



COLEMAN & WILLIAMS, LTD.
A Professional Services Firm

**MILWAUKEE AREA TECHNICAL
COLLEGE DISTRICT**
Milwaukee, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended June 30, 2008



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

YEAR ENDED JUNE 30, 2008

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**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULES
OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

To the Board of Directors
Milwaukee Area Technical College District
Milwaukee, Wisconsin

We have audited the accompanying Supplementary Schedules of Expenditures of Federal and State Awards of the Milwaukee Area Technical College District (MATC) for the year ended June 30, 2008. These Supplementary Schedules of Expenditures of Federal and State Awards are the responsibility of MATC's management. Our responsibility is to express an opinion on these Supplementary Schedules of Expenditures of Federal and State Awards based on our audit.

The basic financial statements of MATC which comprise of the Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows have been audited and a report dated November 12, 2008 has been issued. The basic financial statements are the responsibility of the MATC's management. We did not audit the basic financial statements of MATC; they were audited by other auditors and a separate report was issued.

We conducted our audit 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 of America and the provisions of the State Single Audit Guidelines issued by the Wisconsin Department of Administration. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Supplementary Schedules of Expenditures of Federal and State awards are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Supplementary Schedules of Expenditures of Federal and State awards. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Supplementary Schedules of Expenditures of Federal and State Awards referred to above present fairly, in all material respects, the results of MATC operations of Federal and State Awards for the year ended June 30, 2008, in conformity with accounting principles generally accepted in the United States of America.



COLEMAN & WILLIAMS, LTD.
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To the Board of Directors
Milwaukee Area Technical College District

This report is intended solely for the information and use of MATC's Board of Directors, management, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Coleman & Williams, Ltd.

Milwaukee, Wisconsin
November 12, 2008



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*

To the Board of Directors
Milwaukee Area Technical College District
Milwaukee, Wisconsin

We have audited the accompanying financial statements of the Milwaukee Area Technical College District (MATC) and the MATC Post Employment Benefits Trust as of and for the year ended June 30, 2008, which collectively comprise the MATC's basic financial statements and have issued our report thereon dated November 12, 2008. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the MATC's internal control over financial reporting as a basis for designing our auditing procedures 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 MATC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the MATC's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the MATC's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the MATC's financial statements that is more than inconsequential will not be prevented or detected by the MATC's internal control over financial reporting. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. These deficiencies are items 08-01 and 08-02.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the MATC's internal control.

To the Board of Directors
Milwaukee Area Technical College District

Internal Control Over Financial Reporting (continued)

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiencies identified above to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the MATC's basic financial statements are free of 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*.

We noted certain matters that we have reported to management of the MATC in a separate letter dated November 12, 2008.

The MATC's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the MATC's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the MATC Board of Directors, management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Vincent, Krause & Company, LLP

Milwaukee, Wisconsin
November 12, 2008



COLEMAN & WILLIAMS, LTD.
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*,
THE STATE SINGLE AUDIT GUIDELINES

To the Board of Directors
Milwaukee Area Technical College District
Milwaukee, Wisconsin

Compliance

We have audited the compliance of Milwaukee Area Technical College District (MATC) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that are applicable to each of its major federal and major state programs for the year ended June 30, 2008. MATC's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and major state programs is the responsibility of MATC's management. Our responsibility is to express an opinion on MATC's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133 and the *State Single Audit 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 or major state program occurred. An audit includes examining on a test basis, evidence about MATC'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. Our audit does not provide a legal determination of MATC's compliance with those requirements.

In our opinion, MATC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and major state programs for the year ended June 30, 2008.

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To the Board of Directors
Milwaukee Area Technical College District

Internal Control Over Compliance

The management of MATC is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered MATC's internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of MATC's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control. We considered the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned cost item to be a significant deficiency. This deficiency is listed as item 08-02.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control. The significant deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs is considered to be a material weakness. This deficiency is listed as item 08-02



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To the Board of Directors
Milwaukee Area Technical College District

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We noted certain matters that we have reported to management of the MATC in a separate letter dated November 12, 2008.

The MATC's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the MATC's responses and, accordingly, we express no opinion on them.

This report is solely for the information and use of MATC's Board of Directors, management, federal and state awarding agencies and pass-through entities and is not intended to be , and should not be used by anyone other than these specified parties.

