Iowa, Lafayette, and Richland counties and part of Dane, Green, Sauk, and Vernon counties covering 3,800 square miles. There are 30 public K-12 school districts within Southwest Tech boundaries.

Southwest Tech is governed by a nine-member District Board elected by the 30 school districts boards comprising Southwest Tech. Pursuant to Wisconsin Statute, the District Board consists of two employer members, two employee members, three additional members, one elected official member who holds a state or local office, and one school district administrator. Board members serve staggered three-year terms. The District Board powers are established under the provisions of Chapter 38 of the Wisconsin Statutes and include:

- Authority to borrow money and levy taxes;
- Budgetary authority; and
- Authority over other fiscal and general management of Southwest Tech, which includes, but is not limited to, the authority to execute contracts, to exercise control over facilities and properties, to determine the outcome or disposition of matters affecting the recipients of the services being provided and to approve the hiring or retention of key management personnel who implement board policies and directives.

The financial statements of Southwest Tech have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles.

Reporting Entity

The reporting entity of Southwest Tech consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of an organization's governing body and it is able to its will on that organization, (2) it appoints a voting majority of an organization's governing body and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government or its constituents; (2) the primary government is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government is entitled to, or has the ability to otherwise access, are significant to the primary government.

The Southwest Wisconsin Technical College Foundation, Inc. (Foundation), is a not-for-profit corporation whose purpose is to solicit, hold, manage, invest, and expend endowment funds and

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

other gifts, grants, and bequests exclusively for the maintenance and benefit of Southwest Tech. The Foundation is managed by an independent board of directors. Southwest Tech provides office space, certain equipment and furnishings, most related utility services and some insurance coverage to the Foundation without charge. The Foundation's resources are almost entirely for the benefit of Southwest Tech and the "entitlement/ability to access" criterion is met because the Foundation has a history of supporting Southwest Tech with its economic resources, the financial resources of the Foundation are significant to Southwest Tech as a whole and accordingly, the Foundation is presented as a discretely presented component unit of the District.

Separately issued financial statements of the Foundation may be obtained from the Foundation administration office.

Basis of Accounting and Financial Statement Presentation

For financial reporting purposes, Southwest Tech is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements of Southwest Tech have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant inter-governmental transactions have been eliminated.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires Southwest Tech to make estimates and assumptions that affect the reported amounts of assets, deferred inflows and outflows of revenues and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

Cash and Cash Equivalents

Southwest Tech's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in the Local Government Investment Pool, and short-term investments with original maturities less than ninety days from date of acquisition.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. The SIF is not rated. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2017 and 2016, the fair value of Southwest Tech's share of the LGIP's assets was substantially equal to the amount reported in these statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories of books and supplies are stated at the lower of cost or market; cost is determined using the first-in, first-out method. Instructional and administrative inventories are expensed as incurred.

Capital Assets

Capital assets are reported at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value at the time of receipt. Interest costs incurred during construction are not capitalized and are not considered material.

The costs of maintenance and repairs are charged to operations as incurred. Equipment assets having a cost of \$500 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on buildings and equipment is provided in amounts sufficient to relate the cost of depreciable assets to operations on the straight-line basis over the estimated useful life of the asset, which range from four to ten years for equipment and fifty years for buildings and remodeling.

Property Tax and Taxes Receivable

The District Board, under Section 38.16 of the Wisconsin Statutes, may levy a tax not to exceed 1.5 mills on the full value of taxable property within the area served by Southwest Tech for the purposes of operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation debt issued by Southwest Tech that is used for capital improvements and equipment additions.

Southwest Tech's operational mill rate was .62698 and .61542 mills for fiscal years ending 2017 and 2016. The debt service mill rate for the fiscal years ending 2017 and 2016 was .62522 and .63559 respectively.

Southwest Tech communicates its property tax levy to city, village and town treasurers or clerks in October of the fiscal year for which the taxes are levied.

The following dates are pertinent to Southwest Tech's tax calendar:

Levy date	Month of October
Tax bills are mailed	Month of October
Payments	
Taxes paid in one installment	January 31
Taxes paid in two installments:	
First installment due	January 31
Second installment due	July 31

Historically, Southwest Tech has received the majority of its property tax levy from municipalities in the fiscal year for which the taxes were levied. However, in most fiscal years, a portion of such revenues has been receivable at year-end because the second installment of real estate taxes and delinquent taxes is not required to be collected by the county treasurer until the month of August following Southwest Tech's year-end.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Southwest Tech employees are granted vacation, and sick leave benefits in varying amounts in accordance with Southwest Tech policies. In the event of retirement, death or resignation of an employee, Southwest Tech is obligated to pay for all unused vacation days. All vacation is accrued when incurred as accrued compensated absences in the statement of net position.

Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post-Employment Benefits

For employees hired prior to July 1, 2006, Southwest Tech's employee fringe benefit program includes a provision which allows academic, administrative, and support staff to be carried with the group insurance plan or plans at their own expense after retirement or layoff. However, the Board will continue to pay health insurance premiums based on type of employee and years of service or number of accumulated hours of sick leave.

For employees, any academic staff, administrative staff, or support staff with less than thirteen years of service to Southwest Tech that retire under the Wisconsin Retirement System or are laid off, one-half of their unused accumulated sick leave at full pay will be used to continue the payment of health insurance premiums at the time of retirement or layoff.

At time of separation, support staff with thirteen or more years of service to Southwest Tech will have one years' worth of health insurance premiums banked to pay future post separation premiums. Those with fifteen or more years of service to Southwest Tech will have two years' worth of health insurance premiums banked to pay future post separation premiums. Those with seventeen or more years of service will have three years' worth of health insurance premiums banked to pay future separation premiums.

Academic and administrative staff with thirteen or more years of service to Southwest Tech will have three years' worth of health insurance premiums banked to pay future separation premiums. Those with fifteen or more years of service will have four years' worth of health insurance premiums banked to pay future post separation premiums. Those with seventeen or more years of service will have five years' worth of health insurance premiums banked to pay future post separation premiums.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows and Inflows of Resources

In addition to assets, the balance sheet will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. All deferred outflows and inflows relate to the WRS pension activity.

Fees and Tuition

Fees and tuition are recorded as revenue in the period in which the related activity or instruction takes place. Revenues for the summer semester are prorated on the basis of student class days occurring before and after June 30. Southwest Tech's student fee receivable is stated at amounts due from students, net of an allowance for doubtful accounts. Amounts outstanding longer than the agreed upon payment terms are considered past due. Southwest Tech determines its allowance for doubtful accounts by considering a number of factors including length of time amounts are past due, Southwest Tech's previous loss history and the student's ability to pay his or her obligation. Southwest Tech writes off receivables when they become uncollectible, and payments subsequently collected on such receivables are credited to the allowance for doubtful accounts.

State and Federal Revenues

Southwest Tech receives funding from various federal and state contracts and grants. These revenues are earned as expenses are incurred. Such expenses may be incurred during the grantor's fiscal period, which may be different than that of Southwest Tech.

Southwest Tech participates in federally funded Pell Grants, SEOG Grants, Federal Work Study and Federal Direct Student Loan Programs. Federal and State programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*.

Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the following method: All aid is reflected in the basic financial statements as operating expenses or scholarship allowances, which reduce revenues. Southwest Tech receives and disburses cash and, as a result, must record all federal and state loan funds as federal and state grants, and the crediting of the funds to the student's account as student aid expense. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Revenue and Expense

Southwest Tech has classified its revenue and expenses as either operating or non-operating according to the following criteria:

Operating revenue/expenses- Operating revenues and expenses include activities that have the characteristics of exchange transactions to provide goods or services related to Southwest Tech's principal ongoing operations. Operating revenues include (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises, and (3) most federal, state and local grants and contracts that are essentially the same as contracts for services that finance programs of Southwest Tech. Operating expenses include the cost of providing educational services, student aid, administrative expenses and depreciation on capital assets.

Non-operating revenues/expenses – Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions. Non-operating revenues as defined by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. These revenues include gifts and contributions, and other revenue sources.

Self-Insurance

Southwest Tech is self-insured for health and dental coverage. Southwest Tech accounts for its medical self-insurance program in an internal service fund. The purpose of this fund is to pay medical insurance claims of Southwest Tech employees and their covered dependents and to minimize the total costs of annual insurance to Southwest Tech. The accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred, but not yet reported. The amounts not reported to Southwest Tech were determined by the Plan administrator.

Net Position

Net position is classified according to restrictions on availability of assets for satisfaction of Southwest Tech's obligations.

Net investment in capital assets: The value of capital assets (land, buildings and equipment) less the debt incurred to acquire or construct the assets plus the borrowed resources not yet expended, but restricted for capital purchases.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted net position: Restricted net position includes resources in which Southwest Tech is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

- Restricted net position for debt service can only be used to repay debt service costs (principal and interest) as they are levied for that specific purpose.
- Restricted net position for student financial assistance can only be used for student financial assistance activities.
- Restricted net position for capital projects results from unspent from general obligation debt issued specifically for capital projects.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services provided by educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of Southwest Tech and may be used at the discretion of the governing board to meet current expenses. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, Southwest Tech's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

NOTE 2—CASH AND CASH EQUIVALENTS

Southwest Tech cash and cash equivalents consist of the following at June 30:

	2017	2016	Risk
Cash and cash equivalents:			
Cash on hand	\$ 2,940	\$ 3,000	
Deposit accounts	12,318,551	10,983,763	Custodial
Local Government Investment Pool	1,170,735	1,164,497	Credit and interest
Total cash and cash equivalents	<u>\$ 13,492,226</u>	<u>\$ 12,151,260</u>	

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 2—CASH AND CASH EQUIVALENTS (continued)

Southwest Tech voluntarily invests excess funds in the Wisconsin Local Government Investment Pool (LGIP), an external investment pool. The LGIP is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. The SIF is not rated. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, the fair value of the Southwest Tech's share of the LGIP's assets was substantially equal to the amounts reported above.

Southwest Tech is limited to investments authorized by Wisconsin State Statute 66.0603 including the following:

1. Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in the state if the time deposits mature in not more than three years.
2. Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board, or other instrumentality of the federal government.
3. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state, as well as bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, the University of Wisconsin Hospitals and Clinics Authority, a local cultural arts district, or the Wisconsin Aerospace Authority.
4. Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's corporation, Moody's investors service, or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
5. Securities of an open-end management investment company or investment trust, with certain limitations:
 - a. Bonds or securities issued under the authority of the municipality;
 - b. The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes; the state of Wisconsin local government investment fund (LGIP)
 - c. Agreements in which a public depository agrees to repay funds advanced to it by Southwest Tech, plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
 - d. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
 - e. Repurchase agreements with public depositories, with certain conditions.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 2—CASH AND CASH EQUIVALENTS (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, Southwest Tech would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The bank balances were \$12,374,752 and \$11,354,897 at June 30, 2017 and 2016. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations. As of June 30, 2017, \$257,087 of Southwest Tech's deposits was covered by the FDIC, and \$12,118,548 was secured by pledged securities.

For investments, custodial credit risk is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to the transaction, Southwest Tech will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Southwest Tech's investment policy minimizes credit risk by limiting investments to the safest type of securities and diversifying the investment portfolio. Individual securities may not exceed 5% of the market value of the portfolio at the time of purchase with the exception of U.S. Government issues fully guaranteed as to both principal and interest by the U.S. government or agencies thereof, shares of open-ended investment companies, the LGIP, or the Wisconsin Investment Series Cooperative (WISC). The LGIP and WISC do not carry a credit quality rating.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, Southwest Tech's investment policy limits the maturity of any security to no more than five years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is less. The policy indicates that the investment portfolio should be structured so that securities mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The policy sets a maximum duration range of two years with a target duration of one year. As of June 30, 2017, Wisconsin Local Government Investment Pool (LGIP) investments have a maturity of 12 months or less.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 3—CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2017:

	Balance 7/1/2016	Additions	(Deletions)	Balance 6/30/2017
Capital assets not being depreciated				
Land	\$ 813,445	\$ -	\$ -	\$ 813,445
Construction in progress	517	-	(517)	-
Total capital assets not being depreciated	813,962	-	(517)	813,445
Capital assets being depreciated				
Land improvements	1,067,977	99,647	-	1,167,624
Buildings & improvements	47,015,078	509,679	-	47,524,757
Equipment	25,810,247	1,773,826	(36,087)	27,547,986
Total capital assets being depreciated	73,893,302	2,383,152	(36,087)	76,240,367
Less accumulated depreciation for				
Land improvements	574,516	47,083	-	621,599
Buildings & improvements	10,545,975	1,175,694	-	11,721,669
Equipment	18,959,000	1,345,583	(27,654)	20,276,929
Total accumulated depreciation	30,079,491	2,568,360	(27,654)	32,620,197
Total capital assets being depreciated-net	43,813,811	(185,208)	(8,433)	43,620,170
Net capital assets	44,627,773	<u>\$ (185,208)</u>	<u>\$ (8,950)</u>	44,433,615
Less general obligation debt	<u>(28,905,000)</u>			<u>(27,455,000)</u>
Total net investment in capital assets	<u>\$ 15,722,773</u>			<u>\$ 16,978,615</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 3—CAPITAL ASSETS (continued)

The following is a summary of changes in capital assets for the year ended June 30, 2016:

	Balance 7/1/2015	Additions	(Deletions)	Balance 6/30/2016
Capital assets not being depreciated				
Land	\$ 813,445	\$ -	\$ -	\$ 813,445
Constructions in progress	517	-	-	517
Total capital assets not being depreciated	813,962	-	-	813,962
Capital assets being depreciated				
Land improvements	1,067,977	-	-	1,067,977
Buildings & improvements	46,374,063	641,015	-	47,015,078
Equipment	24,306,093	1,549,033	(44,879)	25,810,247
Total capital assets being depreciated	71,748,133	2,190,048	(44,879)	73,893,302
Less accumulated depreciation for				
Land improvements	529,842	44,674	-	574,516
Buildings & improvements	9,381,397	1,164,578	-	10,545,975
Equipment	17,697,640	1,295,663	(34,303)	18,959,000
Total accumulated depreciation	27,608,879	2,504,915	(34,303)	30,079,491
Total capital assets being depreciated-net	44,139,254	(314,867)	(10,576)	43,813,811
Net capital assets	44,953,216	<u>\$ (314,867)</u>	<u>\$ (10,576)</u>	44,627,773
Less general obligation debt	(30,285,000)			(28,905,000)
Total net investment in capital assets	<u>\$ 14,668,216</u>			<u>\$ 15,722,773</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 4—LONG-TERM OBLIGATIONS

Long-term obligations of Southwest Tech consist of general obligation bonds, general obligation promissory notes and compensated absences for vacation and sick pay benefits.

Changes in long-term obligations for the years ended June 30, 2017 and 2016 was as follows:

	7/1/2016	Additions	Reductions	6/30/2017	One Year
Notes and bonds payable	\$ 28,905,000	\$ 2,500,000	\$ 3,950,000	\$ 27,455,000	\$ 3,525,000
Accrued compensated absences	816,314	427,502	596,283	647,533	647,533
Total long-term liabilities	<u>\$ 29,721,314</u>	<u>\$ 2,927,502</u>	<u>\$ 4,546,283</u>	<u>\$ 28,102,533</u>	<u>\$ 4,172,533</u>

	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Due Within One Year
Notes and bonds payable	\$ 30,285,000	\$ 2,500,000	\$ 3,880,000	\$ 28,905,000	\$ 3,450,000
Accrued compensated absences	791,762	586,373	561,821	816,314	816,314
Total long-term liabilities	<u>\$ 31,076,762</u>	<u>\$ 3,086,373</u>	<u>\$ 4,441,821</u>	<u>\$ 29,721,314</u>	<u>\$ 4,266,314</u>

All general obligation debt is secured by the full faith and credit and taxing powers of Southwest Tech. Long-term debt will be retired by future property tax levies and resources accumulated in the debt service fund.

