

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2024



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YEAR ENDED JUNE 30, 2024**

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INDEPENDENT AUDITORS' 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

Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities and the discretely presented component unit of the Southwest Wisconsin Technical College (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2024.

The consolidated financial statement of the Southwest Wisconsin Technical College Foundation, Inc. (the Foundation) were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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.

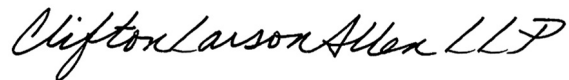
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Middleton, Wisconsin
December 20, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS REQUIRED BY THE UNIFORM GUIDANCE AND THE
WISCONSIN STATE SINGLE AUDIT GUIDELINES**

Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Southwest Wisconsin Technical College (the District)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Wisconsin *State Single Audit Guidelines* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2024. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Wisconsin *State Single Audit Guidelines*. Our responsibilities under those standards and the Uniform Guidance and the Wisconsin *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and the Wisconsin *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and 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 and 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001, to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the Wisconsin *State Single Audit Guidelines*

We have audited the financial statements of the business-type activities and the discretely presented component unit of the District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon, dated January 13, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the Wisconsin *State Single Audit Guidelines* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Middleton, Wisconsin
January 13, 2025

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

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
JUNE 30, 2024**

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Listing Number | Project Identification Number | Federal Grant Amount | Passed Through to Subrecipients | Expenditures | | Total Expenditures |
|---|---------------------------------|-------------------------------------|----------------------------|---------------------------------------|-------------------|------------------|-----------------------|
| | | | | | Federal | Match | |
| Department of Agriculture | | | | | | | |
| <i>Direct Awards:</i> | | | | | | | |
| Farm Business Management and Benchmarking Competitive Grants | 10.319 | GRA-2324-114 | \$ 9,662 | \$ - | \$ 9,662 | \$ - | \$ 9,662 |
| Cooperative Extension Service | 10.937 | GRA-2324-112 | 163,100 | - | 12,744 | - | 12,744 |
| <i>Pass-Through Program from Wisconsin Department of Agriculture, Trade, and Consumer Protection:</i> | | | | | | | |
| Nutrient Management 2022 Funds | 10.459 | GRA-2223-105 | 19,451 | - | 19,451 | - | 19,451 |
| Total Department of Agriculture | | | <u>\$ 192,213</u> | <u>\$ -</u> | <u>\$ 41,857</u> | <u>\$ -</u> | <u>\$ 41,857</u> |
| Department of Labor | | | | | | | |
| <i>Pass-Through Wisconsin Technical College System</i> | | | | | | | |
| Registered Apprenticeship | | | | | | | |
| Apprenticeship USA Grant - FY2024 Statewide Apprenticeship Expansion | 17.285 | 03-199-155-234 | \$ 15,222 | \$ - | \$ 15,222 | \$ - | \$ 15,222 |
| Department of the Treasury | | | | | | | |
| <i>Pass-Through Program from Wisconsin Department of Workforce Development: (COVID-19) Coronavirus State and Local Fiscal Recovery Funds:</i> | | | | | | | |
| Workforce Innovation Grant | 21.027 | GRA-2223-214 | \$ 731,938 | \$ 331,025 | \$ 699,461 | \$ 72,644 | \$ 772,105 |
| <i>Pass-Through Program from Wisconsin Technical College System: (COVID-19) Coronavirus State and Local Fiscal Recovery Funds:</i> | | | | | | | |
| Meat Talent | 21.027 | 03-215-138-253 | 208,257 | - | 95,246 | - | 95,246 |
| Total Department of Treasury | | | <u>\$ 940,195</u> | <u>\$ 331,025</u> | <u>\$ 794,707</u> | <u>\$ 72,644</u> | <u>\$ 867,351</u> |
| Department of the Veteran Affairs | | | | | | | |
| <i>Direct Awards:</i> | | | | | | | |
| Post - 9/11 Veterans Educational Assistance Reporting Fee | 64.028 | Not Available | \$ 72,044 | \$ - | \$ 72,044 | \$ - | \$ 72,044 |
| Environmental Protection Agency | | | | | | | |
| Gulf of Mexico - Watershed | 66.475 | GRA-2223-105 | \$ 16,419 | \$ - | \$ 1,303 | \$ - | \$ 1,303 |
| Department of Education | | | | | | | |
| <i>Direct Awards:</i> | | | | | | | |
| Department of Education Direct Programs | | | | | | | |
| Student Financial Assistance Cluster | | | | | | | |
| Federal Supplemental Education | | | | | | | |
| Opportunity Grant | 84.007 | Not Available | \$ - | \$ - | \$ 60,746 | \$ - | \$ 60,746 |
| Federal College Work Study | 84.033 | Not Available | - | - | 63,221 | - | 63,221 |
| Federal Pell Grant | 84.063 | Not Available | - | - | 2,719,319 | - | 2,719,319 |
| Direct Student Loans | | | | | | | |
| Federal Student Stafford Loans - Subsidized | 84.268 | Not Available | - | - | 1,300,695 | - | 1,300,695 |
| Federal Student Stafford Loans - Unsubsidized | 84.268 | Not Available | - | - | 947,882 | - | 947,882 |
| Federal Student Stafford Loans - PLUS | 84.268 | Not Available | - | - | 8,669 | - | 8,669 |
| Total Direct Student Loans | | | <u>-</u> | <u>-</u> | <u>2,257,246</u> | <u>-</u> | <u>2,257,246</u> |
| Total Student Financial Assistance Cluster | | | - | - | 5,100,532 | - | 5,100,532 |
| <i>Pass-Through Program from Wisconsin Technical College System:</i> | | | | | | | |
| Adult Education Act | | | | | | | |
| Adult Education - Basic Grants to States | 84.002 | 03-110-146-124 | 148,552 | - | 67,989 | 80,563 | 148,552 |