Coleman & Williams, Ltd.
Milwaukee, Wisconsin
November 12, 2008



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008

Federal Grantor Pass-Through Grant Program Title/Program Title	CFDA Number (a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures
Major Federal Award Programs								
U.S. Department of Education Student Financial Assistance Cluster Programs Federal Supplemental Educational Opportunity Grant Program (FSEOG)	84.007	NA	60400	7/1/07 to 6/30/08	\$ 480,535	\$ 508,129	\$ -	\$ 508,129
Federal Family Education Loan Program	84.032	NA	61000	7/1/07 to 6/30/08	32,371,055	32,371,055	-	32,371,055
Federal Work Study (FWS)	84.033	NA	60600	7/1/07 to 6/30/08	730,292	479,704	-	479,704
Federal Pell Grant Program	84.063	NA	NONE	7/1/07 to 6/30/08	14,051,500	14,083,482	-	14,083,482
Academic Competitiveness Grant	84.375	NA	NONE	7/1/07 to 6/30/08	23,000	23,125	-	23,125
Total Student Financial Award Cluster					<u>47,656,382</u>	<u>47,465,495</u>	-	<u>47,465,495</u>
Total Major Federal Award Programs					<u>47,656,382</u>	<u>47,465,495</u>	-	<u>47,465,495</u>
Nonmajor Federal Award Programs								
US Department of Education Passed Through Wisconsin Technical College System Board Adult Education State Grant Program								
AEA Comprehensive	84.002	09-401-146-128	14010	7/1/07 to 6/30/08	882,336	882,336	760,200	1,642,536
House of Corrections	84.002	09-402-146-118	14020	7/1/07 to 6/30/08	74,900	74,900	24,967	99,867
MCCH-ABE	84.002	09-401-146-128	14430	7/1/07 to 6/30/08	28,920	28,920	-	28,920
SDC-ABE	84.002	09-401-146-128	14450	7/1/07 to 6/30/08	30,979	30,979	-	30,979
Journey House -AEFL	84.002	09-401-146-128	14530	7/1/07 to 6/30/08	50,915	50,915	-	50,915
Key New Readers Newspaper Project	84.002	09-553-146-138	15530	7/1/07 to 6/30/08	70,500	69,375	-	69,375
LEP Literacy and Civics	84.002	09-629-146-168	16290	7/1/07 to 6/30/08	19,500	19,500	-	19,500
Neighborhood House-AEFL	84.002	09-401-146-128	18110	7/1/07 to 6/30/08	15,000	15,000	-	15,000
Childrens Outing Assn-AEFL	84.002	09-401-146-128	18120	7/1/07 to 6/30/08	15,750	15,750	-	15,750
Total 84.002					<u>1,188,800</u>	<u>1,187,675</u>	<u>785,167</u>	<u>1,972,842</u>
Vocational Education - Basic Grants to States VEA-Services To Special Populations VEA-Program Improvement VEA-Pre-Technical Education Activities Business Management								
VEA-Services To Special Populations	84.048	09-418-150-238	14180	7/1/07 to 6/30/08	1,869,289	1,869,289	1,400,000	3,269,289
VEA-Program Improvement	84.048	09-690-150-258	16900	7/1/07 to 6/30/08	285,733	260,153	-	260,153
VEA-Pre-Technical Education Activities	84.048	09-609-150-218	16990	7/1/07 to 6/30/08	122,200	122,200	-	122,200
Business Management	84.048	09-687-150-258	16870	7/1/07 to 6/30/08	75,978	76,138	-	76,138
Total 84.048					<u>2,353,200</u>	<u>2,327,780</u>	<u>1,400,000</u>	<u>3,727,780</u>

See accompanying notes to Schedules of Federal and State Awards



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MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008