Wisconsin State Statute 67.03 (1) limits total general obligation debt of Southwest Tech to 5% of the equalized value of taxable property located within the district. Wisconsin State Statute 67.03 (9) limits bonded indebtedness of Southwest Tech to 2% of the equalized value of taxable property, including tax incremental districts. The legal debt limit and the margin of indebtedness, as of June 30, 2017 is as follows:

	Bonds	Aggregate
Debt limit (2% for bonds, 5% for aggregate)	\$ 158,344,414	\$ 395,861,036
Debt outstanding at June 30, 2017 net of resources available to pay principal	<u>22,455,000</u>	<u>27,455,000</u>
Margin of indebtedness:	<u>\$ 135,889,414</u>	<u>\$ 368,406,036</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 4—LONG-TERM OBLIGATIONS (continued)

General obligation debt at June 30, 2017 and 2016 are as follows:

	Buyer	2017	2016
2008 \$8,000,000 general obligation school improvement bonds payable with annual principle payments of \$150,000 - \$585,000 through June 1, 2028, interest at 4.00%-4.75%, payable semi-annually in June 1 and December 1. Proceeds used to finance construction and remodeling.	Sterne, Agee & Leach, Inc.	\$ 370,000	\$ 725,000
2009 \$23,900,000 taxable general obligation Build America Bonds payable, authorized by the American Recovery and Reinvestment Act, with annual principle payments of \$600,000 - \$1,745,000 through June 1, 2029, interest at 1.85%-6.125%, payable semi-annually in June 1 and December 1. Interest payments are reduced by a 35% federal subsidy. Proceeds used to finance new construction and remodeling.	Robert W. Baird	17,010,000	16,050,000
2012 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2017, interest at 0.40%-1.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	UMB Bank, N.A.		500,000
2013 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2018, interest at 1.75%-2%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	BOSC, Inc.	500,000	1,000,000
2014 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2019, interest at 0.5-2.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Piper Jaffray	1,000,000	1,500,000

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 4—LONG-TERM OBLIGATIONS (continued)

	<u>Buyer</u>	<u>2017</u>	<u>2016</u>
2014 \$5,215,000 general obligation refunding bonds payable with annual principle payments of \$30,000-\$575,000 through June 1, 2028, interest at 2.0-3.0%, payable semi-annually June 1 and December 1.	Robert W. Baird	5,075,000	5,130,000
2015 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2020, interest at 2.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Piper Jaffray	1,500,000	2,000,000
2016 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2021, interest at 2.0%, payable semi-annually in June 1 and December 1.	UMB Bank, NA	2,000,000	-
Total General Obligation Debt		<u>\$ 27,455,000</u>	<u>\$ 28,905,000</u>

Future debt service requirements as of June 30, 2017 are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 3,525,000	\$ 886,129	\$ 4,411,129
2019	3,100,000	788,203	3,888,203
2020	2,670,000	711,765	3,381,765
2021	2,250,000	641,529	2,891,529
2022	1,810,000	577,961	2,387,961
2023-2027	10,100,000	1,850,521	11,950,521
2028-2032	4,000,000	223,081	4,223,081
	<u>\$ 27,455,000</u>	<u>\$ 5,679,189</u>	<u>\$ 33,134,189</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5—EMPLOYEE'S RETIREMENT SYSTEM

General Information about the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits. The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2007	3%	10%
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. During the current and prior reporting periods, the WRS recognized \$816,621 and \$837,279 in contributions from the employer. Contribution rates as of June 30, 2017 are as follows:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives, and elected officials)	6.6%	6.6%
Protective with Social Security	6.6%	9.4%
Protective without Social Security	6.6%	13.2%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017 and 2016, Southwest Tech reported a liability of \$711,859 and \$1,414,636 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. Southwest Tech's proportion of the net pension liability was based on Southwest Tech's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2016 and 2015, Southwest Tech's proportion was 0.08636563% and 0.08705556%. For the years ended June 30, 2017 and 2016, Southwest Tech recognized pension expense of \$1,826,408 and \$1,692,285.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

At June 30, 2017, Southwest Tech reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 271,432	\$ (2,238,735)
Changes in assumptions	744,276	-
Net differences between projected and actual earnings on pension plan investments	4,245,283	(701,875)
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,737	(15,625)
Employer contributions subsequent to the measurement date	<u>405,570</u>	<u>-</u>
Total	<u><u>\$ 5,677,298</u></u>	<u><u>\$ (2,956,235)</u></u>

At June 30, 2016, Southwest Tech reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 238,261	\$ (2,977,077)
Changes in assumptions	989,741	-
Net differences between projected and actual earnings on pension plan investments	5,788,498	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(11,364)
Employer contributions subsequent to the measurement date	<u>405,864</u>	<u>-</u>
Total	<u><u>\$ 7,422,364</u></u>	<u><u>\$ (2,988,441)</u></u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

At June 30, 2017 and 2016, \$405,570 and \$405,864 were reported as deferred outflows related to pension resulting from Southwest Tech's contributions subsequent to the measurement date. Deferred outflows will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2017	\$ 1,836,849	\$ (895,513)
2018	1,836,849	(895,513)
2019	1,536,878	(894,720)
2020	59,788	(270,489)
2021	1,364	-
	<u>\$ 5,271,728</u>	<u>\$ (2,956,235)</u>

Actuarial assumptions. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset)	December 31, 2016
Actuarial Cost Method:	Entry age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2016 is based upon a roll-forward of the liability calculated from the December 31, 2015 actuarial valuation.

Long-term expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Core Fund Asset Class	Current Asset Allocation	Destination Target Asset Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Global equities	50%	45%	8.3%	5.4%
Fixed income	24.5	37	4.2	1.4
Inflation sensitive assets	15.5	20	4.3	1.5
Real estate	8	7	6.5	3.6
Private equity/debt	8	7	9.4	6.5
Multi-asset	4	4	6.6	3.7
Total core fund	110%	120%	7.4%	4.5%
Variable Fund Asset Class				
U.S. equities	70%	70%	7.6%	4.7%
International equities	30	30	8.5	5.6
Total variable fund	100%	100%	7.9%	5.0%

Single Discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.78%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Southwest Tech's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents Southwest Tech's proportionate share of the net pension liability calculated using the discount rate of 7.2 percent, as well as what Southwest Tech's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
Southwest Tech's proportionate share of net pension liability - 2016	\$ 9,364,961	\$ 711,859	\$ (5,951,422)
Southwest Tech's proportionate share of net pension liability - 2015	\$ 9,922,284	\$ 1,414,636	\$ (5,229,989)

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/>.

NOTE 6—OTHER POST-EMPLOYMENT BENEFITS

Southwest Tech provides other post-employment benefits (OPEB) for its employees through a single-employer retiree benefit plan that provides postemployment health and dental insurance benefits to eligible employees and their spouses in accordance with employee contracts. There are approximately 44 active and 77 retired members in the plan as of July 1, 2016 the most recent actuary study. Benefits and eligibility are established and amended by the governing body.

Funding Policy. Southwest Tech has no invested plan assets accumulated for payment of future benefits. The employer makes all contributions. Southwest Tech's funding policy is to provide annual contributions on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. Southwest Tech's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of Southwest Tech's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in Southwest Tech's net OPEB obligation:

	2017	2016
Annual required contribution	\$ 411,908	\$ 368,605
Interest on net OPEB obligation	32,675	55,237
Adjustment to annual required contribution	(46,745)	(60,145)
Annual OPEB cost (expense)	397,838	363,697
OPEB payments made	(700,483)	(655,474)
Increase in net OPEB obligation	(302,645)	(291,777)
Net OPEB obligation - beginning of year	1,089,158	1,380,935
Net OPEB obligation - end of year	\$ 786,513	\$ 1,089,158

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Southwest Tech's annual OPEB costs, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for June 30, 2017 and the preceding two years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2017	\$ 397,838	176.07%	\$ 786,513
6/30/2016	\$ 363,697	180.23%	\$ 1,089,158
6/30/2015	\$ 363,496	172.64%	\$ 1,380,935

Funded Status and Funding Progress. As of July 1, 2016, the most recent actuarial valuation date, Southwest Tech's actuarial accrued liability (AAL) for benefits was \$7,162,500 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability (UAAL) of \$7,162,500. The annual payroll for active employees covered by the plan in the actuarial valuation for the fiscal year was \$4,239,079 for a ratio of the UAAL to covered payroll of 168.96%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016, actuarial valuation, the entry age normal level % of salary actuarial cost method was used. The actuarial assumptions included a 3.00% investment rate of return and an initial annual healthcare cost trend rate of 7.50%, reduced by decrements to an ultimate rate of 5%. Both rates include a 2.5% inflation assumption. The UAAL is being amortized on a level dollar basis. The remaining amortization period on July 1, 2016 was 24 years.

NOTE 7—COMMITMENTS AND CONTINGENCIES

Southwest Tech has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 7—COMMITMENTS AND CONTINGENCIES (continued)

From time to time Southwest Tech is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and Southwest Tech's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Southwest Tech's financial position.

Operating Leases

Southwest Tech leases various facilities as outreach center to offer Adult Basic Education, GED/HSED and other course options. Current facilities are located in Richland Center, Fennimore, Platteville and Darlington. Future minimum lease payments for the years ending June 30, 2018 and 2019 are \$82,484 and \$30,122. Rent expenses under all operating leases for the years ended June 30, 2017 and 2016 \$52,601 and \$53,861.

NOTE 8—RISK MANAGEMENT

Districts Mutual Insurance Company (DMI)

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company is a fully-assessable mutual company authorized under Wisconsin Statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$350,000,000 per occurrence, general liability, auto, and educators' legal liability at \$5,000,000 per occurrence, and workers' compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. Southwest Tech's exposure to its layer of insurance is limited to its deductible amounts, which vary by coverage from \$2,500 to \$100,000 per occurrence. DMI purchases reinsurance for losses in excess of its retained layer of coverage.

DMI operations are governed by a five-member board of directors. Member colleges do not exercise any control over the activities of DMI beyond election of the board of directors at the annual meeting. The board has the authority to adopt its own budget, set policy matters, and control the financial affairs of the company.

Each member college is assessed an annual premium. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company. Since DMI is fully capitalized, member districts have not been assessed a capitalization amount for fiscal years 2017 and 2016.

The DMI financial statements can be obtained through Districts Mutual Insurance Co., 212 W. Pinehurst Trail, Dakota Dunes, SD 57049.

Supplemental Insurance

In July 1997, WTCS technical colleges formed the WTCS Insurance Trust to jointly purchase commercial insurance to provide coverage for losses from theft of, damages to, or destruction of assets. The trust is organized under Wisconsin Statutes 66.0301 and is governed by a board of trustees consisting of one trustee from each member college. Member entities include all sixteen Wisconsin Technical College System districts.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 8 – RISK MANAGEMENT (continued)

The WTCS Insurance Trust has purchased the following levels of coverage for its participating members:

- *Foreign travel liability:* \$2,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses \$1,000 deductible for employee benefits.
- *Crime:* \$750,000 coverage for employee dishonesty, forgery, computer fraud and funds transfer fraud; \$500,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$2,500 deductible for investigation; \$15,000 deductible for employee dishonesty, forgery, and fraud.
- *Business Travel Accident:* Coverage for Local Board of Trustee Members \$1,000,000 aggregate general; \$100,000 for scheduled losses, assistance services medical evacuation and repatriation.

The Trust financial statements can be obtained through Lakeshore Technical College, 1290 North Avenue, Cleveland, WI 53015.

Health Insurance

As of July 1, 2015, Southwest Tech joined together with other colleges in the State to form the Wisconsin Technical College Employee Benefits Consortium (WTCEBC). WTCEBC is a public entity risk pool that Southwest Tech participates in to provide health insurance coverage to its employees. The main purpose of WTCEBC is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Southwest Tech pays WTCEBC a monthly premium based on the number of participants and the type of coverage that has been elected. Individual claims below \$100,000 are self-funded by Southwest Tech. Any individual claim exceeding \$100,000 but less than \$250,000 is shared in a pooled layer among all of the colleges participating in the consortium. Individual claims exceeding \$250,000 and aggregate claims exceeding \$1,000,000 are subject to reinsurance.

The claims asset (liability) of \$486,459 and (\$282,779) reported at June 30, 2017 and 2016 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that an asset (liability) for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that an asset (liability) has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims asset (liability) amount were:

Estimated claims outstanding				
	Beginning Balance	Premiums	Claim Payments	Ending Balance
2017	\$ (282,779)	3,413,763	\$ (2,644,525)	486,459
2016	(431,000)	3,825,173	(3,676,952)	(282,779)

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 9—SUBSEQUENT EVENT

On August 1, 2017, Southwest Tech issued \$2,500,000 of General Obligation Promissory Notes, the proceeds of which are to be used for the public purpose of paying building remodeling and improvement costs and acquiring movable equipment. The interest rate on these bonds is 1.40%.

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT

Southwest Wisconsin Technical College Foundation, Inc. (the Foundation) promotes learning through funding and activities that enable Southwest Wisconsin Technical College (located in Fennimore, Wisconsin) to provide opportunities for success. The Foundation identifies, solicits, and manages alternative sources of funding to:

- Provide leadership and direction through the involvement of the Foundation's board of directors and staff in the continuing development of Southwest Wisconsin Technical College (the College);
- Develop and manage endowment funds to provide scholarships, special awards, and other financial assistance to students of the College;
- Provide and develop alternative financial support to the College for facilities improvement, equipment acquisitions, program development, student financial aid, and staff development; and
- Support and encourage developments in vocational/technical education through various activities.

Southwest Wisconsin Technical College Real Estate Foundation, Inc. (REF) was formed for the purpose of acquiring, developing, and holding real estate for the benefit of the College. The REF supports the College by holding and managing real estate that is integral to the College's mission.

Each of Southwest Wisconsin Technical College (College), the Foundation and the REF are governed by a separate and distinct Board of Directors. Each Foundation and the College maintains an arms-length transaction with the other. While each entity is independently governed, it is recognized that close collaboration and cooperation are essential to attain their separate missions.

The College sets the strategic priorities and objectives consistent with its role as an educational institution. The activities of Foundation and the REF should be consistent with and aligned with the College's objectives. The Foundation is intended to be the primary means through which private donors may assist the college.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination

The combined financial statements include the financial statements of the Foundation and REF, which are related through common management and aligned objectives.

The combined financial statements are included as a component unit in the College's financial statements since the College has an economic interest in the Foundation and REF.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

The Foundation and the REF report information regarding their financial position and activities according to three classes of net assets:

Unrestricted net assets—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions. Unless restricted by the donor, income earned on assets that are subject to donor-imposed temporary restrictions is considered unrestricted.

Permanently restricted net assets—Net assets that have been restricted by donors to be maintained by the Foundation in perpetuity.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Investments

The Foundation reports investments in marketable equity securities with readily determinable fair values and all investments in debt securities at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all costs for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method.

Income Tax Status

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

The REF received 501(c)(3) tax-exempt status as a supporting organization under section 509(a)(3) of the Internal Revenue Code in November 2015.

Contributions

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statements of activities as net assets released from restrictions.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the combined statements of activities and in the combined statements of functional expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

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

Scholarships and awards—Scholarships, special awards, and other financial assistance provided to students and support provided to faculty to continue their education in their respective fields.

Student housing—On-campus apartment style units that provide students with a place to reside while attending Southwest Wisconsin Technical College.

Management and general—Management and general expenses include the costs necessary to ensure proper administrative functioning of the board of directors, manage the financial and budgetary responsibilities of the Foundation, inform the public about the Foundation's stewardship, and perform other activities related to the overall direction of the Foundation.

Fundraising—Fundraising expenses include the costs related to activities that involve inducing potential donors to contribute assets, services, or time to the Foundation.

Estimates

Management uses estimates and assumptions in preparing combined financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through the date which the combined financial statements were available to be issued.

NOTE B—PROMISES TO GIVE

Unconditional promises to give at June 30, 2017 and 2016 are as follows:

	2017	2016
Receivable in less than one year	\$ 12,328	\$ 16,760
Receivable in one to five years	138,600	-
	<u>\$ 150,928</u>	<u>\$ 16,760</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE C—INVESTMENTS

Investments are comprised of the following:

	2017	2016
Money market fund	\$ 9,762	\$ 156,172
U.S. government and agency obligations	1,368,764	272,288
Corporate bonds	-	519,439
State and municipal obligations	-	38,763
Common stocks	-	1,799,149
Foreign equities	-	161,103
Mutual funds	1,977,742	83,256
Investments	<u>\$ 3,356,268</u>	<u>\$ 3,030,170</u>

Investments at June 30, 2017 and 2016 include \$2,433,145 and \$1,345,773 of investments held for endowment purposes.

Investment return is summarized as follows:

	2017	2016
Investment income	\$ 65,955	\$ 69,300
Net realized and unrealized gains	271,343	92,640
Investment expenses	(11,132)	(19,878)
Investment return	<u>\$ 326,166</u>	<u>\$ 142,062</u>

NOTE D—FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Money market fund	\$ 9,762	\$ 9,762	\$ -
U.S. government and agency obligations	1,368,764	-	1,368,764
Mutual funds	1,977,742	1,977,742	-
June 30, 2017	<u>\$ 3,356,268</u>	<u>\$ 1,987,504</u>	<u>\$ 1,368,764</u>
Money market fund	\$ 156,172	\$ 156,172	\$ -
U.S. government and agency obligations	272,288	-	272,288
Corporate bonds	519,439	-	519,439
State and municipal obligations	38,763	-	38,763
Common stocks	1,799,149	1,799,149	-
Foreign equities	161,103	161,103	-
Mutual funds	83,256	83,256	-
June 30, 2016	<u>\$ 3,030,170</u>	<u>\$ 2,199,680</u>	<u>\$ 830,490</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE D—FAIR VALUE MEASUREMENTS (continued)

The valuation methodologies used for assets measured at fair value are as follows. The money market fund held by the Foundation is invested primarily in U.S. Treasury securities and government agency obligations.