See accompanying Notes to Expenditures of Federal and State Awards.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)
JUNE 30, 2024

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Listing Number | Project Identification Number | Federal Grant Amount | Passed Through to Subrecipients | Expenditures | | Total Expenditures |
|---|---------------------------------|-------------------------------------|----------------------------|---------------------------------------|---------------------|-------------------|-----------------------|
| | | | | | Federal | Match | |
| Department of Education (Continued) | | | | | | | |
| <i>Pass-Through Program from Wisconsin Technical College System:</i> | | | | | | | |
| Career and Technical Education -- Basic Grants to States | | | | | | | |
| Career Prep | 84.048 | 03-106-150-214 | \$ 44,804 | \$ - | \$ 44,804 | \$ - | \$ 44,804 |
| Capacity Building | 84.048 | 03-119-150-224 | 28,695 | - | 25,288 | - | 25,288 |
| High School to College Transition | 84.048 | 03-137-150-244 | 62,849 | - | 62,849 | - | 62,849 |
| Strengthening CTE Programs | 84.048 | 03-193-150-254 | 50,279 | - | 43,578 | - | 43,578 |
| Non-Traditional Occupations (NTO) | 84.048 | 03-194-150-265 | 12,570 | - | 12,570 | - | 12,570 |
| Student Success | 84.048 | 03-198-150-234 | 292,504 | - | 135,998 | 154,603 | 290,601 |
| Total Career and Technical Education Basic Grants to States | | | 491,701 | - | 325,087 | 154,603 | 479,690 |
| <i>Pass-Through Program from the Wisconsin Department of Workforce Development:</i> | | | | | | | |
| Rehabilitation Services Vocational Rehabilitation Grants to States | 84.126 | Not Available | 54,224 | - | 54,224 | - | 54,224 |
| Total Department of Education | | | \$ 694,477 | \$ - | \$ 5,547,832 | \$ 235,166 | \$ 5,782,998 |
| Department of Health and Human Services | | | | | | | |
| <i>Direct Awards:</i> | | | | | | | |
| Child Care and Development Block Grant | | | | | | | |
| Stabilization Payment Program: Funding Workforce Recruitment and Retention | 93.575 | GRA-2324-144 | \$ 4,401 | \$ - | \$ 4,401 | \$ - | \$ 4,401 |
| Stabilization Payment Program: Funding Workforce Recruitment and Retention | 93.575 | GRA-2223-144 | 13,530 | - | 13,530 | - | 13,530 |
| Stabilization Payment Program: Increasing Access to High-Quality Care | 93.575 | GRA-2324-143 | 11,933 | - | 11,933 | - | 11,933 |
| Stabilization Payment Program: Increasing Access to High-Quality Care | 93.575 | GRA-2223-143 | 20,283 | - | 20,283 | - | 20,283 |
| Total Department of Health and Human Services | | | \$ 50,147 | \$ - | \$ 50,147 | \$ - | \$ 50,147 |
| Department of Homeland Security | | | | | | | |
| <i>Pass-Through Program from Wisconsin Technical College System:</i> | | | | | | | |
| Assistance to Firefighters Grant- Extrication Equipment | 97.044 | 03-113-153-114 | \$ 19,469 | \$ - | \$ 17,425 | \$ 2,614 | \$ 20,039 |
| Total Federal Awards | | | \$ 2,000,186 | \$ 331,025 | \$ 6,540,537 | \$ 310,424 | \$ 6,850,961 |