Federal Grantor Pass-Through Grantor Program Title/Program Title	CFDA Number (a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures
Nonmajor Federal Award Programs (continued)								
US Department of Education								
Migrant Education - High School Equivalency Program								
HEP	84.141A	S141A040018	17680	7/1/07 to 6/30/08	\$ 415,230	\$ 415,230	-	\$ 415,230
<i>Passed Through Wis. Technical College System Board</i>								
M-Meccap	84.243	09-427-150-408	14270	7/1/07 to 6/30/08	173,459	173,459	-	173,459
Higher Education Programs								
CCAMPIS	84.335A	P335A060360-07	18450	7/1/07 to 9/30/07	105,296	105,338	1,649	106,987
CCAMPIS	84.335A	P335A060360-08	18640	10/1/07 to 6/30/08	125,038	125,038	6,267	131,305
Total 84.335A					<u>230,334</u>	<u>230,376</u>	<u>7,916</u>	<u>238,292</u>
U.S. Department of Agriculture								
<i>Passed Through Wisconsin Dept. of Public Instruction</i>								
Child Care Centers Food Rebate	10.558	NA	NA	7/1/07 to 6/30/08	23,520	22,978	-	22,978
<i>Passed Through Wisconsin Dept. of Workforce Development</i>								
FSET Project	10.561	FI	18370	7/1/07 to 9/30/07	440,433	227,550	9,072	236,622
FSET Project-MET	10.561	FI	18371	7/1/07 to 9/30/07	57,210	57,210	-	57,210
FSET Project-MCC	10.561	FI	18372	7/1/07 to 9/30/07	6,227	6,227	6,227	12,454
FSET Project	10.561	FI	18660	10/1/07 to 6/30/08	198,436	198,435	38,750	237,185
FSET Project-MET	10.561	FI	18661	10/1/07 to 6/30/08	125,066	125,066	-	125,066
FSET Project-MCC	10.561	FI	18662	10/1/07 to 6/30/08	8,880	8,880	8,880	17,760
Total 10.561					<u>836,252</u>	<u>623,368</u>	<u>62,929</u>	<u>686,297</u>
U.S. Department of Housing and Urban Development								
<i>Passed through City of Milwaukee</i>								
Hillside Learning Lab	14.866	07-029 (HA)	18250	7/1/07 to 12/31/07	67,513	63,251	-	63,251
Hillside Learning Lab	14.866	NA	18670	1/1/08 to 6/30/08	37,574	37,574	-	37,574
Total 14.866					<u>105,087</u>	<u>100,825</u>	<u>-</u>	<u>100,825</u>

See accompanying notes to Schedules of Federal and State Awards



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MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008

Federal Grantor Pass-Through Grantor Program Title/Program Title	CFDA Number(a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures
Nonmajor Federal Award Programs (continued)								
National Science Foundation <i>Passed Through University of Wisconsin Milwaukee</i> Education and Human Resources	47.076	03-311-NM	18240	7/1/07 to 8/31/07	\$ 173,253	\$ 10,495	\$ -	\$ 10,495
Milwaukee Mathematics Partnership	47.076	03-311-NM	18540	9/1/07 to 6/30/08	141,008	141,008	-	141,008
Milwaukee Mathematics Partnership <i>Passed Through Wisconsin Alliance for Minority Participation</i> WiscAMP	47.076	402549	18330	7/1/07 to 6/30/08	2,615	2,372	-	2,372
Total 47.076					316,876	153,875	-	153,875
U.S. Department of Labor WIA Adult Program <i>Passed through WQW Work Force Development Board</i> Welding	17.267	08-51-02	18870	4/1/08 to 6/30/08	20,000	20,000	-	20,000
Employment and Training Administration Pilots, Demonstrations, and Research Projects WISPASS	17.261	AF-15281-06-06	17990	7/1/07 to 6/30/08	147,553	123,564	-	123,564
Community Based Job Training Grant WISTEC DOL Project	17.269	CB159670760A55	18460	7/1/07 to 6/30/08	395,240	395,240	-	395,240
U.S. Department of Health and Human Services <i>Passed Through University of Wisconsin Milwaukee</i> UWM-MATC Bridges	93.375	K083645	18400	7/1/07 to 8/31/07	6,704	6,704	-	6,704
UWM-MATC Bridges	93.859	K083645	18650	9/1/07 to 6/30/08	24,472	24,472	-	24,472
Corporation for National and Community Service <i>Passed through MESA Community College</i> ASSET Grant	94.005	06LHHAZ001	18700	10/15/07 to 6/30/08	10,000	10,000	20,000	30,000
Total Nonmajor Federal Award Programs					6,246,727	5,815,546	2,276,012	8,091,558
Total Federal Award Programs					\$ 53,903,109	\$ 53,281,041	\$ 2,276,012	\$ 55,557,053