The fund generally values its holdings using the amortized cost valuation method or, in unusual circumstances, market prices. Conventional U.S. Treasury notes and bonds are valued at quoted prices from independent, third-party pricing agents. Other U.S. Treasury notes and bonds, such as inflation index bonds, are valued using data aggregated from various independent pricing sources. These independent pricing sources are regularly consulted and some judgment is exercised. U.S. government agency bonds, corporate bonds, and state and municipal bonds are valued at quoted prices from independent, third-party pricing agents, which may rely on significant unobservable inputs. Publicly-traded common stocks and foreign equities are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the quoted net asset value of shares held by the Foundation at year end.

NOTE E—PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2017	2016
Land	\$ 80,000	\$ 80,000
Construction in progress	156,539	-
Buildings and improvements	2,676,240	2,696,320
Equipment	43,171	32,647
Property and equipment	2,955,950	2,808,967
Accumulated depreciation	(734,844)	(692,566)
Property and equipment - net	<u>\$ 2,221,106</u>	<u>\$ 2,116,401</u>

NOTE F—MORTGAGE PAYABLE

The REF has a 3.63% mortgage payable to a local financial institution in monthly installments of \$9,950, including interest, through September 27, 2032. The mortgage is secured by the REF's student housing units and assignments of its leases and rents.

The future scheduled maturities of this mortgage are as follows for the years ending June 30:

2018	\$ 66,306
2019	68,904
2020	71,427
2021	74,404
2022	77,319
Thereafter	1,491,813
	<u>\$ 1,850,173</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE G—LEASING ARRANGEMENTS

The REF leases housing units to students of the College. Lease terms are typically for one college academic year and may be extended through the summer months if requested by the student and units are available. The REF collects a security deposit from each tenant that may be retained due to damages to the leased premises that exceed ordinary wear and tear, waste and neglect of the premises, and nonpayment of rent and amounts owed for utilities.

NOTE H—NET ASSETS

The Foundation and the REF's boards of directors have chosen to place the following limitations on unrestricted net assets:

	2017	2016
Designated for emergency loan fund	\$ 10,140	\$ 11,642
Property and equipment held for leasing (net of accumulated depreciation and related debt)	370,933	652,590
Special projects	-	12,500
Undesignated	603,550	(114,512)
Unrestricted net assets	<u>\$ 984,623</u>	<u>\$ 562,220</u>

Temporarily restricted net assets are available for the following purposes:

	2017	2016
Professional staff development	\$ 23,607	\$ 21,663
Special projects and events	335,452	213,867
Scholarships	478,782	1,456,869
Temporarily restricted net assets	<u>\$ 837,841</u>	<u>\$ 1,692,399</u>

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable to support:

	2017	2016
Professional staff development	\$ 42,050	\$ 55,000
Special projects and events	78,270	20,000
Scholarships	2,349,025	1,270,773
Permanently restricted net assets	<u>\$ 2,469,345</u>	<u>\$ 1,345,773</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE H—NET ASSETS (continued)

The Foundation has endowment agreements with various donors. Under certain agreements, the donor contributes to an endowment fund periodically. Once the balance of the individual's endowment fund reaches \$12,500, the donor's contributions become permanently restricted and the Foundation may not expend the corpus of the fund below the specified amount. Endowment funds whose cumulative contributions attained this level during the year are shown as reclassifications from temporarily restricted net assets to permanently restricted net assets in the statement of activities.

NOTE I—ENDOWMENT FUNDS

The Foundation's endowment consists of approximately fifty-five individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation has interpreted Wisconsin's enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by Wisconsin's enacted version of UPMIFA. In accordance with Wisconsin's enacted version of UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

To achieve its objectives, the Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution, while growing the fund if possible. The Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Investment risk is measured in terms of the total endowment fund. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. Asset classes may include common and preferred stocks, closed-end and open-end mutual funds, real estate investment trusts, American Depositary Receipts (ADRs) of foreign companies, U.S. Treasury securities and government agency obligations, mortgage-backed securities, and domestic corporate bonds typically of investment grade. All investment assets have sufficient liquidity for reasonable price

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)

NOTE 1—ENDOWMENT FUNDS (continued)

stability and ease of trading. No individual equity-based investment may exceed 5% of the total fair value of all equity-based investments at the time of purchase or 5% of the total fair value of all investment assets at any given time. With the exception of U.S. Treasury securities and government agency obligations, no fixed income investment of any single issuer may in the aggregate exceed 5% of the total fair value of all investment assets at any given time.

The Foundation has a spending policy of appropriating for distribution annually a minimum of 3.0% of its endowment fund's average fair value on the last day of each of the three calendar years immediately preceding the fiscal year in which the appropriation is to be made. In establishing this policy, the Foundation considered the long-term expected investment return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment fund to grow at a rate consistent with its objectives of maintaining the purchasing power of the endowment assets as well as providing additional real growth through investment return.

The composition of and changes in donor-restricted endowment net assets as of and for the years ended June 30, 2017 and 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets 7/1/2015	\$ (540)	\$ 1,434,705	\$ 1,268,478	\$ 2,702,643
Investment return				
Investment income	220	29,212	-	29,432
Net appreciation (realized and unrealized)	231	30,577	-	30,808
Total investment return	451	59,789	-	60,240
Contributions	-	1,971	77,295	79,266
Appropriation of endowment assets for expenditure	(651)	(101,436)	-	(102,087)
Endowment net assets 6/30/2016	(740)	1,395,029	1,345,773	2,740,062
Investment return				
Investment income	740	37,733	-	38,473
Net appreciation (realized and unrealized)	-	244,229	-	244,229
Total investment return	740	281,962	-	282,702
Contributions	-	-	76,472	76,472
Appropriation of endowment assets for expenditure	-	(124,292)	-	(124,292)
Transfers to create donor-restricted endowment funds	-	(1,047,100)	1,047,100	-
Endowment net assets 6/30/2017	\$ -	\$ 505,599	\$ 2,469,345	\$ 2,974,944

SOUTHWEST WISCONSIN TECHNICAL COLLEGE**NOTES TO FINANCIAL STATEMENTS**

June 30, 2017

NOTE 10—DISCRETELY PRESENTED COMPONENT UNIT (continued)**NOTE J—RELATED PARTY TRANSACTIONS**

The Foundation and the REF have an agreement with the College for services and facilities. The College employed all of the Foundation and REF's employees. During the year ended June 30, 2017, the Foundation and the REF recorded donated services of \$367,205 and \$150,914, respectively, for the personnel-related costs. The College also provided payroll, human resources, and maintenance services, internet and mailing services, office space, and office equipment without charge. Services received from the College are measured at the College's estimate of the costs it incurred in providing those services. Facilities and office equipment are measured at the fair value rental for similar facilities. During the year ended June 30, 2017, the Foundation and the REF paid \$149,261 and \$11,532, respectively, for expenses incurred by the College.

The Foundation disburses scholarships, professional development awards, project grants and emergency grants to and on behalf of the College. During the year ended June 30, 2017, the Foundation disbursed \$459,176.

NOTE K—RESTATEMENT OF NET ASSETS

During the year ended June 30, 2017, management determined that the Foundation classified restricted contributions and investment return in prior years incorrectly. As a result, net assets at July 1, 2016, have been restated to reflect the correct classification.

	<u>Reported</u>	<u>Change</u>	<u>As Restated</u>
Unrestricted	\$ 547,179	\$ 15,041	\$ 562,220
Temporarily restricted	1,707,440	(15,041)	1,692,399
Permanently restricted	<u>1,345,773</u>	<u>-</u>	<u>1,345,773</u>
Total	<u>\$ 3,600,392</u>	<u>\$ -</u>	<u>\$ 3,600,392</u>

The cumulative effect of the restatement on net assets as of July 1, 2016 is an increase in unrestricted net assets of \$15,401 and a decrease in temporarily restricted net assets of \$15,401.

REQUIRED SUPPLEMENTARY INFORMATION

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS*

	2016	2015	2014
Southwest Tech's proportion of the net pension liability	0.086366%	0.087056%	0.086672%
Southwest Tech's proportionate share of the net pension liability	\$ 711,859	\$ 1,414,636	\$ (2,128,893)
Southwest Tech's covered-employee payroll	\$ 12,373,045	\$ 12,311,841	\$ 12,149,964
Southwest Tech's proportionate share as a percentage of covered payroll	5.75%	11.49%	17.52%
Plan fiduciary net position as a percentage of the total pension liability	99.12%	98.20%	102.74%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

SCHEDULE OF CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS*

	2016	2015	2014
Contractually required contributions	\$ 816,621	\$ 837,279	\$ 850,618
Contributions in relation to the contractually required contributions	\$ 816,621	\$ 837,279	\$ 850,618
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Southwest Tech's covered-employee payroll	\$ 12,373,045	\$ 12,311,841	\$ 12,149,964
Contributions as a percentage of covered-employee payroll	6.60%	6.80%	7.00%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See accompanying notes to the required supplementary information.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS
June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2016	\$ -	\$ 7,162,500	\$ 7,162,500	0.00%	\$ 4,239,079	168.96%
7/1/2013	\$ -	\$ 5,919,556	\$ 5,919,556	0.00%	\$ 5,795,408	102.14%
7/1/2012	\$ -	\$ 6,699,033	\$ 6,699,033	0.00%	\$ 6,456,777	103.75%

See accompanying notes to the required supplementary information.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

NOTE 1—BUDGETS AND BUDGETARY ACCOUNTING

Southwest Tech's reporting structure used in the preparation of the basic financial statements is different than the fund structure used for budgetary accounting. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The process includes an administrative compilation and review of campus and departmental requests, public hearings, and approval by the District Board prior to June 30 of each year. Capital outlays for multi-year projects are budgeted annually in the Capital Projects Fund upon planned inception of the project.

Local property taxes are levied on a calendar year basis by various taxing municipalities located in Southwestern Wisconsin. Southwest Tech records as revenue its share of the local tax when levied.

Annual budgets are prepared on a different basis from the basic financial statements by recognizing encumbrances as expenditures and by recognizing revenues related to encumbrances.

The legal level of control for each budget is by function and within each fund. Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in expenditures (appropriations) require approval by the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes. The budget was modified during the year and also subsequent to the fiscal year end. These budget modifications reflect (1) actual property tax revenues in excess of estimates; (2) changes in expected state aid payments, both for the current year and prior year adjustments; (3) various other minor adjustments. Expenditures may not exceed appropriations. Unencumbered appropriations lapse at the end of each fiscal year. Management is authorized to transfer appropriations within functions without the approval of the Board.

NOTE 2—FUNDING PROGRESS DATA

The data presented in the Schedule of Funding Progress was taken from the reports issued by the actuary.

The District is required to present information for the pension and other postemployment benefit plans for the three most recent actuarial studies. Duplicate information for intervening years is not repeated.

NOTE 3—WISCONSIN RETIREMENT SYSTEM

Changes of benefit terms: There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions: Southwest Tech reported a deferred outflow of \$744,276 for change in assumption for the year ended June 30, 2017.

OTHER SUPPLEMENTARY INFORMATION

The following supplementary information is provided to document Southwest Tech's compliance with budgetary requirements. This accountability is an essential requirement to maintain the public trust. The method of accounting used for budgetary compliance monitoring is substantially different from the method of preparing the basic financial statements of the Southwest Tech. At the end of this section is a reconciliation between the two methods.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
REVENUES					
Local government - tax levy	\$ 4,775,000	\$ 4,775,000	\$ 5,013,198	\$ 238,198	\$ 4,745,952
Intergovernmental revenue					
State	10,844,000	10,844,000	10,118,962	(725,038)	10,750,750
Federal	651,000	651,000	1,144,050	493,050	1,404,653
Tuition and fees					
Statutory program fees	4,390,000	4,390,000	4,317,812	(72,188)	4,185,348
Materials fees	333,000	333,000	326,224	(6,776)	339,803
Other student fees	423,000	423,000	452,169	29,169	467,328
Institutional	1,972,000	1,972,000	1,631,332	(340,668)	1,931,787
Total revenues	23,388,000	23,388,000	23,003,747	(384,253)	23,825,621
EXPENDITURES					
Current:					
Instruction	15,082,200	14,682,200	14,118,582	563,618	15,438,114
Instructional resources	299,000	299,000	251,308	47,692	349,695
Student services	1,900,000	2,100,000	2,041,038	58,962	1,751,756
General institutional	4,442,800	4,642,800	4,576,235	66,565	3,673,642
Physical plant	2,192,000	2,192,000	1,968,777	223,223	1,928,771
Total expenditures	23,916,000	23,916,000	22,955,940	960,060	23,141,978
Excess (deficiency) of revenues over (under) expenditures	(528,000)	(528,000)	47,807	575,807	883,643
OTHER FINANCING SOURCES (USES)					
Transfers in	528,000	528,000	249,243	(278,757)	410,135
Transfers out	-	-	(38,814)	(38,814)	(23,625)
Total other financing sources (uses)	528,000	528,000	210,429	(317,571)	386,510
Net change in fund balance	-	-	258,236	258,236	1,070,153
Fund balance—beginning of year	7,901,152	7,901,152	8,350,305	449,153	7,280,152
Fund balance—end of year	<u>\$ 7,901,152</u>	<u>\$ 7,901,152</u>	<u>\$ 8,608,541</u>	<u>\$ 707,389</u>	<u>\$ 8,350,305</u>
FUND BALANCE					
Nonspendable - prepaid expenses			155,876		
Assigned for state aid fluctuations			200,000		
Assigned for post employment benefits			3,167,807		
Unassigned			5,084,858		
Total fund balance			<u>\$ 8,608,541</u>		

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SPECIAL REVENUE NON-AIDABLE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
REVENUES					
Intergovernmental revenue					
State	\$ 500,000	\$ 500,000	\$ 552,774	\$ 52,774	\$ 485,607
Federal	7,000,000	7,000,000	5,899,800	(1,100,200)	5,923,885
Student fees	250,000	250,000	258,774	8,774	247,681
Institutional	250,000	250,000	260,328	10,328	264,770
Total revenues	8,000,000	8,000,000	6,971,676	(1,028,324)	6,921,943
EXPENDITURES					
Student services	7,950,000	7,950,000	6,952,032	997,968	6,846,758
Excess (deficiency) of revenues over (under) expenditures	50,000	50,000	19,644	(30,356)	75,185
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	38,814	38,814	23,625
Transfers out	(50,000)	(50,000)	(50,000)	-	(50,000)
Total other financing sources (uses)	(50,000)	(50,000)	(11,186)	38,814	(26,375)
Net change in fund balance	-	-	8,458	8,458	48,810
Fund balance—beginning of year	250,662	250,662	299,472	48,810	250,662
Fund balance—end of year	<u>\$ 250,662</u>	<u>\$ 250,662</u>	<u>\$ 307,930</u>	<u>\$ 57,268</u>	<u>\$ 299,472</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
REVENUES					
Institutional	\$ 20,000	\$ 50,000	\$ 50,751	\$ 751	\$ 30,395
EXPENDITURES					
Current:					
Instruction	1,285,000	669,000	942,424	(273,424)	763,897
Instructional resources	75,000	75,000	41,232	33,768	44,487
Student services	-	-	-	-	1,599
General institutional	443,000	600,000	397,980	202,020	540,105
Physical plant	952,000	1,980,000	454,168	1,525,832	583,935
Total expenditures	2,755,000	3,324,000	1,835,804	1,488,196	1,934,023
Excess (deficiency) of revenues over (under) expenditures	(2,735,000)	(3,274,000)	(1,785,053)	1,488,947	(1,903,628)
OTHER FINANCING SOURCES (USES)					
Proceeds from debt	2,500,000	2,500,000	2,500,000	-	2,500,000
Transfers in	-	-	50,000	50,000	50,000
Transfers out	(78,000)	-	(249,243)	(249,243)	(410,135)
Total other financing sources (uses)	2,422,000	2,500,000	2,300,757	(199,243)	2,139,865
Net change in fund balance	(313,000)	(774,000)	515,704	1,289,704	236,237
Fund balance—beginning of year	678,793	678,793	608,030	(70,763)	371,793
Fund balance—end of year	<u>\$ 365,793</u>	<u>\$ (95,207)</u>	<u>\$ 1,123,734</u>	<u>\$ 1,218,941</u>	<u>\$ 608,030</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
REVENUES					
Local government - tax levy	\$ 4,950,000	\$ 4,950,000	\$ 4,950,000	\$ -	\$ 4,840,000
Intergovernmental revenue					
Federal	329,000	329,000	326,427	(2,573)	344,848
State	8,000	8,000	19,045	11,045	17,160
Institutional	1,000	1,000	4,632	3,632	4,012
Total revenues	5,288,000	5,288,000	5,300,104	12,104	5,206,020
EXPENDITURES					
Debt service	5,356,000	5,356,000	5,304,473	51,527	5,255,416
Excess (deficiency) of revenues over (under) expenditures	(68,000)	(68,000)	(4,369)	63,631	(49,396)
OTHER FINANCING SOURCES (USES)					
Premium on issuance of debt	-	-	68,000	68,000	44,575
Net change in fund balance	(68,000)	(68,000)	63,631	131,631	(4,821)
Fund balance—beginning of year	1,295,721	1,295,721	1,333,900	38,179	1,338,721
Fund balance—end of year	<u>\$ 1,227,721</u>	<u>\$ 1,227,721</u>	<u>\$ 1,397,531</u>	<u>\$ 169,810</u>	<u>\$ 1,333,900</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
PROPRIETARY FUNDS - ENTERPRISE FUNDS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
OPERATING REVENUES					
Institutional	\$ 2,100,000	\$ 2,100,000	\$ 1,601,305	\$ (498,695)	\$ 2,213,087
OPERATING EXPENSES					
Auxiliary services	2,000,000	2,000,000	1,446,840	553,160	2,009,018
Excess of operating revenues over operating expenses	100,000	100,000	154,465	54,465	204,069
NON-OPERATING EXPENSES					
Transfers out	(400,000)	(400,000)	-	400,000	-
Net change in net position	(300,000)	(300,000)	154,465	454,465	204,069
Net Position—beginning of year	3,402,804	3,402,804	3,426,873	24,069	3,222,804
Net Position—end of year	<u>\$ 3,102,804</u>	<u>\$ 3,102,804</u>	<u>\$ 3,581,338</u>	<u>\$ 478,534</u>	<u>\$ 3,426,873</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
 PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
 IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 Year Ended June 30, 2017 with Comparative Totals for Year Ended June 30, 2016