See accompanying Notes to Expenditures of Federal and State Awards.

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)
JUNE 30, 2024**

| State Grant/Program | State Identifying Number | Project Identification Number | Grant Amount | Expenditures | | Total Expenditures |
|---|--------------------------------|-------------------------------------|-------------------|-------------------|-------------|-----------------------|
| | | | | State | Match | |
| Wisconsin Higher Education Board | | | | | | |
| Wisconsin Higher Education Grant | 235.102 | Not Available | \$ 588,150 | \$ 588,150 | \$ - | \$ 588,150 |
| Remissions of Fees for Veterans and Dependents | 235.105 | Not Available | - | 9,674 | - | 9,674 |
| Minority Undergraduate Retention Grant | 235.107 | Not Available | 1,010 | 1,010 | - | 1,010 |
| Academic Excellence Scholarship | 235.109 | Not Available | 51,094 | 51,094 | - | 51,094 |
| Talent Incentive Program Grant | 235.114 | Not Available | 15,200 | 15,200 | - | 15,200 |
| Nursing | 235.117 | Not Available | 15,000 | 15,000 | - | 15,000 |
| Total Wisconsin Higher Education Board | | | \$ 670,454 | \$ 680,128 | \$ - | \$ 680,128 |
| Wisconsin Department of Transportation | | | | | | |
| Motorcycle Safety | 266.735 | GRA-2324-123(1) | \$ 11,852 | \$ 2,770 | \$ - | \$ 2,770 |
| Motorcycle Safety | 266.735 | GRA-2324-123(2) | 12,671 | 5,097 | - | 5,097 |
| Total Wisconsin Department of Transportation | | | \$ 24,523 | \$ 7,867 | \$ - | \$ 7,867 |
| Wisconsin Technical College Systems Board | | | | | | |
| Emergency Assistance | 292.104 | 03-124-104-114 | \$ 12,563 | \$ 11,863 | \$ - | \$ 11,863 |
| State Aids for Vocation Technical and Adult Education | 292.105 | Not Available | 2,235,300 | 2,235,300 | - | 2,235,300 |
| Performance Based Aid | 292.105 | Not Available | 1,100,943 | 1,100,943 | - | 1,100,943 |
| State Aids Prior Years | 292.105 | Not Available | 262,869 | 262,869 | - | 262,869 |
| Total State ID 292.105 | | | 3,599,112 | 3,599,112 | - | 3,599,112 |

See accompanying Notes to Expenditures of Federal and State Awards.