See accompanying notes to Schedules of Federal and State Awards



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended June 30, 2008

State Grantor Pass-Through Grantor Program Title/Program Title	State ID Number (a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures
Major State Award Programs Wisconsin Technical College Systems Board State Aids for Technical Colleges	292.105	(d)	NA	7/1/07 to 6/30/08	\$ 24,000,000	\$ 23,336,790	\$ -	\$ 23,336,790
Minority Student Participation and Retention Program Minority Student Retention	292.109	09-644-109-118	16440	7/1/07 to 6/30/08	89,757	89,757	29,919	119,676
Workforce Advancement Training								
Appleton Electric	292.116	09-834-116-118	18340	7/1/07 to 9/30/07	4,470	1,963	654	2,617
Critical Core Manufacturing	292.116	09-855-116-118	18550	7/1/07 to 6/30/08	8,079	2,757	919	3,676
Blended Delivery CNC Training	292.116	09-856-116-118	18560	7/1/07 to 6/30/08	21,000	12,404	4,135	16,539
Workforce Advancement-Welding	292.116	09-857-116-118	18570	7/1/07 to 6/30/08	34,886	25,725	8,575	34,300
Intro to CNC Training	292.116	09-858-116-118	18580	7/1/07 to 6/30/08	23,612	11,633	3,877	15,510
MSSC Production Technician	292.116	09-859-116-118	18590	7/1/07 to 6/30/08	23,014	22,238	7,412	29,650
Lake Express Ship Fire/CPR	292.116	09-872-116-118	18720	7/1/07 to 6/30/08	11,605	11,605	3,868	15,473
Bayshore Ctr Retail Skills	292.116	09-873-116-118	18730	7/1/07 to 6/30/08	14,018	8,639	2,879	11,518
Basic Carpentry-Univ Housing	292.116	09-874-116-118	18740	7/1/07 to 6/30/08	9,406	9,405	3,135	12,540
Goodwill/CVS Pharmacy PSA Training	292.116	09-875-116-118	18750	7/1/07 to 6/30/08	29,475	12,609	4,203	16,812
MSSC Production Technician Cert.	292.116	09-877-116-118	18770	7/1/07 to 6/30/08	29,760	24,778	8,260	33,038
Customized Service Excellence	292.116	09-885-116-118	18850	7/1/07 to 6/30/08	7,500	7,500	2,500	10,000
IHOP Customer Service Skills	292.116	09-888-116-118	18880	7/1/07 to 6/30/08	8,250	7,240	2,413	9,653
Total 292.116					225,075	158,496	52,830	211,326
Teaching and Learning Thru Technology	292.123	09-477-123-118	14770	7/1/07 to 6/30/08	70,600	70,600	70,600	141,200
Wisconsin Higher Educational Aids Board Minority Undergraduate Retention Grant	235.107	(d)	NA	7/1/07 to 6/30/08	217,505	217,505	-	217,505
Talent Incentive Program	235.114	(d)	NA	7/1/07 to 6/30/08	550,000	461,100	-	461,100
Indian Student Assistance Grants	235.132	(d)	NA	7/1/07 to 6/30/08	50,000	39,050	-	39,050
Total Major State Award Programs					25,202,937	24,373,298	153,349	24,526,647