	2017				2016
	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual (Budgetary Basis)
OPERATING REVENUES					
Institutional	\$ 4,200,000	\$ 4,200,000	\$ 3,972,292	\$ (227,708)	\$ 4,103,321
OPERATING EXPENSES					
Auxiliary services	4,200,000	4,200,000	3,125,231	1,074,769	4,358,860
Net change in net position			847,061	847,061	(255,539)
Net Position—beginning of year	380,088	380,088	124,549	(255,539)	380,088
Net Position—end of year	<u>\$ 380,088</u>	<u>\$ 380,088</u>	<u>\$ 971,610</u>	<u>\$ 591,522</u>	<u>\$ 124,549</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL STATEMENTS
TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2017

	Governmental Funds				Proprietary Funds			Statement of Revenues, Expenses and Changes in Net Position	
	General	Special Revenue	Capital Projects	Debt Service	Enterprise Funds	Internal Service	Total	Reconciling Items	
REVENUES									
Local government - tax levy	\$ 5,013,198	\$ -	\$ -	\$ 4,950,000	\$ -	-	\$ 9,963,198	\$ -	\$ 9,963,198
Intergovernmental revenue									
State	10,119,982	552,774	-	19,045	-	-	10,690,781	-	10,690,781
Federal	1,144,060	6,809,800	-	326,427	-	-	7,379,277	(3,103,606)	4,269,671
Tuition and fees									
Statutory program fees	4,317,812	-	-	-	-	-	4,317,812	-	4,317,812
Materials fees	326,224	-	-	-	-	-	326,224	-	326,224
Other student fees	452,169	258,774	-	-	-	-	710,943	-	710,943
Institutional	1,831,332	289,328	50,751	4,632	1,601,305	3,972,292	7,520,640	(4,083,924)	3,436,716
Total revenues	23,002,747	6,971,678	50,751	5,300,104	1,601,305	3,972,292	40,899,975	(7,184,530)	33,715,345
EXPENDITURES									
Current:									
Instruction	13,342,507	-	-	-	-	-	13,342,507	1,241,579	14,584,086
Instructional resources	261,308	-	-	-	-	-	261,308	-	261,308
Student services	2,041,038	6,952,032	-	-	-	-	8,993,070	(6,539,797)	2,453,273
General institutional	4,578,235	-	-	-	-	-	4,578,235	-	4,578,235
Physical plant	1,968,777	-	232,513	-	-	-	2,201,290	(232,513)	1,968,777
Auxiliary services	-	-	-	-	1,446,840	3,125,231	4,572,071	(3,879,004)	593,067
Capital outlay	778,076	-	1,803,291	-	-	-	2,379,366	(2,379,366)	-
Depreciation	-	-	-	-	-	-	-	2,568,360	2,568,360
Student aid	-	-	-	-	-	-	-	3,327,558	3,327,558
Debt service:									
Principal	-	-	-	3,950,000	-	-	3,950,000	(3,950,000)	-
Interest	-	-	-	1,354,473	-	-	1,354,473	(108,824)	1,245,649
Total expenditures	22,955,940	6,952,032	1,935,804	5,304,473	1,446,840	3,125,231	41,620,320	(10,052,007)	31,568,313
Excess (deficiency) of revenues over (under) expenditures	47,807	19,644	(1,785,053)	(4,369)	154,465	847,061	(720,445)	2,867,477	2,147,032
OTHER FINANCING SOURCES (USES)									
Long-term debt issued	-	-	2,500,000	-	-	-	2,500,000	(2,500,000)	-
Payment to refunded bond escrow	-	-	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	68,000	-	-	68,000	(68,000)	-
Transfers in	249,243	38,814	50,000	-	-	-	338,057	(338,057)	-
Transfer out	(28,814)	(50,000)	(249,243)	-	-	-	(338,057)	338,057	-
Loss on disposal of capital assets	-	-	-	-	-	-	-	(8,433)	(8,433)
Total other financing sources (uses)	210,429	(11,186)	2,300,757	68,000	-	-	2,568,000	(2,575,433)	(8,433)
Net change in fund balance/net position	258,236	8,458	515,754	63,831	154,465	847,061	1,847,555	291,044	2,138,599
Fund balance/Net Position - beginning of year	8,350,305	299,472	808,030	1,333,800	3,426,873	124,549	14,143,128	15,886,740	29,708,869
Fund balance/Net Position - end of year	\$ 8,608,541	\$ 307,930	\$ 1,123,734	\$ 1,397,631	\$ 3,581,338	\$ 971,610	\$ 15,990,684	\$ 16,177,784	\$ 31,848,468

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL STATEMENTS
TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2017

- (a) State grant revenue is presented on the basic financial statement as follows:

Operating	\$ 2,573,769
Non-operating	<u>8,117,012</u>
	<u><u>\$ 10,690,781</u></u>

- (b) Institutional revenue is reported on the basic financial statement as follows:

Non-governmental grants and contracts	\$ 1,805,577
Auxiliary enterprises	1,601,305
Investment income	<u>29,834</u>
	<u><u>\$ 3,436,716</u></u>

- (c) Reconciliation of budgetary basis fund balance and net position as presented in the basic financial statements:

Budgetary basis fund balance	\$ 15,990,684
Capital assets capitalized – at cost	76,782,277
Accumulated depreciation on capital assets	(32,374,292)
Net pension asset and deferred items	2,009,204
General obligation notes payable	(27,455,000)
Other post employment benefits and long-term portion of retiree health insurance	(3,383,749)
Accrued interest on notes payable	(37,098)
Encumbrances outstanding at year end	<u>316,442</u>
Net position per basic financial statements	<u><u>\$ 31,848,468</u></u>

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
AND OTHER AUDITORS REPORTS**

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Department of Agriculture							
Pass-through Program from Wisconsin Department of Agriculture, Trade, and Consumer Protection Federal-State Marketing Improvement Program	10.136	03-108-000-015	7/1/15-6/31/15	1,595	560	-	560
Pass-through Program from University of Wisconsin - Platteville Capacity Building for Non-Land Grant Colleges of Agriculture (NLGCA)	10.326	03-173-000-013	7/1/16-9/30/16	28,945	27,888	-	27,888
Total Department of Agriculture				30,450	28,548	-	28,548
Department of Labor							
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-174-000-013	7/1/16-3/31/17	188,163	159,739	-	159,739
Pass-through Program from Chippewa Valley Technical College Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-109-000-015	7/1/16-9/30/16	93,376	67,163	-	67,163
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-109-000-015	10/1/16-8/30/17	204,980	149,959	-	149,959
Total Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants				486,729	375,961	-	375,961
Pass-through Program from Chippewa Valley Technical College H-1B Job Training Grants	17.288	03-194-000-116	7/1/17-6/30/17	434,758	254,742	-	254,742
Total Department of Labor				821,887	630,603	-	630,603

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Department of Education							
Department of Education Direct Programs							
Student Financial Assistance Cluster							
Federal Supplemental Education Opportunity Grant	84.007		7/1/16-6/30/17	-	40,149	-	40,149
Federal College Work Study	84.033		7/1/16-6/30/17		63,221		63,221
Federal Pell Grant	84.063		7/1/16-6/30/17	-	2,695,824		2,695,824
Direct Student Loans							
Federal Student Stafford Loans	84.258		7/1/16-6/30/17	-	3,100,606	-	3,100,606
Total Student Financial Assistance Cluster				-	5,899,800	-	5,899,800
Department of Education (continued)							
Pass-through program from Wisconsin Technical College Systems Board							
Adult Education Act							
Adult Basic Education - Basic Grants to States	84.002	03-111-148-165	7/1/16-6/30/17	13,800	13,800		13,800
Adult Basic Education - Basic Grants to States	84.002	03-110-148-125	7/1/16-6/30/17	184,428	75,029	-	75,029
Total Adult Education Act				198,228	88,829	-	88,829
Career and Technical Education Basic Grants to States							
Strengthening Career & Technical Program							
NTD Connections to NTD Recruit	84.048	03-193-150-257	7/1/16-6/30/17	29,649	29,649	-	29,649
NTD Connections to NTD Recruit	84.048	03-194-150-267	7/1/16-6/30/17	7,412	7,412	-	7,412
Student Success	84.048	03-196-150-237	7/1/16-6/30/17	239,532	74,122	165,400	239,532
Career Prep	84.048	03-106-150-216	7/1/16-6/30/17	39,173	39,173		39,173
High School to College Transition	84.048	03-137-150-246	7/1/16-6/30/17	37,060	37,060	-	37,060
Total Career and Technical Education Basic Grants to States				352,816	187,415	165,400	352,815
Total Department of Education				551,044	6,176,044	165,400	6,341,444

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	03-172-000-013	7/1/16-6/31/16	221,307	54,621	-	54,621
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	03-172-000-013	9/1/16-6/30/17	-	147,364	-	147,364
Total Department of Health & Human Services				221,307	201,985		201,985
Department of Homeland Security							
Pass-through program from Wisconsin Technical College System's Board Assistance to Firefighters Grant	97.044	03-113-153-116	7/1/15-6/30/16	6,671	6,671		6,671
Total Federal Awards				<u>\$ 1,730,359</u>	<u>\$ 7,043,851</u>	<u>\$ 165,400</u>	<u>\$ 7,209,251</u>

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year ended June 30, 2017

State Grantor/Program	State Identifying Number	Project Identification Number	Grant Period	Grant Amount	Expenditures		Total Expenditures
					State	Match	
Wisconsin Higher Education Board:							
Wisconsin Higher Education Grant	235 102		7/1/16-6/30/17	436,610	436,610	-	436,610
Remissions of Fees for Veterans and Dependents	235 105		7/1/16-6/30/17	26,848	26,848	-	26,848
Minority Undergraduate Retention Grant	235 107		7/1/16-6/30/17	1,575	1,575	-	1,575
Academic Excellence Scholarship	235 109		7/1/16-6/30/17	38,814	38,814	-	38,814
Talent Incentive Program Grant	235 114		7/1/16-6/30/17	22,300	22,300	-	22,300
Hearing and Visually Handicapped Student Grant	235 116		7/1/16-6/30/17	850	850	-	850
Nursing	235 117		7/1/16-6/30/17	15,000	15,000	-	15,000
Wisconsin Covenant Scholars Grant Revenue	235 131		7/1/16-6/30/17	22,625	22,625	-	22,625
Wisconsin Covenant Foundation Grant Revenue	235 131		7/1/16-6/30/17	15,000	15,000	-	15,000
Total Wisconsin Higher Education Board				579,622	579,622	-	579,622
Wisconsin Department of Transportation							
Motorcycle Safety	265 7348	03-123-000-003	7/1/16-12/31/16	13,223	9,675	-	9,675
3 Wheel Safety	265 7348	03-127-000-004	7/1/16-12/31/16	812	812	-	812
Total Wisconsin Department of Transportation				14,035	10,687	-	10,687
Wisconsin Technical College Systems Board							
Emergency Assistance	292 104		7/1/16-6/30/17	17,575	17,575	-	17,575
State Aids for Vocational Technical and Adult Education	292 106		7/1/16-6/30/17	1,553,030	1,553,030	-	1,553,030
State Aids Prior Years	292 105		7/1/16-6/30/17	(33,000)	(33,000)	-	(33,000)
Performance Based Aid	292 105		7/1/16-6/30/17	1,099,574	1,099,574	-	1,099,574
Workforce Advancement Training Grants:							
3M	292 124	03-131-124-177	7/1/16-6/30/17	87,088	5,787	-	5,787
3M	292 124	03-139-124-176	7/1/16-6/30/17	17,260	11,962	-	11,962
Community First Bank	292 124	03-126-124-177	7/1/16-6/30/17	9,960	5,925	-	5,925
Dilman	292 124	03-149-124-177	7/1/16-6/30/17	10,123	2,255	-	2,255
Emmi Roth	292 124	03-144-124-176	7/1/16-6/30/17	10,093	10,093	-	10,093
Foremost Farms - Safety	292 124	03-133-124-176	7/1/16-6/30/17	15,065	12,474	-	12,474
Lands End	292 124	03-162-124-177	7/1/16-6/30/17	11,511	11,493	-	11,493
Predison Manufacturing	292 124	03-132-124-146	7/1/16-6/30/17	42,513	42,513	-	42,513
Schreiber	292 124	03-150-124-176	7/1/16-6/30/17	13,348	9,684	-	9,684

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year ended June 30, 2017

State Grantor/Program	State Identification Number	Project Identification Number	Grant Period	Grant Amount	Expenditures		Total Expenditures
					State	Match	
Wisconsin Technical College Systems Board (continued)							
Schreiber Foods	292.124	03-163-124-177	7/1/16-6/30/17	175,163	16,966	-	16,966
Faculty Development	292.124	03-161-124-156	7/1/16-6/30/17	48,147	48,147	-	48,147
Advanced Manufacturing	292.124	03-118-124-186	7/1/16-6/30/17	32,512	28,161	-	28,161
Advanced Manufacturing	292.124	03-118-124-187	7/1/16-6/30/17	7,926	7,926	-	7,926
Electrical Construction Apprentice Lab Support	292.124	03-125-124-116	7/1/16-6/30/17	8,200	8,200	-	8,200
Alternative Welding for Adults	292.124	03-108-124-137	7/1/16-6/30/18	186,674	186,674	-	186,674
Ag/Animal Science	292.124	03-115-124-147	7/1/16-6/30/17	196,727	98,073	-	96,073
Criminal Justice Studies	292.124	03-107-124-137	7/1/16-6/30/17	83,299	73,091	-	73,091
Tutoring 4 Success	292.124	03-190-124-166	7/1/16-6/30/17	192,356	121,767	-	121,767
Pathways to Success	292.124	03-189-124-127	7/1/16-6/30/17	152,466	47,716	-	47,716
Total Workforce Advancement Training Grants				1,250,429	748,909	-	748,909
Fire Fighter Training 2%	292.137		7/1/16-6/30/17	28,272	28,272	-	28,272
Property Tax Relief Aid	292.162		7/1/16-6/30/17	6,528,192	6,528,192	-	6,528,192
Supporting Veterans' Success	292.190	03-191-190-117	7/1/16-6/30/17	81,370	16,142	-	16,142
Hazmat	292.372		7/1/16-6/30/17	3,048	3,048	-	3,048
Total Wisconsin Technical College Systems Board				10,508,480	9,961,742	-	9,961,742
Wisconsin Department of Workforce Development							
Blueprint for Prosperity - Welding	445.109	03-114-000-015	7/1/16-6/30/2016	83,201	69,639	-	69,639
Wisconsin Department of Natural Resources							
DNR payment in lieu of taxes			7/1/16-6/30/17	29,923	29,923	-	29,923
Wisconsin Department of Revenue							
State Aid Computers	835.109		7/1/16-6/30/17	38,868	38,868	-	38,868
Total State Awards				\$ 11,254,142	\$ 10,690,781	\$ -	\$ 10,690,781

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2017

NOTE 1—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Southwest Tech under programs of the federal government for the year ended June 30, 2016. 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). Because the Schedule presents only a selected portion of the operations of the Southwest Tech, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Southwest Tech.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Specifically, debt service expenditures, as well as expenditures related to claims and judgments, and compensated absences are recorded only when payment is due. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Southwest Tech has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3—RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS

Federal Revenue reported in the basic financial statements is reconciled to the Schedule of Expenditures of Federal and State Awards as follows:

Reconciliation

Federal revenues reported on the Schedule of Expenditures of Federal and State Awards	<u>\$ 7,043,851</u>
Federal Revenue reported in the Statement of Revenues, and Expenses and Changes in Net Position	\$ 4,269,671
Direct Student Loans included on the Schedule of Expenditures of Federal and State Awards	3,100,606
Federal Subsidy payment for Build America Bonds	<u>(326,426)</u>
Total Federal Revenues	<u>\$ 7,043,851</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2017

NOTE 3—RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS (continued)

State Revenue reported in the basic financial statements is reconciled to the Schedule of Expenditures of Federal and State Awards as follows:

Reconciliation

State revenues reported on the Schedule of Expenditures of
Federal and State Awards

\$10,690,781

State Revenue reported in the Statement of Revenues, and
Expenses and Changes in Net Position

Operating

\$ 2,573,769

Non-operating

8,117,012

Total State Revenues

\$10,690,781

NOTE 4—SUBRECIPIENT PAYMENTS

Southwest Tech did not pay federal and state awards to subrecipients.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2017

There were no prior audit findings.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities and the discretely presented component unit of Southwest Wisconsin Technical College (Southwest Tech) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Southwest Tech's basic financial statements, and have issued our report thereon dated .