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)
JUNE 30, 2024**

| State Grant/Program | State Identifying Number | Project Identification Number | Grant Amount | Expenditures | | Total Expenditures |
|--|--------------------------|-------------------------------|----------------------|----------------------|------------------|----------------------|
| | | | | State | Match | |
| Incentive Grants: | | | | | | |
| Leadership: AAC&U Conference | 292.124 | 03-107-124-143 | \$ 5,000 | \$ 4,880 | \$ - | \$ 4,880 |
| Developing Markets: Surgical Technology | 292.124 | 03-133-124-143 | 86,763 | 86,762 | - | 86,762 |
| Professional Growth | 292.124 | 03-161-124-154 | 69,818 | 46,545 | 23,273 | 69,818 |
| Leadership: Universal Design | 292.124 | 03-217-124-193 | 52,977 | 52,977 | - | 52,977 |
| Articulation | 292.124 | 03-218-124-183 | 59,723 | 59,723 | - | 59,723 |
| Enrollment | 292.124 | 03-219-124-194 | 199,999 | 190,270 | - | 190,270 |
| Hybrid and EV Training | 292.124 | GRA-2223-160 | 8,906 | 8,906 | - | 8,906 |
| | | 13-160-124-183 | | | | |
| Core Industries - Electric Vehicle | 292.124 | 03-103-124-134 | 500,000 | 116,177 | - | 116,177 |
| Developing Markets | 292.124 | 03-132-124-144 | 200,000 | 101,021 | - | 101,021 |
| Completion | 292.124 | 03-190-124-164 | 300,000 | 225,000 | 75,000 | 300,000 |
| Manufacturing Month Project | 292.124 | GRA-2324-177 | 5,000 | 4,973 | - | 4,973 |
| | | 02-821-124-184 | | | | |
| Open Educational Resources | 292.124 | 03-132-124-144 | 44,505 | 19,491 | - | 19,491 |
| Total Incentive Grants | | | <u>1,532,691</u> | <u>916,725</u> | <u>98,273</u> | <u>1,014,998</u> |
| Fire Fighter Training 2% | 292.137 | Not Available | 29,363 | 29,363 | - | 29,363 |
| Property Tax Relief Aid | 292.162 | Not Available | 7,219,602 | 7,219,602 | - | 7,219,602 |
| Hazmat | 292.372 | Not Available | 2,300 | 2,300 | - | 2,300 |
| Total Wisconsin Technical College Systems Board | | | <u>\$ 12,395,631</u> | <u>\$ 11,778,965</u> | <u>\$ 98,273</u> | <u>\$ 11,877,238</u> |
| Wisconsin Department of Natural Resources | | | | | | |
| DNR Payment in Lieu of Taxes | 370.503 | Not Available | \$ 31,191 | \$ 31,191 | \$ - | \$ 31,191 |
| Wisconsin Department of Workforce Development | | | | | | |
| Vocational Rehabilitation Program | 445.509 | Not Available | \$ 10,915 | \$ 10,915 | \$ - | \$ 10,915 |
| Wisconsin Department of Revenue | | | | | | |
| Personal Property Aid | 835.103 | Not Available | \$ 74,513 | \$ 74,513 | \$ - | \$ 74,513 |
| State Aid computers | 835.109 | Not Available | 43,736 | 43,736 | - | 43,736 |
| Total Wisconsin Department of Revenue | | | <u>\$ 118,249</u> | <u>\$ 118,249</u> | <u>\$ -</u> | <u>\$ 118,249</u> |
| Total State Awards | | | <u>\$ 13,250,963</u> | <u>\$ 12,627,315</u> | <u>\$ 98,273</u> | <u>\$ 12,725,588</u> |

See accompanying Notes to Expenditures of Federal and State Awards.

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state award activity of the Southwest Wisconsin Technical College (the District) under programs of the federal government and state agencies for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Wisconsin *State Single Audit Guidelines*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Wisconsin *State Single Audit Guidelines* for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

The District has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 OVERSIGHT AND COGNIZANT AGENCIES

The District's federal oversight agency for audit is the U.S. Department of Education. The District's state cognizant agency is the Wisconsin Higher Education Aids Board.

Grant monies received and disbursed by the University are for specific purposes and are subject to review and audit by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the District does not believe that such disallowances, if any, would have a material effect on the financial position of the District. As of June 30, 2024 management was not aware of any material questioned or disallowed costs as a result of grant audits in process or completed.

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

NOTE 5 FEDERAL DIRECT STUDENT LOAN PROGRAM (DIRECT LOANS)

The Direct Loans (Federal ALN 84.268) is comprised of the following types of loans:

| | |
|-----------------------------|----------------------------|
| Subsidized Stafford Loans | \$ 1,300,695 |
| Unsubsidized Stafford Loans | 947,882 |
| PLUS Loans | <u>8,669</u> |
| Total Direct Loans | <u><u>\$ 2,257,246</u></u> |