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended June 30, 2008

Nonmajor State Award Programs	State ID Number (a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures
Incentive Grants								
Alternative Basic Education and Family Literacy	292.112	09-410-112-128	14100	7/1/07 to 6/30/08	\$ 446,840	\$ 449,841	\$ -	\$ 449,841
CYD-Basic Skills	292.112	09-410-112-128	14510	7/1/07 to 6/30/08	50,000	49,222	-	49,222
Esperanza Unida- Basic Skills	292.112	09-410-112-128	14520	7/1/07 to 6/30/08	16,051	16,051	-	16,051
MUL-Basic Skills	292.112	09-410-112-128	14440	7/1/07 to 6/30/08	35,285	35,285	-	35,285
Spotted Eagle-Basic Skills	292.112	09-410-112-128	14550	7/1/07 to 6/30/08	13,224	11,002	-	11,002
Spanish Center-Basic Skills	292.112	09-410-112-128	14570	7/1/07 to 6/30/08	50,000	50,000	-	50,000
Adult Learning Center-Basic Skills	292.112	09-410-112-128	18130	7/1/07 to 6/30/08	15,000	15,000	-	15,000
MCC-Basic Skills	292.112	09-410-112-128	18310	7/1/07 to 6/30/08	15,000	15,000	-	15,000
Benedict Center-Basic Skills	292.112	09-410-112-128	18320	7/1/07 to 6/30/08	15,000	15,000	-	15,000
Computer Stimulation and Gaming	292.112	09-847-112-138	18470	7/1/07 to 6/30/08	64,518	64,518	21,506	86,024
Wireless Networking	292.112	09-851-112-138	18510	7/1/07 to 6/30/08	62,132	62,132	20,711	82,843
<i>Passed through Waukesha County Technical College</i>								
Advanced Manufacturing Network	292.112	08-837-112-118	17700	7/1/07 to 6/30/08	20,102	15,077	6,142	21,219
<i>Passed through Mid State Technical College</i>								
Nursing Retention Strategies	292.112	14-038-112-138	18810	7/1/07 to 6/30/08	1,900	1,900	-	1,900
Total 292.112					805,052	800,028	48,359	848,387
Wisconsin Technical College Systems Board								
Supplemental State Aids	292.107	(d)	NA	7/1/07 to 6/30/08	250,000	175,628	-	175,628
for Non Resident Students								
Displaced Homemakers:								
Transition: Choices for Displaced Homemakers	292.106	09-406-106-118	14060	7/1/07 to 6/30/08	61,302	57,080	-	57,080
Instructor Occupational Competency Program	292.104	NA	15400	7/1/07 to 6/30/08	13,266	13,266	13,266	26,532
Transitioning for College Success	292.115	09-407-115-118	14070	7/1/07 to 6/30/08	23,875	23,875	7,958	31,833
Health Care Education								
Bilingual Medical Assistant	292.161	09-820-161-118	18200	7/1/07 to 6/30/08	53,061	53,061	-	53,061
Practical Nursing PT Track	292.161	09-848-161-118	18480	7/1/07 to 6/30/08	95,032	95,032	-	95,032
Cardiac Simulator	292.161	09-884-161-118	18840	7/1/07 to 6/30/08	48,000	48,000	72,000	120,000
Total 292.161					196,093	196,093	72,000	268,093
Wisconsin Department of Transportation								
Basic Motorcycle Rider	20.395	0094-07-12	18410	7/1/07 to 11/1/07	22,489	7,949	-	7,949
Basic Motorcycle Rider	20.395	0094-08-11	18410	1/1/08 to 6/30/08	22,795	22,795	-	22,795
Total 20.395					45,284	30,744	-	30,744



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended June 30, 2008

State Grantor Pass-Through Grantor Program Title/Program Title	State ID Number (a)	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures
Nonmajor State Award Programs (continued)								
Wisconsin Department of Revenue								
State Aid in Lieu of Computer Taxes	835.109	N/A	N/A	7/1/07 to 6/30/08	1,288,976	1,288,976	-	1,288,976
Wisconsin Department of Natural Resources								
State Aid - Computers	370.503	N/A	N/A	7/1/07 to 6/30/08	8,835	8,835	-	8,835
Wisconsin Higher Educational Aids Board								
Higher Education Grant	235.102	(d)	NA	7/1/07 to 6/30/08	\$ 3,850,000	\$ 3,834,147	\$ -	\$ 3,834,147
GI Bill Remission Funding	235.105	(d)	NA	7/1/07 to 6/30/08	170,000	170,000	-	170,000
HSNL Nursing Loan	235.117	NA	NA	7/1/07 to 6/30/08	10,000	(256)	-	(256)
Total 235.xxx					4,030,000	4,003,891	-	4,003,891
Total Nonmajor State Award Programs					6,722,683	6,598,416	141,583	6,739,999
Total State Award Programs					\$ 31,925,620	\$ 30,971,714	\$ 294,932	\$ 31,266,646

(a) Catalog of Federal Domestic Assistance (CFDA) Number or State Identification Number.

(b) Program has not been assigned a CFDA or State Identification Number.

(c) Contract is sum sufficient.