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southwest Tech'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southwest Tech's internal control. Accordingly, we do not express an opinion on the effectiveness of Southwest Wisconsin Technical College'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 charge 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 Southwest Tech's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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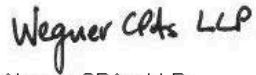
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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

A handwritten signature in black ink that reads "Wegner CPAs LLP". The signature is written in a cursive, slightly stylized font.

Wegner CPAs, LLP
Madison, Wisconsin
December 15, 2017



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

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

Report on Compliance for Each Major Federal and Major State Program

We have audited Southwest Wisconsin Technical College's (Southwest Tech's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* (the *Guidelines*) that could have a direct and material effect on Southwest Tech's major federal program and each of its major state programs for the year ended June 30, 2017. Southwest Tech's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Southwest Tech's major federal program and each of its major 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 of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *Guidelines*. Those standards, the Uniform Guidance, and the *Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state program occurred. An audit includes examining, on a test basis, evidence about Southwest Tech's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program and each major state program. However, our audit does not provide a legal determination of Southwest Tech's compliance.

Opinion on Each Major Federal and Major State Program

In our opinion, Southwest Tech complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and each of its major state programs for the year ended June 30, 2017.

Janesville Office:
191 E. Milwaukee Street
Suite 426
Janesville, WI 53140
P: (608) 756-4830

Baraboo Office:
143 Second Street
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Baraboo, WI 53913
P: (608) 356-8866
F: (608) 356-2866

Milwaukee Office:
10229 N. 1533 Westford Drive
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Milwaukee, WI 53114
P: (262) 622-7555
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Madison Office:
2110 Linn Lane
Madison, WI 53713
P: (608) 274-4000
F: (608) 274-0775

www.wegnercpa.com
info@wegnercpa.com
(800) 264-7666

Report on Internal Control Over Compliance

Management of Southwest Tech 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 Southwest Tech's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program and each of its major state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and each of its major state programs and to test and report on internal control over compliance in accordance with the *Uniform Guidance* and the *Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southwest Tech's internal control over compliance.

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

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

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

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
December 15, 2017

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
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 weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
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 2 CFR 200.516(a)?	No

Identification of major programs

CFDA Number(s)	Name of Federal Program or Cluster
Student Financial Assistance Cluster	
84.007	Federal Supplemental Education Opportunity Grant
84.033	Federal College Work Study
84.063	Federal Pell Grant
84.268	Federal Student Stafford Loans

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

State Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

Any audit findings disclosed that are required to be reported? No

Identification of state major programs:

State Identifying Number	Name of State Program
235.102	Wisconsin Higher Education Grant
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

None

Section III—Federal and State Award Findings and Questioned Costs

None

Section IV—Other Issues

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

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

Technical College System Board	No
Higher Education Board	No
Department of Public Instruction	No
Department of Workforce Development	No
Department of Justice	No

Was a management letter or other document conveying audit comments issued as a result of this audit? No

Name and signature of partner



Scott R. Haumersen, CPA

Date of report

December 15, 2017

B. Clarity Clinic Lease

Included in the electronic Board material is a lease for Clarity Clinic Platteville, Inc. to rent 821 square feet of office/retail space from the College.

Recommendation: Approve the lease with Clarity Clinic Platteville, Inc. for \$50/month for the period of February 1, 2018, through June 30, 2018.

LEASE AGREEMENT

THIS AGREEMENT OF LEASE is made as of this 1st day of February 2018 by and between Southwest Wisconsin Technical College, Lessor, and Clarity Clinic Platteville, Inc Lessee:

1. PREMISES AND TERM.

1.1 Demised Premises. Lessor leases to Lessee the following:

821 square feet of office floor space located at 1800 Bronson Blvd, Building 200, Suite 236, Fennimore, Wisconsin.

1.2 Term. This lease is for a term of five (5) months commencing on February 1, 2018, and ending June 30, 2018.

1.3 Termination This lease shall continue until the date specified in paragraph 1.2 or an extension date agreed upon as specified in paragraph 1.4 or until terminated in accordance with this paragraph. This lease or any renewal thereof may be terminated by mutual written agreement of the parties before the end of the fixed term or the end of each and every renewal period hereafter upon such terms and conditions as the parties shall agree.

1.4 Renewal. This lease may be renewed by mutual written agreement of the parties before the end of the fixed term or the end of each and every renewal period hereafter upon such terms and conditions as the parties shall agree.

2. RENT.

2.1 Payments. The Lessee shall yield and pay the sum of (\$50.00) per month as rent for the premises for the term of this Agreement, payable by mail or direct deposit on the 10th day of each month of this agreement. Mailed payments shall be sent to Southwest Tech, 1800 Bronson Blvd, Fennimore, Wisconsin 53809 or direct deposits shall be paid to Southwest Tech checking account (routing number available upon request).

3. USE, HOURS AND SIGNS.

3.1 Use. Lessee shall use and occupy the demised premises solely for general office purposes and retail purposes. Lessee shall not use the demised premises in any way which, in the judgment of the Lessor, poses a hazard to the Lessor, the premises, other Lessees, if any, or the building in part or in whole; nor shall Lessee use the demised premises so as to cause damage to the building in part or in whole; nor shall Lessee use the premises so as to cause damage, annoyance, nuisance or inconvenience to the building occupants or others.

3.2 Hours. Lessee shall have unlimited access and use of demised premises during regular school hours, however, no earlier than 7:00 a.m. and no later than 9:00 p.m. This use shall follow the

official college calendar with lessee premises remaining closed during winter/summer breaks, holidays and following a four day work week during designated summer period. A written schedule of hours of operation shall be sent to the Vice President for Administrative Services prior to the beginning of the lease agreement and upon any change to said hours thereafter.

3.3 Signs. Lessee shall have the privilege of placing in the demised premises such interior signs as Lessee deems necessary and proper in the conduct of Lessee's business, provided:

- (a) Lessee obtains the Lessor's consent to the placement of any sign in the building.

4. CARE AND REPAIR OF DEMISED PREMISES; UTILITIES.

4.1 Utilities.

- (a) Lessee shall be responsible for telephone and computer expenses.
- (b) Lessor is responsible for heat, electricity, gas, water and sewer costs.

4.2 Maintenance.

- (a) Lessee is responsible for purchasing cleaning and paper products and is further responsible for providing general interior custodial and maintenance services.
- (c) Lessor shall, except as otherwise specifically provided herein and except for damages resulting from the act or negligence of Lessee, its agents, employees, invitees or permittees, maintain in good repair and tenantable condition the demised premises including the building and any and all equipment, fixtures and appurtenances whether severable or non-severable, furnished by the Lessor under this lease. Lessee shall promptly report any problems with heating, air conditioning, electricity or plumbing.
- (d) Lessee shall commit no waste and shall take good care of the demised premises. Upon the expiration or termination of this lease or any renewal thereof, Lessee shall vacate the demised premises, remove its property therefrom and forthwith yield and place Lessor in peaceful possession of the leased premises free and clear of any liens, claims or encumbrances and in as good condition as the premises existed at the commencement of this lease, ordinary wear and tear, and damage by fire, act of God, casualty or other cause not due to misuse and neglect by Lessee or Lessee's agents, servants, customers, visitors or permittees excepted.

4.2 Lessee property. All improvements made by Lessee to the demised premises which are or become so attached to the demised premises that cannot be removed without material injury to the demised premises shall become the property of the Lessor. Not later than the last day on which Lessee has the right to possession of the premises, Lessee may, nevertheless, remove all Lessee's personal property.

5. ALTERATIONS.

- 5.1 Lessee shall have the right, at Lessee's expense, from time to time, with Lessor's

consent, to redecorate the demised premises, and to make nonstructural alterations, changes, installations, additions or improvements (collectively "changes") in, on, to or about such parts thereof as deemed expedient or necessary for its purpose.

6. ASSIGNMENT AND SUBLETTING.

6.1 Lessee shall not have the right, without Lessor's written consent, to assign this lease or sublet the demised premises or any part thereof.

7. OTHER FACILITIES.

7.1 Lessee shall have nonexclusive access to all off street parking available on the premises, it being understood that parking is available to all tenants of the building.

8. INDEMNITY - LIABILITY INSURANCE

8.1 Liability insurance. The Lessee must obtain and maintain during the term of this lease, a liability insurance policy covering its operations on the demised premises. Lessor may, at its discretion, request a copy of this liability insurance policy.

8.2 Contents insurance. During the term of this lease, Lessee shall, at Lessee's expense, be responsible for insuring its personal property located on the demised premises against damage and destruction by fire, theft or other perils. Lessor may, at its discretion, request a copy of this contents insurance policy.

9. NOTICES.

9.1 Any notice, demand, request or other communication hereunder given or made by either party to the other shall be in writing and shall be deemed to be duly given only if personally served on the other party or mailed by first class, postage prepaid regular mail addressed as follows:

- (a) if to Lessor, to Vice President for Administrative Services, Southwest Tech, 1800 Bronson Blvd, Fennimore, WI 53809, and
- (b) if to Lessee, to Clarity Clinic Platteville, Inc

or at such other addresses as Lessor or Lessee, respectively, may designate in writing by notice pursuant to this paragraph.

10. QUIET ENJOYMENT.

10.1 Quiet enjoyment. Lessor covenants that so long as Lessee pays rent and performs the terms, covenants and conditions on Lessee's part to be performed, Lessee shall peaceably and quietly have, hold and enjoy the demised premises for the term of this lease, subject to the provisions of this lease.

10.2 Title and use warranty. Lessor warrants and represents that Lessor has rights to sublease the demised premises and that Lessee is not prohibited by any law or ordinance from using the property as described in Paragraph 3.1.

11. COMPLETE AGREEMENT AND CONSTRUCTION FORM OF AGREEMENT.

11.1 Complete agreement. Both parties acknowledge that no representations, warranties, promises, covenants or undertakings of any kind have been made to either party as an inducement to enter into this lease agreement, other than those expressly set forth herein or in any attachment hereto. This lease is intended to be and is the complete agreement of the parties.

11.2 Paragraph headings. Paragraph headings are for convenience only. They are not part of this lease agreement of the parties and shall not be used in the construction or interpretation thereof.

11.3 Form of agreement. With respect to the form of the lease agreement, both parties assume joint responsibility for the form and composition of each paragraph, and they further agree that this lease agreement shall be interpreted as though each of the parties participated equally in the composition of each and every part thereof.

11.4 Construction. This lease agreement is not to be strictly construed for or against either of the parties. It shall be interpreted simply and fairly with regard to both parties.

11.5 Choice of law. The parties intend this lease agreement to be construed in accordance with the laws of the State of Wisconsin, irrespective of the residence of either party, or regardless of the forum where it may be construed later whether for enforcement, revision, modification or for any other purpose. In addition to the provisions of paragraph 1.3 pertaining to termination, in the event of a breach of this contract by either party, the parties specifically agree to be bound by the relevant provisions of Chapter 704 of the Wisconsin Statutes.

11.6 Severability. Both parties agree that in the event any court of competent jurisdiction at any time holds that a portion of this lease agreement is invalid, illegal, unenforceable, void or voidable, the remainder of the lease agreement, to the extent consistent with such holding, shall not be affected thereby and shall continue in full force and effect.

12. MISCELLANEOUS PROVISIONS.

12.1 Revision or modification. Any future revision, modification, amendment or waiver of any of the provisions of this lease agreement shall be effective only if made in writing, dated, signed and executed with the same formality as this lease agreement. Any such revision, modification or amendment shall specifically provide that it is intended to revise, modify, or amend this lease agreement. Failure of either party to insist upon strict performance of any of the provisions of this lease agreement shall not be construed as a waiver of any subsequent default of the same or similar nature.

12.2 Access to premises. Lessor may enter the demised premises at any reasonable time on reasonable notice to Lessee for any purpose related to the performance of Lessor's obligations thereunder.

12.3 Interruption of services. Interruption of any service maintained in the demised premises if caused by mechanical difficulties or any causes beyond the Lessors' control shall not entitle Lessee to any claim against Lessor or to any abatement in rent, nor shall the same constitute constructive or partial eviction, unless Lessor fails to take such measures as may be reasonable in the circumstances to restore the service without undue delay. If the demised premises are rendered unfit in whole or in part

for the uses specified in this lease agreement, for a period of more than 3 days, by the making of repairs, replacement or additions, other than those made with Lessee's consent or caused by misuse or neglect by Lessee or Lessee's agent, customers, visitors or permittees, there shall be a proportionate abatement of rent during the period of such unfitness.

13. BINDING EFFECT.

13.1 Binding effect. The provisions of this lease agreement shall apply to, bind and inure to the benefit of the parties hereto and their respective heirs, beneficiaries, personal or legal representatives and assigns.

IN WITNESS WHEREOF, the said Lessor has caused these presents to be signed this ____ day of _____ 2018.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

BY: _____
Caleb J. White, Vice President for Administrative Services

IN WITNESS WHEREOF, the said Lessee has caused these presents to be signed this ____ day of _____ 2018.

CLARITY CLINIC PLATTEVILLE, INC

BY: _____
Karen Bradley, Executive Director

Board Monitoring of College Effectiveness

A. Foundation Quarterly Update

Holly Clendenen will present the FY2018 second quarter Foundation report to the Board highlighting the activities and results of fundraising efforts and other initiatives. The report is available below.



Southwest Tech Foundation and SWTC Real Estate Foundation (REF) FY18 Second Quarter Report to District Board January 18, 2018

- Both boards approved the 3 projects from the feasibility study and look forward to partnering with the college on these exciting projects!
- FY18 Fundraising Totals
 - \$341,493.74 total gifts received (*FY18 goal is \$600,000*)
 - \$322,008.41 cash received (*FY18 goal is \$375,000*)
 - \$19,485.33 Gift In-Kind total
 - \$25,413.00 received from retirees
 - \$33,542.65 received from current employees, 165 employee donors including 90 ongoing payroll deductions (*FY17 total was \$45,344.69, 176 employee donors*)
 - 2,172 total gifts (*FY17 total was 3,387*)
 - 632 total donors (*FY17 total was 1,000*)
- Gift Highlights – Thank you!
 - \$134,513 from 3M for 3M Lab Project
 - \$15,000 from Tuescher Electric and Refrigeration for Brian J. Tuescher Scholarship
 - \$10,000 gift-in-kind from QueenB Radio for 50th Anniversary Celebration
 - \$10,000 from Karen Knox for Charger Scholarship
 - \$5,000 from Denise Wachter for the Shirley Luebker Memorial Scholarship
 - \$4,000 from Spectrum Brands for the Rayovac Corp Fennimore Plant Scholarship
- Scholarships
 - 2018-19 scholarship application is online. Deadline is March 31. Scholarship recipients will be selected and notified in April/May.