NOTE 6 RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS

Federal revenue reported in the basic financial statements is reconciled to the Schedule as follows:

| | |
|--|----------------------------|
| Reconciliation | |
| Federal Revenues Reported on the Schedule of Expenditures of Federal and State Awards | \$ 6,540,537 |
| Miscellaneous - Rounding | <u>(1)</u> |
| Revenues per basic financial statements | <u><u>\$ 6,540,536</u></u> |
| Federal Revenue Reported in the Statement of Revenues, Expenses, and Changes in Net Position | |
| Operating | \$ 1,563,971 |
| Nonoperating | 2,719,319 |
| Direct Student Loans Included on the Schedule of Expenditures of Federal and State Awards | <u>2,257,246</u> |
| Total Federal Revenues | <u><u>\$ 6,540,536</u></u> |

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

NOTE 6 RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE FINANCIAL STATEMENTS (CONTINUED)

State revenue reported in the 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 | \$ 12,627,315 |
| State Revenues Not Reported on the Schedule | <u>-</u> |
| Revenues per basic financial statements | <u><u>\$ 12,627,315</u></u> |
| State Revenue Reported in the Schedule of Expenditures of Federal and State Awards | |
| Operating | \$ 2,834,616 |
| Nonoperating | <u>9,792,699</u> |
| Total State Revenues | <u><u>\$ 12,627,315</u></u> |

NOTE 7 STUDENT FINANCIAL AID INSTITUTIONAL AND PROGRAM ELIGIBILITY METRICS

The Institution is in compliance with the following institutional and program eligibility requirements under the Higher Education Act of 1965 and Federal regulations under 34 CFR 668.23:

- Correspondence courses the institution offers under 34 CFR 600.7(b) and (g)
- Regular students that enroll in correspondence courses under 34 CFR 600.7(b) and (g)
- Institution’s regular students that are incarcerated under 34 CFR 600.7(c) and (g)
- Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g)
- Institution’s regular students that lack a high school diploma or its equivalent under 34 CFR 600.7(d) and (g)
- Completion rates for short-term programs under 34 CFR 668.8(f) and (g)
- Placement rates for short-term programs under <https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-668/subpart-A/section-668.8> - [p-668.8\(f\)](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-668/subpart-A/section-668.8)34 CFR 668.8(e)(2).

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of the Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified? _____ yes x none reported

Noncompliance material to basic financial statements noted? _____ yes x no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified? x yes _____ none reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------------------|--|
| 21.027 | (COVID-19) Coronavirus State and Local Fiscal Recovery Funds |
| 84.007 | Student Financial Assistance Cluster: |
| 84.033 | Federal Supplemental Education Opportunity Grant |
| 84.063 | Federal College Work Study |
| 84.268 | Federal Pell Grant |
| | Federal Direct Student Loan Program |

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

Auditee qualified as low-risk auditee? X yes _____ no

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section III – Federal and State Award Findings and Questioned Costs

2024 – 001

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Assistance Cluster

Assistance Listing Number: 84.063 and 84.268

Federal Award Identification Number and Year: P063P232982-2024 | P268K242982-2024

Award Period: July 1, 2023 through June 30, 2024

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: 34 CFR 685.309(b)(2) requires schools must report status changes within 30 days of determination. If a student did not make the roster report cut off and another roster is being updated within the next 60 days, the school may report the student change on that next roster. At a minimum, schools are required to certify enrollment every 60 days. Verify by reviewing Certification Date column in NSLDS and ensure student was reported at least every 60 days during the fiscal year.

Condition: The District processes failed to timely report the appropriate status for a student to NSLDS in accordance with the stated criteria.

Questioned costs: Known: None

Context: We noted four (4) out of (40) forty students selected for testing, where the District failed to comply with the stated criteria.

Cause: The District's internal control failed to detect the noncompliance with respect to compliance with the stated criteria.

Effect: The District has not complied with the stated criteria for the four (4) students.

Repeat Finding: No

Recommendation: We recommend that the District review its processes and internal controls designed to mitigate the risk of noncompliance with the stated criteria.

Views of responsible officials: There is no disagreement with the audit finding.

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section IV – Other Issues


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

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

| | |
|-------------------------------------|----|
| Technical College System Board | No |
| Higher Education Board | No |
| Department of Transportation | |
| Department of Natural Resources | No |
| Department of Workforce Development | No |
| Department of Revenue | No |

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

Name and signature of Principal



Jordan Boehm, CPA

Date of Report January 13, 2025



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