(d) Program has not been assigned a grant identification number



MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2008

(1) **Scope of Review**

The Milwaukee Area Technical College District Board (District) oversees the operation of the Milwaukee Area Technical College (MATC) under the provisions of Chapter 38 of the Wisconsin Statutes. The District includes Milwaukee County, most of Ozaukee County and portions of Waukesha and Washington Counties and the local municipalities located therein. Activities of the District are subject to the audit requirements contained in the scope of the Office of Management and Budget Circular No. A-133 *Audits of States, Local Governments and Non-Profit Organizations* and the *State Single Audit Guidelines*.

(a) **Programs Subject to Single Audit**

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

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

<u>Program</u>	<u>Loans Disbursed</u>
Subsidized	\$ 18,506,315
Unsubsidized	13,864,740
Total Federal Family Education Loan Program	<u>\$ 32,371,055</u>



**MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT**

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2008

(2) Summary of Significant Accounting Policies

(a) Revenue Recognition

Consistent with the District's 2008 basic financial statements, revenues and expenditures included in the Schedules are presented on the accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

(b) Cost Allocation

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

(c) Sub-grantee

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

(3) Oversight Agency

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



**MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT**

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2008

(4) Contingency

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

(5) Schedule of Subrecipient Awards

The following schedule is a summary of federal and state awards which have been passed through to subrecipients:

<u>Subrecipient/Program FY08</u>	Federal CFDA/State ID Number	Project Identification Number	Federal	State
Milwaukee Employment Training - FSET	10.561	F1	\$ 57,210	\$ -
Milwaukee Employment Training - FSET	10.561	F1	125,066	-
Milwaukee Careers Co-operative-FSET	10.561	F1	15,107	-
Multicultural Community High School-ABE	84.002	09-401-146-128	28,920	-
Social Development Commission-ABE	84.002	09-401-146-128	30,979	-
Journey House-Basic Skills	84.002	09-401-146-128	50,915	-
Neighborhood House - AEFL	84.002	09-401-146-128	15,000	-
Childrens Outing Association - AEFL	84.002	09-401-146-128	15,750	-
Career Youth Development-Basic Skills	292.112	09-410-112-128	-	50,000
Esperanza Unida- Basic Skills	292.112	09-410-112-128	-	16,051
Milwaukee Urban League-ABE	292.112	09-410-112-128	-	35,285
Spotted Eagle	292.112	09-410-112-128	-	13,224
Spanish Center-Basic Skills	292.112	09-410-112-128	-	50,000
Milwaukee Careers Co-operative-Basic Skills	292.112	09-410-112-128	-	15,000
Benedict Center-Basic Skills	292.112	09-410-112-128	-	15,000
Adult Learning Center-Basic Skills	292.112	09-410-112-128	-	15,000
			<u>\$ 338,947</u>	<u>\$ 209,560</u>



MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2008

(6) Reconciliation of federal and state awards to the basic financial statements

Reconciliation of Federal Revenue

Federal revenue per Basic Financial Statements	\$ 20,865,135
Other	44,851
Noncash awards - Federal Family Education Loan Program	32,371,055
Total Federal Revenue per Schedule (direct and pass-through)	<u>\$ 53,281,041</u>

Reconciliation of State Revenue

State revenue per Basic Financial Statements	
State grants	\$ 6,238,682
State operating appropriation	24,980,229
Total State Revenue per Basic Financial Statements	<u>31,218,911</u>
ECB reported as State revenue in the Basic Financial Statements	(250,800)
Other	3,603
Total State Revenue per Schedule(direct and pass-through)	<u>30,971,714</u>



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2008

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal or State Awards

Internal control over major programs:

Material weakness(es) identified? X yes no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133 or the state single audit guidelines X yes no

Identification of major federal programs:

CFDA Number

Name of Federal Program or Cluster

84.007	Student Financial Assistance Cluster-
84.032	Federal Supplemental Educational
84.033	Opportunity Grant Program
84.063	Federal Family Education Loan Program
84.375	Federal Work Study
	Federal Pell Grant Program
	Academic Competitiveness Grant



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2008

Identification of major state programs:

<u>Identification Number</u>	<u>Name of State Program</u>
292.105	State Aid for Technical Colleges
292.109	Minority Student Participation and Retention Program
292.116	Workforce Advancement Training
292.123	Curriculum Enhancement through Technology
235.107	Minority Undergraduate Retention Grant
235.114	Talent Incentive Program Grant
235.132	Indian Student Assistance Grants

Dollar threshold used to distinguish between
 Type A and Type B programs:

<u>Federal</u>	<u>State</u>
<u>\$ 627,300</u>	<u>\$ 100,000</u>

Auditee qualified as low-risk auditee?