- Appeals
 - Phonathon received \$18,517.51 in the fall calling. Most gifts were for Charger Dream Fund and Gas Card Project. Spring phonathon will start in February asking for support for community and program scholarships.
 - 50 Days of Giving Employee Giving Campaign
 - 166 full-time and 9 part-time employee donors
 - 92.2% full-time employee participation
 - \$13,654 received
 - 15 new and increased payroll deductions
 - Over 90% participation for second year in a row!!
- Events
 - February 7 – [Welding 101](#), campus, 6:00
 - February 10 – [Wine and Dine](#), campus, 5:30 (fundraiser for culinary scholarships)
 - April 11 – Retirees' Reunion, campus, 8:30
 - April 28 – Trap Shooting Tournament, Muscoda, 10:00-2:00 (fundraiser for Trap Shooting Team)
 - May 18 – Alumni and Retiree Awards and Donor Appreciation Dinner, campus, 5:30 pm
 - Seeking nominations for Distinguished Alumni and Retiree Achievement awards
- Real Estate Foundation
 - Construction underway on 1533/35 Brownwood by carpentry program.
 - Working with same engineering company as the college to do a site survey of housing properties to determine best location to build 2-3 new multi-unit buildings.
 - Considering partnering with carpentry program again in 2018-19 to construct another duplex for student housing.

B. Board Monitoring Report – Safety & Security

Dan Imhoff, Director of Facilities, and Heath Ahnen, Director of Information Technology Services, will present the Safety & Security Board Monitoring Report. The report is included with the electronic Board material.

Board Monitoring Report Safety and Security January 18, 2018

EXECUTIVE SUMMARY

Alignment with Mission, Vision, Values, and Purposes

Southwest Wisconsin Technical College has a proud history of providing a safe learning environment for our students and a safe workplace for our faculty and staff. The safety of our students and employees is important to us. A wide variety of policies and procedures have been developed over the years to ensure the health and safety of students, employees, and visitors to the campus. In addition, we comply with constantly emerging and evolving federal and state laws which are increasingly complex. Every member of our campus community plays an integral role in both the safety and security of the campus; therefore, it is important that we provide them with the training and tools they need to help keep Southwest Tech the safe and inviting place it has always been.

Alignment with Strategic Directions

Campus safety and cyber security directly affect all college operations. There are indirect connections to each of our three strategic directions. When our teaching spaces are safe, learning improves. As employees feel safe in their work environment, productivity increases. When people look out for the welfare of each other, our culture is enhanced. Taking steps to ensure people's safety shows that you care about them as human beings. Individuals that feel cared for are more likely to have a positive attitude toward the people they work with and the institution as a whole. When they feel safer and more secure, distractions are removed that can undermine their productivity and help them reach their full potential. People are also more likely to attend and collaborate with an institution that has a reputation for ensuring the safety of all of their stakeholders.

Competitive Positioning Statement

Providing a safe environment gives Southwest Tech an advantage in recruiting and retaining both students and employees. In order to maintain our competitive advantage, it is imperative that the college continues to train people in how to avoid an emergency or how to respond in a crisis situation. The threats to the college constantly evolve and it is important to make sure our plans and procedures are updated. The quality of our plan depends on continual professional development as well as debriefing our response after trainings or real emergency situations. Southwest Tech is in the planning stages for a public safety facility which will enhance our ability to provide training opportunities for our campus as well as regional first responders.

Core Emergency Response Team (CERT)

The CERT is a group of appointed Southwest Tech administrators and staff who are responsible for making decisions regarding crisis situations that affect Southwest Tech community members. The CERT meets regularly throughout the year to plan and participate in crisis simulations. Crisis response plans and procedures are regularly updated to reflect the latest industry best practices. Debrief meetings are held after all incidents to evaluate the campus's response and provide updates. The CERT is led by the Director of Facilities and includes key college personnel selected based on their background and known abilities. The tasks performed as a CERT member are in addition to their regular duties at the college. These people are quick to respond when needed and must make difficult decisions usually under intense pressure when the team is together. These decisions are made knowing they will be second guessed or critiqued by outsiders but these people are willing to make and stand behind the choices they make.

The CERT members are: Jason Wood, Caleb White, Katie Garrity, Derek Dachelet, Holly Miller, Karen Campbell, Kris Wubben, Karl Sandry, Katie Glass, Heath Ahnen and Dan Imhoff.

Emergency Response Team (ERT)

When the situation at the scene requires additional support or impacts the College's day-to-day operations, the ERT will be called upon by the CERT. The ERT is activated to aid in external coordination and securing additional resources. They are there to provide direction, control, and coordination of college forces to include liaison with any and all outside agencies/entities as appropriate, as well as to provide emergency information and direction to the occupants of the campus during an emergency. The ERT meets regularly throughout the year to plan and participate in crisis simulations. Personnel are selected based on their background and known abilities. The tasks performed as an ERT member are in addition to their regular duties at the college. ERT members are: Heath Ahnen, Ken Bartz, Josh Bedward, Breanna Callahan, Karen Campbell, Amy Campbell, Derek Dachelet, Haylee Freymiller, Dave Friesen, Katie Garrity, Katie Glass, Connie Haberkorn, Pete Hoffman, Dan Imhoff, Denise Jansen, Jody Millin, Kelly Kelly, Brian Kitelinger, Holly Miller, Jake Mootz, Karl Sandry, Mary Schmitz, Brandin Wallin, Toby Washburn, Krista Weber, Caleb White, Jason Wood, and Kris Wubben.

Emergency Response Planning Team

This group of individuals are members of the ERT that have attended the FEMA L0363 course. FEMA L0363 is a highly interactive program designed to provide institutions of higher education with knowledge and planning strategies in emergency situations. This group includes Heath Ahnen, Josh Bedward, Karen Campbell, Katie Glass, Dan Imhoff, Brian Kitelinger, Karl Sandry, Toby Washburn, and Kris Wubben. Upon returning from the training, this group began reviewing and modifying the college's Emergency Response Plan. This group also spearheaded our evacuation training initiative and has begun planning our next set of trainings as this initiative is being completed. The Emergency Response Planning Team has helped spread the word about the importance of emergency preparedness throughout the campus and is encouraging all of the emergency response team to attend this course.

Occupational Safety and Health Administration (OSHA) Audits

As a college, we recognize that prevention is the best way to avoid most injuries and medical emergencies. Based on this knowledge, a plan has been implemented for monthly audits of shop and lab spaces. These monthly audits are in addition to the annual audit performed by District Mutual Insurance. Josh Bedward and Brian Kitelinger are leading this initiative and have done a great job working with the staff and instructors in not only pointing out the deficiencies but also working on corrective solutions. This is a new initiative and it will be interesting to see how much different DMI's audit looks next year.

Behavioral Intervention Team (BIT)

A behavioral intervention team (BIT) is a multi-disciplinary group whose purpose is meeting regularly to support our students via concerns reports issued by faculty and staff. The team tracks "red flags" over time, detecting patterns, trends, and disturbances in individual or group behavior. The team will help guide the individual or group to the resources they need to prevent the identified issue from worsening. Referral resources may include the College on-campus staff mental health counselor or outside entities that can serve the students' needs. Each member of the team has received training from The National Behavioral Intervention Team Association, which is the nationally recognized standard in this area. The BIT members are Gina Trollop, Stephanie Brown, Lori Garvey, Kris Wubben, and Dan Imhoff.

Campus Liaison Officer

Southwest Tech does not have a security staff but recognizes the need for a security presence on campus so the college has contracted with the City of Fennimore to have a liaison officer on campus. The liaison officer is a uniformed city officer that is assigned to Southwest Tech for 840 hours per year. Fennimore's Police Chief works with the Director of Facilities, Dan Imhoff, to determine the officer's schedule and duties. Each month the college receives a log detailing the Liaison Officer's activity for the month. Having a uniformed officer on campus gives both staff and students a sense of security.

Campus Security Assessments

Each year, as a final project, the Criminal Justice program students are assigned the project of creating security assessments for a campus building. The students are split into groups and assigned a building for them to review and identify potential security risks. After the assessments are completed, the students present their finding to instructors Tom Kretschman and Gary Roberts and Director of Facilities Dan Imhoff. Tom, Gary, and Dan meet and review both the presentation and the report turned in by the team to determine the validity of the students finding and if the college has the means to address them.

Campus Cybersecurity Incident Response Team (CIRT)

The incident response team is a group of IT professionals from Southwest Tech's Information Technology Services team formed to address cyber security incidents. Their responsibility may include, but is not limited to, analysis, isolation of threats, communication to stakeholders, business continuity, service restoration and call center support. The CIRT members are Director of Information Technology Services, Heath Ahnen, Director of Development, Matthew Baute, Dave Friesen, John Troxel, Jake Wienkes, Jake Mootz, Charles Herbers and Bob Thompson.

PRESENTATION OF THE DATA

1. College Health Indicators

Safety and Security	2014-15	2015-16	Goals	2016-17	2017-18
Indicator 5.1: Physical Safety					
Security Incidents (student or employee)	na	3	0	1	1
Worker Compensation Mod Factor	0.85	0.71	0.71	.74	NA
Number of Class/Type A, B, C student incidents	na	29	0	18	10
Type A: Injuries reported requiring limited or no medical attention	na	18	0	15	8
Type B: Incidents requiring immediate medical attention with little follow-up (stitched, moderate burns)	na	8	0	3	2
Type C: Incidents that require immediate medical attention and prolonged treatment (broken bones, torn ligaments, amputation)	na	3	0	0	0

2. The Operations Council knows achieving zero incidents may not be realistic as accidents are a part of any environment. After collecting the data for a few years we will be able to see trends and establish benchmarks. How we respond and the results of these situations is key. The lone security issue this year could have been much worse but the college responded quickly and took action to prevent that situation from escalating into something much worse. The workers compensation mod factor does not reflect it yet but this number and the cost to the college will rise drastically for the next three years. This increase is not due to the number of worker injuries but the severity of one injury.

STRENGTHS

1. The willingness of such a large group of employees to join the various safety and security teams and committees on campus shows the employee commitment that is necessary to create a safe campus.
2. The college's emergency response plan has been reviewed by DMI and is viewed as a strength. DMI also praised the college for having regular meetings and training for both the Core Emergency Response Team (CERT) and the Emergency Response Team (ERT).
3. Internal alignment has been improved with the creation of councils, health indicators, and strategic initiatives.

WEAKNESSES

1. Not having a full-time position dedicated to safety and security limits the amount of time spent on this important topic. Several of the initiatives we want to achieve are very labor intensive and although they tend to have good results; if more resources were available, the results would be better.
2. Infant stages of campus-wide Cyber Security Awareness Training

STRATEGIC INITIATIVES DESIGNED TO IMPROVE OUR PERFORMANCE

1. OSHA Audits: The College has begun conducting OSHA type audits to identify workplace hazards and eliminate them before they cause an injury. These audits are self-run and designed to lower both student and employee injuries.
2. The College has established an employee safety training program. The program's first initiative was to have 100 percent of full-time staff trained in college evacuation procedures by the end of the fiscal year. We are currently at 84 percent completed and counting after only one semester. The college is currently working on the next training session that they will present to all staff by the end of the fiscal year.
3. Information Technology Services (ITS) will be developing an Information Security Policy to ensure appropriate measures are put in place to protect SWTC data and network resources. This document will include risk assessments, password policies, administrative responsibilities, user responsibilities, email policies, internet policies, intrusion detection and disaster recovery.
4. Information Technology Services (ITS) is working on rollout of Cybersecurity Awareness training campus-wide. This offering will include access for faculty, staff and students. These training modules will assist in educating the SWTC community members and is a critical component for security of the SWTC infrastructure. The training will include routine and ongoing training for the Southwest Tech community members in how to detect and what measures can be taken to protect the organization. SWTC currently has 64 faculty\staff participating in the training and expectations are that the number will increase. This program's inception was October 2017 as part of Cybersecurity Awareness Month. This program will expand as this will complement the Information Security Policy in development.

APPENDICES

1. Appendix A – Emergency Response Plan (Hard copies will be provided to Board of Directors.)
2. Appendix B – Campus Safety Report / Clery Report 2016



2016 Annual Campus Safety and Security Report

September 2017

Southwest Wisconsin Technical College

2016 Annual Safety and Security Report

Southwest Wisconsin Technical College (SWTC) has a proud history of providing a safe learning environment for its students. The safety of our students and staff is important to us. A wide variety of policies and procedures have been developed over the years to ensure the health and safety of students, employees, and visitors to the campus. In addition, numerous federal and state laws have been adopted in regards to student and employee safety. The Jeanne Clery Disclosure of Campus Security Policy and Crime Statistics Act requires that specific policies, procedures, and information be provided to ensure the health and safety of persons concerned with campus life.

In addition, the Campus Sexual Violence Elimination Act (SaVE Act) was passed in March 2013 as part of the Violence Against Women Reauthorization Act (VAWA). SWTC is committed to complying with the amendments and additions encompassed under the Campus SaVE Act.

Southwest Tech's Director of Facilities prepares this report to comply with the Jeanne Clery Disclosure of Campus Security Policy and Crime Statistics Act for the period from January 1, 2016 to December 31, 2016. This report is prepared in cooperation with the local law enforcement agencies within the jurisdictions of the Southwest Tech campus. Each entity provides updated information on their educational efforts and programs to comply with the Act.

Each year, a notification is emailed to all enrolled students and employees. The notification is accessible to all enrolled students and staff.

Questions regarding this report or a copy of this report may be obtained from the Director of Facilities located in room 421B or by calling (608) 822- 2401.

Annual Equal Opportunity/Affirmative Action Notice

It is the Southwest Wisconsin Technical College District policy to maintain fair and impartial relations with employees and applicants for employment, and students and student applicants in any service, program, activity, course, or use of facilities on the basis of sex, age, race, color, creed, religion, national origin, disability, ancestry, political affiliation, marital status, pregnancy, sexual orientation, parental status, arrest record, conviction record, genetic testing, and the use and non-use of lawful products off the premises during nonworking hours, and membership in National Guard, State Defense Force, or other military forces of the United States. Lack of English reading/speaking skills, will not be a barrier to admission and participation in district programs.

About Southwest Wisconsin Technical College

Southwest Wisconsin Technical College is one of 16 districts that operate within Wisconsin in a statewide plan for vocational, technical and adult education. The Southwest Tech District covers a predominately rural area of 8,000 square miles in southwest Wisconsin, comprised of all of Grant, Crawford, Iowa, Lafayette, and Richland counties, and portions of Green, Sauk, Dane and Vernon counties. The District covers an estimated population base of over 125,000 people. Thirty (30) K-12 school districts are found within the Southwest Tech District borders.

Governance

The Southwest Tech District is governed by a nine-member District Board representing the communities served by the District. Each year, three members are appointed by a committee consisting of the school board presidents of the 30 K-12 school districts belonging to the Southwest Tech District. The Board has nine members:

- 2 employers
- 2 employees
- 1 elected official
- 3 additional members
- 1 school district administrator from a public school district within the Southwest Wisconsin Technical College District

Any adult who is a resident of the District is legally qualified to become a member of the board. In the appointment process:

- Equal consideration is given to the general population distribution within the district.
- Equal consideration is given to the distribution of women and minorities.
- Consideration is also given to representatives of business and industry as required for the employer and employee member categories.
- No two members of the district board may be officials of the same governmental unit.
- No district board member may be a member of the school board that employs the school district administrator.
- All applicants are eligible to be considered for the additional member category

Regular meetings of the District Board are held on the fourth Thursday of each month, with the exception of the July Board meeting, which is held on the second Monday of the month. This meeting is the organizational meeting of the Board, at which time officers are elected.

Off-Campus Reporting

Southwest Tech is unable to monitor or provide security services to students and staff while off-campus. Criminal activity and law enforcement services to student and staff off campus are provided by the local police departments when violations of federal, state, or local laws surface. This cooperative team approach addresses situations as they arise as well as future concerns to the students, staff and community.

College Access and Control

During business hours, Southwest Tech is open to students, parents, employees, contractors, guests and invitees. During non-business hours, access to all college facilities is only given to those staff needing to be in the building after hours as part of their regular job requirements. Anyone needing access to Southwest Tech's campus during non-business hours who would not normally be granted after-hours access must contact the Southwest Tech Facilities Department.

The College maintains a commitment to campus security and safety. College personnel monitor the campus for irregularities and needed repairs or maintenance of facilities, grounds, and lighting. Safety and security are major factors in all landscaping and lighting designs.

Behavioral Intervention Team (BIT)

The Southwest Tech Behavioral Intervention Team (BIT) evaluates and addresses student behavior that may be inappropriate or concerning and coordinates college resources to intervene and provide necessary support.

The Behavioral Intervention Team is a cross functional group of Southwest Tech staff whose mission is to:

- Provide a structured positive method for addressing student behaviors that impact the college community and may involve mental health and/or safety issues.
- Meet regularly to support students by identifying patterns, trends and disturbances in the behavior of an individual or group.
- Evaluate the nature of a reported behavior or incident to assess the level of risk.
- Determine appropriate course of action to respond to behavioral concern and initiate intervention or response to prevent a situation from escalating.
- Coordinate resources to ensure a comprehensive assessment response.
- Balance the individual needs of the student and those of the greater campus community.

The team is composed of staff from Student Services, Counseling, Human Resources, Facilities and local law enforcement. Committee members have training in recognition and conflict management of student concerns. The committee addresses concerns using various methods and strategies such as a team approach, one-on-one, or a mandated referral to an outside professional agency. The end result is a plan for success and a win-win for both the student and the college with the student's best interest in mind.

Weapons on Campus

The use, concealment, creation, manufacturing, or possession of weapons, whether functional or not, in College facilities is strictly prohibited, except as expressly permitted hereafter.

Sworn Law Enforcement and On-Duty Military Personnel

A weapon or potentially dangerous device may be used or possessed, concealed or otherwise, on the campus, grounds, facilities or buildings at Southwest Tech by a certified sworn law enforcement officer or on-duty military personnel to the extent they are legally permitted to carry weapons in the State of Wisconsin.

Licensed Concealed Carry

Weapons may be carried and stored in a person's own motor vehicle, even if the vehicle is driven or parked on College property. If weapons are kept in an unattended vehicle, the vehicle must be locked.

Sex Offender Registry

In accordance to the "Campus Sex Crimes Prevention Act" of 2000, which amends the Jacob Wetterling Crimes against Children and Sexually Violent Offenders Registration Act, the Jeanne Clery Act and the Family Educational Rights and Privacy Act of 1974, Southwest Wisconsin

Technical College is providing a link to the Wisconsin Department of Corrections Sex Offender Registry.

This act requires that institutions of higher education issue a statement advising the campus community where law enforcement information provided by the state concerning registered sex offenders may be obtained. It also requires registered sex offenders in a state to provide notice to each institution of higher education in the state which the person is employed, carries a vocation, or is a student.

Registry information provided under this section shall be used for the purposes of the administration of criminal justice, screening of current or prospective employees, volunteers, or otherwise for the protection of the public in general and children in particular. Unlawful use of the information for purposes of intimidating or harassing another is prohibited and willful violation shall be punishable to the fullest extent of the law.

The Wisconsin Department of Corrections is responsible for maintaining this registry. Follow the link below to access the Wisconsin Department of Corrections Sex Offender Registry Website:

<http://offender.doc.state.wi.us/public//>

Emergency Response and Evacuation

Effective August 14, 2008, the HEOA Act requires each institution governed by the Jeanne Clery Act to immediately notify the campus community upon confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students and staff *on campus*. In the event of a serious threat or emergency situation, the college population will be notified as to their appropriate response through various means. Some or all of our systems may be used such as; electronic communication (such as email or text), television monitors, loud speakers, fire alarm, and emergency evacuation maps located throughout the individual sites. Once there is a confirmation of such an event, the Southwest Tech Emergency Response Plan will be implemented. This plan includes written emergency procedures to be followed for foreseeable emergency situations, designated Incident Commanders, procedures for timely notification to students and staff, and a process for accurately reporting incident details to both internal and external resources. The Southwest Tech Incident Commander will determine the appropriate means of message dissemination in the swiftest manner available. If in the professional judgment of the responsible authorities, activating the notification system may compromise any efforts to mitigate the event or assist victims, notification may be delayed or not issued.

Timely Warning

In compliance with the Jeanne Clery Act, any incident, on or off campus, that is an ongoing or a continuing threat to the student, staff, or visitor population, a timely warning will be issued. This warning will be at the discretion of the Incident Commander, President of the College, or their designee, and will be distributed to students and employees as soon as possible after the incident is reported. The warning will provide information that will aid in the prevention of similar occurrences, while withholding the names of victims as confidential. Such reports will be limited as to not compromise an ongoing investigation or violate any HIPA or FERPA Laws.

To reach as many people as possible, the timely warning will be distributed across many different media channels. Immediate issues will be dealt with via a public address system within and around the Southwest Wisconsin Technical College area. Follow-up warning may be shared using any or all of the following methods: posted on exterior doors of any affected Southwest Tech location, on the Southwest Tech website, electronically mailed, provided using text messages, posted on digital signage, and media reports released to local radio and TV stations for mass broadcast.

Reportable Crimes under the Clery Act - 34 CFR 668.46(c)

Criminal Offenses

- **Murder/Non-Negligent Manslaughter:** The willful (non-negligent) killing of one human being by another. Deaths caused by negligence, attempts to kill, assaults to kill, suicides, accidental deaths, and justifiable homicides are excluded.
- **Negligent Manslaughter:** The killing of another person through gross negligence.
- **Robbery:** the taking or attempting to take anything from value of the care, custody or control of a person or persons by force or threat of force or violence and/or by putting the victim in fear.
- **Aggravated Assault:** An unlawful attack by one person upon another for the purpose of inflicting severe or aggravated bodily injury. This type of assault usually is accompanied by the use of a weapon or by means likely to produce death or great bodily harm. It is not necessary that injury result from an aggravated assault when a gun, knife or other weapon is used which could or probably would result in a serious potential injury if the crime were successfully completed.
- **Burglary:** The unlawful entry of a structure to commit a felony or a theft. For reporting purposes this definition includes: unlawful entry with intent to commit a larceny or a felony; breaking and entering with intent to commit a larceny; housebreaking; safecracking; and all attempts to commit any of the aforementioned.
- **Motor Vehicle Theft:** The theft or attempted theft of a motor vehicle. (Classify as motor vehicle theft all cases where automobiles are taken by persons not having lawful access, even though the vehicles are later abandoned - including joy riding)
- **Arson:** The willful or malicious burning or attempt to burn, with or without intent to defraud, a dwelling house, public building, motor vehicle or aircraft, or personal property of another kind.

Arrests and Referrals for Disciplinary Action

- **Weapon Law Violations:** The violation of laws or ordinances dealing with weapon offenses, regulatory in nature, such as: manufacture, sale, or possession of deadly weapons; carrying deadly weapons, concealed or openly; furnishing deadly weapons to minors; aliens possessing deadly weapons; all attempts to commit any of the aforementioned.
- **Drug Abuse Violations:** Violations of state and local laws relating to the unlawful possession, sale, use, growing, manufacturing, and making of narcotic drugs. The relevant substances include: opium or cocaine and their derivatives (morphine, heroin, codeine); marijuana; synthetic narcotics (Demerol, methadones); and dangerous non-narcotic drugs (barbiturates, Benzedrine).
- **Liquor Law Violations:** The violation of laws or ordinance prohibiting: the manufacture, sale, transporting, furnishing, possessing of intoxicating liquor; maintaining unlawful drinking places; bootlegging; operating a still; furnishing liquor to minor or intemperate person; using a vehicle for illegal transportation of liquor; drinking on a train or public conveyance; all attempts to commit any of the aforementioned. (Drunkenness and driving under the influence are not included in this definition.)

Hate Crimes

- We are required to report statistics for bias-related (hate) crimes by the type of bias as defined below for the following classifications: murder, sex offenses (forcible or non-forcible), robbery, aggravated assault, burglary, motor vehicle theft, manslaughter, arson and larceny-theft, simple assault, intimidation, and destruction, damage, or vandalism of property, and of other crimes involving bodily injury to any person, in which the victim is intentionally selected because of the actual or perceived race, gender, religion, national origin, sexual orientation, gender identity, ethnicity, or disability of the victim.
- **Larceny-Theft:** The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another.
- **Simple Assault:** An unlawful physical attack by one person upon another where neither the offender displays a weapon, nor the victim suffers obvious severe or aggravated bodily injury involving apparent broken bones, loss of teeth, possible internal injury, severe laceration or loss of consciousness.
- **Intimidation:** To unlawfully place another person in reasonable fear of bodily harm through the use of threatening words and/or other conduct, but without displaying a weapon or subjecting the victim to actual physical attack.
- **Destruction, Damage or Vandalism:** To willfully or maliciously destroy, injure, disfigure, or deface any public or private property, real or personal, without the consent of the owner or person having custody or control by cutting, tearing, breaking, marking, painting, drawing, covering with filth, or any other such means as may be specified by local law.

If a hate crime occurs where there is an incident involving larceny-theft, simple assault, intimidation, and destruction, damage or vandalism of property, and other bodily injury, the law requires that the statistic be reported as a hate crime even though there is no requirement to report the crime classification in any other area of the compliance document. A bias-related (hate) crime is not a separate, distinct crime, but is the commission of a criminal offense which was motivated by the offender's bias. For example, a subject assaults a victim, which is a crime. If the facts of the case indicate that the offender was motivated to commit the offense because of their bias against the victim's race, sexual orientation, etc., the assault is then also classified as a hate crime.

Sex Offenses

- **Sex Offenses-Forcible** - Any sexual act directed against another person, forcibly and/or against that person's will; or not forcibly or against the person's will where the victim is incapable of giving consent.
- **Forcible Rape** - The carnal knowledge of a person, forcibly and/or against the person's will; or not forcibly or against the person's will where the victim is incapable of giving consent because of his/her temporary or permanent mental or physical incapacity (or because of his/her youth).
- **Forcible Sodomy** - Oral or anal sexual intercourse with another person, forcibly and/or against that person's will; or not forcibly against the person's will where the victim is incapable of giving consent because of his/her youth or because of his/her temporary or permanent mental or physical incapacity.
- **Sexual Assault With An Object** The use of an object or instrument to unlawfully penetrate, however slightly, the genital or anal opening of the body of another giving

consent because of his/her youth or because of his/her temporary or permanent mental or physical incapacity.

- **Forcible Fondling** - The touching of the private body parts of another person for the purpose of sexual gratification, forcibly and/or against that person's will; or, not forcibly or against the person's will where the victim is incapable of giving consent because of his/her youth or because of his/her temporary or permanent mental incapacity.
- **Sex Offenses-Non-forcible** - Unlawful, non-forcible sexual intercourse.
- **Incest** - Non-forcible sexual intercourse between persons who are related to each other within the degrees wherein marriage is prohibited by law.
- **Statutory Rape** - Non-forcible sexual intercourse with a person who is under the statutory age of consent.

Violence Against Women Reauthorization Act of 2013 (VAWA)

- **Dating Violence** - Violence committed by a person (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: length of the relationship, type of relationship, and frequency of interaction between the persons involved in the relationship.
- **Domestic Violence** - Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
- **Stalking** - Engaging in a course of conduct directed at a specific person that would cause a reasonable person to (A) Fear for his or her safety or the safety of other; or (B) Suffer substantial emotional distress.
- **Sexual Assault** - An offense classified as a forcible or nonforcible sex offense under the uniform crime reporting system of the Federal Bureau of Investigation.

Clery Geography

The Clery Act requires colleges to disclose statistics for reported Clery crimes that occur: 1) on campus, (2) on public property within or immediately adjacent to the campus, and (3) in or on non-campus buildings or property that the institution owns or controls. These categories define Southwest Tech's Clery geography. The geographic categories are further defined in the Handbook for Campus Safety and Security Reporting as follows:

1) *On campus* – Any building or property owned or controlled by an institution within the same reasonably contiguous geographic area and used by the institution in direct support of, or in a manner related to, the institution's educational purposes, including residence halls; and Any building or property that is within or reasonably contiguous to paragraph (1) of this definition, that is owned by the institution but controlled by another person, is frequently used by students, and supports institutional purposes (such as a food or other retail vendor).

2) *Public property* – All public property, including thoroughfares, streets, sidewalks, and parking facilities, that is within the campus, or immediately adjacent to and accessible from the campus.

3) *Noncampus buildings or property* - Any building or property owned or controlled by a student organization that is officially recognized by the institution; or Any building or property owned or controlled by an institution that is used in direct support of, or in relation to, the institution's educational purposes, is frequently used by students, and is not within the same reasonably contiguous geographic area of the institution.

Campus Crime Statistics
Student Right to Know and Campus Security Act
Statistical Report for Period: 2014-2016

SWTC Campus			
Reports:	2014	2015	2016
Murder/Non-negligent manslaughter	0	0	0
Negligent manslaughter	0	0	0
Rape	0	0	0
Fondling	0	0	0
Incest	0	0	0
Statutory Rape		0	0
Robbery	0	0	0
Aggravated Assault	0	0	0
Burglary	0	5	0
Motor Vehicle Theft	0	0	0
Arson	0	0	0
Hate Crimes	0	0	0

The following arrest statistics are for three offense categories for the calendar year 2014 and the proceeding two years.

SWTC Campus			
Arrests	2014	2015	2016
Liquor	0	2	1
Drugs	0	2	1
Weapons	0	0	0

VAWA Offenses - On Campus

SWTC Campus			
Crime	2014	2015	2016
Domestic Violence		0	0
Dating Violence		0	0
Stalking		1	0

Southwest Wisconsin 2013-2015 Housing Statistics

SWTC Housing			
Reports:	2014	2015	2016
Murder/Non-negligent manslaughter	0	0	0
Negligent manslaughter	0	0	0
Rape		0	1
Fondling		1	0
Incest		0	0
Statutory Rape		0	0
Robbery	0	0	0
Aggravated Assault	0	0	0
Burglary	0	0	1
Motor Vehicle Theft	0	0	0
Arson	0	0	0
Hate Crimes	0	0	0

The following arrest statistics for three offense categories for the calendar year 2016 and the proceeding two years for SWTC Housing.

SWTC Housing			
Arrests	2014	2015	2016
Liquor	0	0	0
Drugs	0	2	1
Weapons	0	2	1

VAWA Offenses - In Housing

SWTC Housing			
Crime	2014	2015	2016
Domestic Violence		0	0
Dating Violence		0	0
Stalking		1	0

DEFINITIONS OF VIOLENT ACTS

CONSENT

Sexual activity requires consent, which is defined as voluntary, positive agreement between the participants to engage in specific sexual activity. Consent may be communicated by words or actions as long as they create a clear and mutual understanding. Lack of protest or silence does not constitute consent. Also, relying solely on non-verbal communication can lead to misunderstanding. Persons who want to engage in sexual activity are responsible for obtaining consent.

COERCION

Coercion is defined as the practice of persuading someone to do something by using force or threats. When someone makes it clear that he or she does not want to engage in a sexual activity or wants it to stop and pressure is continued, is coercion.

RETALIATION

Retaliation of a person who has participated in an investigation of a complaint of sexual misconduct is prohibited. Retaliation includes ostracizing or pressuring the person to drop the complaint or engaging in misconduct that may affect the person's educational, living, or work environment.

HATE CRIME

Any crime, usually violent, motivated by prejudice towards an individual's origin, ethnicity, color, religion, gender, gender identity, sexual orientation, or disability.

SEXUAL MISCONDUCT

Sexual misconduct is any non-consensual behavior of a sexual nature that is committed by force or intimidation. Sexual misconduct includes: sexual harassment, sexual assault, and sexual exploitation.

SEXUAL ASSAULT

Four degrees of sexual assault are defined by Wisconsin statutes. They vary from sexual intercourse to sexual contact without the consent of the other person. Examples of sexual assault include rape, acquaintance rape, forcible fondling, sodomy, or sexual penetration with an object.

SEXUAL EXPLOITATION

Sexual exploitation involves taking non-consensual sexual advantage of another person even though the behavior might not constitute one of the other misconduct offenses.

SEXUAL HARASSMENT

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and verbal or physical conduct of a sexual nature. This also includes adverse educational or employment action taken against a person because of the person's participation in a complaint or investigation of discrimination or sexual misconduct (retaliation.)

STALKING

In Wisconsin, stalking is defined as engaging in a course of conduct that causes the victim to experience serious emotional distress or to fear bodily injury or death of him/herself, to a family member, a member of his/her household, or an intimate partner.

RELATIONSHIP VIOLENCE

Relationship violence is conduct in which the parties involved know each other or had a prior relationship and may include acquaintance rape, dating violence, and domestic violence.

DOMESTIC VIOLENCE

Domestic violence is controlling, abusive, and aggressive behavior in an intimate relationship. It can include verbal, emotional, physical, or sexual abuse.

HOSTILE ENVIRONMENT

A work environment is hostile when unwelcome verbal, non-verbal, or physical behavior focusing on sexuality is severe and pervasive enough to interfere with the victim's work performance or be intimidating or offensive to a reasonable person. Examples include sexual jokes, comments about a person's body or sex life, making gestures or staring, display of sexually suggestive materials, giving sexually suggestive "gifts", touching/hugging/kissing/patting, brushing against a person's body, or blocking a person's movements.