Federal programs	<u> X </u> yes	<u> </u> no
State programs	<u> X </u> yes	<u> </u> no



MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2008

Section II - Financial Statement Findings

There were two material weaknesses reported in accordance with Generally Accepted Government Auditing Standards for the year ended June 30, 2008. See findings 08.01 and 08.02 attached

Section III - Federal and State Award Findings and Questioned Costs

There was one material weakness reported. See finding 08.02 attached

Section IV - Other Issues

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? _____ yes X no _____ N/A

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

Wisconsin Technical College Systems Board	<u> X </u>	yes	_____	no	_____	N/A
Wisconsin Higher Educational Aids Board	<u> X </u>	yes	_____	no	_____	N/A
Department of Public Instruction	<u> X </u>	yes	_____	no	_____	N/A
Department of Natural Resource	<u> X </u>	yes	_____	no	_____	N/A
Department of Revenue	<u> X </u>	yes	_____	no	_____	N/A
Department of Transportation	<u> X </u>	yes	_____	no	_____	N/A

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? _____ X yes _____ no _____ N/A

4. Name and signature of partner William B. Coleman,
William B. Coleman, CPA, Partner

5. Date of report November 12, 2008



**MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT**

**SCHEDULE OF FINDING OF NONCOMPLIANCE
For the Year Ended June 30, 2008**

Internal Control Over Financial Reporting

Finding 08-01:

Condition

Journal entries prepared as part of the project accounting process are not reviewed or approved by someone other than the preparer.

Criteria

Journal entries are used to convert the District's fund based accounting records into the reporting format required by Government Accounting Standards Board Statement NO. 35. A properly designed system of internal control includes a review and approval process of journal entries, including those prepared during the preparation of the federal and state grant report, by someone other than the individual preparing the journal entry.

Cause

There are no procedures in place to ensure that when District's fund based accounting records are converted into a reporting format required by Government Accounting Standard, the journal entries prepared for the conversions are reviewed and approved by authorized personnel.

Effect

An error could exist in the district's federal and state grant reports, whether intentional or unintentional.

Recommendation

We recommend that all journal entries be reviewed and approved by someone other than the preparer, preferably someone at least one level above the individual who prepares the journal entry.

Management Response

The Controller and the Vice president-finance discuss the closing entries each month and the Vice president-finance reviews the final financial statements each month as a review of the culmination of all entries prepared during the accounting period.



**MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT**

**SCHEDULE OF FINDING OF NONCOMPLIANCE
For the Year Ended June 30, 2008**

Management concurs with the audit recommendation that the Journal Entry review process needs to be documented. Effective November 13, 2008 the vice president-finance will date and initial the date on which the journal entry is reviewed. The Controller was advised that all Journal Entries prepared by the Controller are to be submitted to the Vice president-finance for review.

**Project Accounting Journal Entry Review and Approval
Finding 08-02:**

Condition

Journal entries prepared as part of the project accounting process are not reviewed or approved by someone other than the preparer.

Criteria

Journal entries are used to classify and report eligible expenditure for federal and state grant programs. A properly designed system of internal control includes a review and approval process of journal entries, including those prepared during the preparation of the federal and state grant report, by someone other than the individual preparing the journal entry.

Cause

There are no procedures in place to ensure that journal entries prepared during the preparation of federal and state grant reports are reviewed and approved by authorized personnel.

Effect

An error could exist in the district's federal and state grant reports, whether intentional or unintentional.

Recommendation

We recommend that all journal entries prepared as part of the project accounting process be reviewed and approved by someone other than the preparer, preferably someone with a knowledge in accounting and OMB Circular A-87, Cost Principle for State, Local and Indian Tribal Governments.



COLEMAN & WILLIAMS, LTD.
A Professional Services Firm

**MILWAUKEE AREA
TECHNICAL COLLEGE DISTRICT**

**SCHEDULE OF FINDING OF NONCOMPLIANCE
For the Year Ended June 30, 2008**

Management Response

Management concurs with the recommendation and effective November 13, 2008 all Journal Entries prepared by the project management group will be reviewed by either the Controller or the Vice president-finance. The Controller and Vice president-finance will date the journal entry on the date the review took place and initial the date