2017 Housing Fire Report

Housing Facilities

Name of Facility Street Address

2016

1	Rogers Hall #1	1915 Brownwood Road #1	0
2	Rogers Hall #2	1915 Brownwood Road #2	0
3	Rogers Hall #3	1915 Brownwood Road #3	0
4	Rogers Hall #4	1915 Brownwood Road #4	0
5	Unnamed #1	1920 Brownwood Road #1	0
6	Unnamed #2	1920 Brownwood Road #2	0
7	Unnamed #3	1920 Brownwood Road #3	0
8	Unnamed #4	1920 Brownwood Road #4	0
9	Koenecke Hall #1	1935 Brownwood Road #1	0
10	Koenecke Hall #2	1935 Brownwood Road #2	0
11	Koenecke Hall #3	1935 Brownwood Road #3	0
12	Koenecke Hall #4	1935 Brownwood Road #4	0
13	Bemis Hall #1	1955 Brownwood Road #1	0
14	Bemis Hall #2	1955 Brownwood Road #2	0
15	Bemis Hall #3	1955 Brownwood Road #3	0
16	Bemis Hall #4	1955 Brownwood Road #4	0
17	Design Homes Hall 1	1975 Brownwood Road	0
18	Design Homes Hall 2	1985 Brownwood Road	0
19	Unnamed #1a	1940 Brownwood Road #1	0
20	Unnamed #2a	1940 Brownwood Road #2	0
21	Unnamed #3a	1940 Brownwood Road #3	0
22	Unnamed #4a	1940 Brownwood Road #4	0
23	Unnamed #5a	1940 Brownwood Road #5	0
24	Unnamed #6a	1940 Brownwood Road #6	0
25	Unnamed #1b	1960 Brownwood Road #1	0
26	Unnamed #2b	1960 Brownwood Road #2	0
27	Unnamed #3b	1960 Brownwood Road #3	0
28	Unnamed #4b	1960 Brownwood Road #4	0
29	Unnamed #5b	1960 Brownwood Road #5	0
30	Unnamed #6b	1960 Brownwood Road #6	0

31	Unnamed #7b	1960 Brownwood Road #7	0
32	Unnamed #8b	1960 Brownwood Road #8	0
33	Unnamed # 1c	1557 Brownwood Road	0
34	Unnamed # 2c	1559 Brownwood Road	0
35	Unamed # 1d	1547 Brownwood Road	0
36	Unamed #2d	1549 Brownwood Road	

C. Staffing Update

Krista Weber, Chief Human Resources Officer, will provide an update on College staffing. . A summary is available below.

Staffing Update 2017-18 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
1	Replacement - Sara Biese	Health Information Technology Instructor (HIT) (Part-time)	Jeanne Smoczyk	8/1/2017	BS \$47,297-\$75,203 MS \$52,202-\$83,000 \$60,000 (at 50% load)
2	New Position	Online Navigator	Heather Ringberg	7/10/2017	Hourly Band B23 \$18.96 - \$24.65 Hired at \$19.00/hour
3	New Position	Welding Instructor/Mobile Lab Specialist (Part-time)	Ben Halvorson	8/14/2017	BS \$47,297-\$75,203 \$53,500 (at 50% load)
4	New Position	Assistant College Controller/Foundation Accountant	Kim Govier	7/31/2017	Salary Band C42 \$47,777-\$66,888 Hired at \$54,000
5	New Position - Internal posting	Director of Agriculture	Deb Ihm	7/1/2017	Salary Band D62 \$62,198-\$90,187 Hired at \$61,500 (75% of \$82,000)
6	Replacement-Ed Edwards & Marlene Klein	Academic Success Coaches - (Part-time, LTE)	Patricia Greenwood (15 hrs) Emily Leibold (5 hours - online)	8/23/2017 8/28/2017	Hourly Band B24 \$20.32 - \$26.41 Hired at \$25.00/hour

Staffing Update 2017-18 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
7	Replacement - Matt Lansing	Farm Business/Production Management Instructor	Kory Stalberg	10/15/2017	BS \$47,297-\$75,203 MS \$52,202-\$83,000 Hired at \$62,000
8	Replacement - John Troxel	Technology Support Specialist	Jake Wienkes	10/2/2017	Salary Band C42 \$47,777-\$66,888 Hired at \$25.40/hour
9	New Position	Midwifery Instructor (FT - LTE)	Hilary Schlinger	11/1/2017	BS \$47,297-\$75,203 Hired at \$62,000
10	Replacement - Anna Stremlau	Student Success Coach	Kyle Bennett and Cora Beth Halverson	12/11/2017	Salary Band C42 \$47,777-\$66,888 Hired at 48,000
11	Replacement - Michael Mann	Evening Custodian	Reposted and Interviews scheduled	2/1/2018	Hourly Band A12 \$15.28 - \$18.34
12	Replacement - Karla Blackburn	Associate Degree Nursing Instructor	Pam Bartels	1/8/2018	BS \$47,297-\$75,203 Hired at \$62,000

Staffing Update 2017-18 Fiscal Year


	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
12	New Position (Cora Halverson's position will not be replaced)	Assistant Financial Aid Manager	Posted	3/1/2018	Salary Band C42 \$47,777-\$66,888

Information and Correspondence

A. Enrollment Report

The 2017-18 Comparison FTE Report and Fall 2018 Application Report are available below. Caleb White will be available at the meeting for any questions.

2017-18 Comparison FTE Report

		2016-2017 and 2017-2018 FTE Comparison					
Program Code	Program Title	01-09-17 Students	01-08-18 Students	Student Change	01-09-17 FTE	01-08-18 FTE	FTE Change
10-101-1	Accounting	37	38	1	27.53	27.60	0.07
10-106-6	Administrative Professional	7	5	(2)	7.13	4.43	(2.70)
10-006-2	Agri-Business/Science Technology (OLD)	34	7	(27)	32.63	2.20	(30.43)
10-006-7	Agribusiness Science & Technology - AgBus Mgmt (NEW)	8	14	6	6.73	12.53	5.80
10-006-5	Agribusiness Science & Technology - Agronomy (NEW)	14	25	11	14.73	26.50	11.77
10-006-6	Agribusiness Science & Technology - Animal Science (NEW)	17	25	8	14.17	25.07	10.90
10-102-3	Business Management	82	104	22	59.07	78.80	19.73
10-530-5	Cancer Information Management	33	72	39	21.13	39.50	18.37
10-504-X	Criminal Justice Studies	51	60	9	47.13	46.97	(0.17)
10-316-1	Culinary Arts	14	15	1	11.63	12.27	0.63
10-317-1	Culinary Management	8	7	(1)	6.83	5.20	(1.63)
10-510-6	Direct Entry Midwife	53	47	(6)	21.57	26.30	4.73
10-307-1	Early Childhood Education	36	42	6	29.70	32.90	3.20
10-620-1	Electromechanical Technology	38	37	(1)	34.37	33.50	(0.87)
10-325-1	Golf Course Management	13	17	4	12.70	15.87	3.17
10-201-2	Graphic And Web Design	41	37	(4)	35.07	31.93	(3.13)
10-530-1	Health Information Technology	47	61	14	28.97	36.33	7.37
10-520-3	Human Services Associate	53	38	(15)	38.13	29.63	(8.50)
10-825-1	Individualized Technical Studies	9	15	6	7.73	14.27	6.53

Program Code	Program Title	01-09-17 Students	01-08-18 Students	Student Change	01-09-17 FTE	01-08-18 FTE	FTE Change
10-620-3	Instrumentation and Controls Technology (NEW)	2	4	2	0.37	2.30	1.93
10-150-X	IT-Network Specialist	39	31	(8)	33.53	23.20	(10.33)
10-513-1	Medical Laboratory Technician	19	16	(3)	13.77	13.20	(0.57)
10-543-1	Nursing - Associate Degree	215	205	(10)	120.43	107.20	(13.23)
10-531-1	Paramedic Technician (NEW)	5	6	1	1.93	3.93	2.00
10-524-1	Physical Therapist Assistant	42	48	6	31.00	29.53	(1.47)
10-196-1	Leadership Development	30	39	9	15.33	18.83	3.50
10-182-1	Supply Chain Management	23	30	7	12.10	15.50	3.40
10-499-5	Technical Studies-Journey Worker	1	1	-	0.20	0.27	0.07
	Total Associate Degree	971	1,046	75	685.63	715.77	30.13
31-101-1	Accounting Assistant	2	7	5	1.77	3.87	2.10
30-531-6	Advanced EMT	8	8	-	1.07	1.17	0.10
32-070-1	Agricultural Power & Equipment Technician	34	36	2	33.77	30.90	(2.87)
31-405-1	Auto Collision Repair & Refinishing Technician	17	17	-	14.00	10.80	(3.20)
32-404-2	Automotive Technician	35	32	(3)	27.63	27.10	(0.53)
31-408-1	Bricklaying & Masonry		1	1		0.87	0.87
31-475-1	Building Trades - Carpentry	14	9	(5)	12.87	7.73	(5.13)
31-307-1	Child Care Services (ETD)	11	4	(7)	7.50	3.30	(4.20)
30-420-2	CNC Setup/Operation (ETD)	1		(1)	0.57		(0.57)
31-502-1	Cosmetology	23	22	(1)	14.47	17.97	3.50
30-504-2	Criminal Justice-Law Enforcement 720 Academy (NEW)	19	9	(10)	8.17	4.30	(3.87)
31-317-1	Culinary Specialist (ETD)	2	4	2	1.87	1.53	(0.33)
31-091-1	Dairy Herd Management (OLD)	19	2	(17)	19.40	1.30	(18.10)
30-508-2	Dental Assistant - Short Term	18	14	(4)	9.83	7.80	(2.03)
30-812-1	Driver and Safety Education Certification (NEW)	5	18	13	1.50	4.60	3.10
31-413-2	Electrical Power Distribution	24	28	4	23.23	26.57	3.33
50-413-2	Electricity (Construction) Apprentice	24	21	(3)	3.10	2.53	(0.57)
30-531-3	Emergency Medical Technician	50	54	4	10.03	9.67	(0.37)
32-080-4	Farm Operations & Management - Ag Mechanics(NEW)		1	1		0.33	0.33
32-080-3	Farm Operations & Management - Dairy (NEW)		6	6		3.77	3.77
31-080-3	Farm Operations & Management - Dairy Technician(ETD)(NEW)	1	2	1	0.40	0.73	0.33
31-080-7	Farm Operations & Management - Livestock Tech(ETD)(NEW)		1	1		0.93	0.93

Program Code	Program Title	01-09-17 Students	01-08-18 Students	Student Change	01-09-17 FTE	01-08-18 FTE	FTE Change
50-413-1	Industrial Electrician Apprentice	11	8	(3)	1.60	1.57	(0.03)
31-620-1	Industrial Mechanic (ETD)	5	7	2	4.87	4.90	0.03
31-154-6	IT-Computer Support Technician	21	17	(4)	14.43	8.83	(5.60)
31-513-1	Laboratory Science Technician	7	4	(3)	4.20	2.47	(1.73)
31-509-1	Medical Assistant	36	35	(1)	30.57	28.60	(1.97)
31-530-2	Medical Coding Specialist (ETD) (NEW)	48	55	7	23.40	25.90	2.50
30-543-1	Nursing Assistant	168	186	18	22.10	22.37	0.27
31-106-8	Office Support Specialist	6	2	(4)	5.73	0.70	(5.03)
50-427-5	Plumbing Apprentice	19	17	(2)	1.56	1.86	0.30
31-420-7	Precision Machining Technology (NEW)	1	8	7	1.03	7.87	6.83
31-504-5	Security Operations (ETD) (NEW)		2	2		1.07	1.07
31-182-1	Supply Chain Assistant (ETD)	1	5	4	0.43	2.47	2.03
31-442-1	Welding	70	58	(12)	52.80	45.00	(7.80)
	Total Technical Diploma	700	700	-	353.89	321.36	(32.53)
20-800-1	Liberal Arts - Associate of Arts	15	17	2	6.10	5.37	(0.73)
20-800-2	Liberal Arts - Associate of Science	13	26	13	4.93	9.77	4.83
	Undeclared Majors	299	446	147	50.27	74.27	24.00
	Total	1,998	2,235	237	1,100.82	1,126.53	25.70
	Percent of Change						2.33%
	Vocational Adult (Aid Codes 42-47)	2,695	2,540	(155)	50.74	53.34	2.59
	Community Services (Aid Code 60)	45	29	(16)	0.21	0.12	(0.10)
	Basic Skills (Aid Codes 73,74,75,76)	292	255	(37)	25.43	25.50	0.07
	Basic Skills (Aid Codes 77 & 78)	830	174	(656)	51.10	6.57	(44.53)
	Grand Total	5,860	5,233	(627)	1,228.31	1,212.05	(16.27)
	Total Percent of Change						-1.32%
	(ETD= Embedded Technical Diploma)						

Fall 2018 Application Report

Program Application Comparison 2018/19 vs. 2017/18								
PROGRAM	CAP	1/12/2018			01/20/17			YOY
		IP	ACCEPT	TOTAL	IP	ACCEPT	TOTAL	
Accounting			14	14		21	21	-7
Accounting Assistant			3	3		1	1	2
Administrative Professional						3	3	-3
Agribusiness Science & Technology - Agbus Mgmt	20		16	16		10	10	6
Agribusiness Science & Technology - Agronomy	20		6	6		5	5	1
Agribusiness Science & Technology - Animal Science	20		10	10		14	14	-4
Agricultural Power & Equipment Technician	22		23	23		24	24	-1
Auto Collision Repair & Refinish Technician	22		12	12		4	4	8
Automotive Technician	22		18	18		17	17	1
Building Trades-Carpentry	20		5	5		12	12	-7
Business Management			17	17		10	10	7
Cancer Information Management	30	7	35	42		28	28	14
Child Care Services	13		7	7		5	5	2
CNC Setup/Operation	5		0	0		5	5	-5
Cosmetology	24		12	12		17	17	-5
Criminal Justice Studies	48		38	38		49	49	-11
Culinary Arts			13	13		16	16	-3
Culinary Management			0	0		1	1	-1
Culinary Specialist			0	0		0	0	0
Dental Assistant	18		16	16		19	19	-3
Early Childhood Education	28		25	25		17	17	8
Electrical Power Distribution	24		62	62		60	60	2
Electro-Mechanical Technology	24		9	9		11	11	-2
Farm Operations & Management - Ag Mechanics	20		4	4		2	2	2
Farm Operations & Management - Crops Operations	20		3	3		1	1	2
Farm Operations & Management - Crops	20		0	0		1	1	-1
Farm Operations & Management - Dairy	20		11	11		8	8	3
Farm Operations & Management - Dairy Technician	20		1	1		2	2	-1
Farm Operations & Management - Farm Ag Maintenance	20		2	2		1	1	1
Farm Operations & Management - Livestock	20		1	1		2	2	-1
Farm Operations & Management - Livestock Tech	20		4	4		2	2	2
Golf Course Management			8	8		5	5	3
Graphic and Web Design	25		19	19		20	20	-1
Health Information Technology	22	1	15	16		23	23	-7
Human Services Associate	31		14	14		19	19	-5
Industrial Mechanic	6		1	1		3	3	-2
Instrumentation and Controls Technology	6		1	1		1	1	0
IT-Computer Support Technician			12	12		6	6	6
IT-Network Specialist			21	21		9	9	12
Laboratory Science Technician	15		4	4		3	3	1
Liberal Arts - Associate of Arts		13	1	14	10	0	10	4
Liberal Arts - Associate of Science		6	1	7	15	0	15	-8

		1/12/2018			01/20/17			
PROGRAM	CAP	IP	ACCEPT	TOTAL	IP	ACCEPT	TOTAL	YOY
Medical Assistant	32		49	49		28	28	21
Medical Coding Specialist	23	8	27	35		41	41	-6
Medical Laboratory Technician	16	3	0	3	3	4	7	-4
Nursing-Associate Degree	54	92	69	161	97	62	159	2
Nursing-Associate Degree-Part-time	28	1	26	27	0	16	16	11
Office Support Specialist						0	0	0
Paramedic Technician			5	5		6	6	-1
Physical Therapist Assistant	18	11	5	16	23	11	34	-18
Precision Machining Technology	15		4	4		3	3	1
Security Operations			1	1		1	1	0
Supervisory Management			0	0		1	1	-1
Supply Chain Assistant			0	0		0	0	0
Supply Chain Management			0	0		3	3	-3
Undecided		32	0	32	26	0	26	6
Welding	40		29	29		37	37	-8
TOTAL		174	679	853	174	670	844	9

B. Chairperson's Report

C. College President's Report

1. College Happenings

D. Other Information Items

Establish Board Agenda Items for Next Meeting

A. Agenda for Next Board Meeting

1. Board Retreat
2. Budget Assumptions & Parameters

B. Time and Place

Friday, February 23, 2018, and Saturday, February 24, 2018, Starting at 12:00 p.m.
in Platteville, WI

Adjourn to Closed Session

A. Consideration of adjourning to closed session for the purpose of

1. Discussing personnel issues per Wis. Statutes 19.85(1)(f) {Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.}.
2. Approval of October 26, 2017, Closed Session Minutes

Reconvene to Open Session

A. Action, if necessary, on Closed Session Items

Adjournment