

Milwaukee Area Technical College District

Report on Federal and State Awards

June 30, 2024

Milwaukee Area Technical College District

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

Independent Auditors' Report

To the Board of Directors of
Milwaukee Area Technical College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Milwaukee Area Technical College District (the District), as of and for the year ended June 30, 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 11, 2024. Our report includes a reference to other auditors who audited the financial statements of Milwaukee Area Technical College Foundation, a discretely presented component unit, as described in our report on the District's financial statements. The financial statements of Milwaukee Area Technical College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Milwaukee Area Technical College Foundation or that are reported on separately by those auditors who audited the financial statements of Milwaukee Area Technical College Foundation, a discretely presented component unit.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Milwaukee, Wisconsin
December 11, 2024

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

Independent Auditors' Report

To the Board of Directors of
Milwaukee Area Technical College District

Report on Compliance for Each Major Federal and Major State Program

Opinion on Each Major Federal and Major State Program

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

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

Basis for Opinion on Each Major Federal and Major State Program

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

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

Responsibilities of Management for Compliance

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

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Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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 *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 major 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 finding 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.

The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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 a deficiency in internal control over compliance that we consider to be a significant deficiency.

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

The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's corrective action plan was not subjected to the auditing procedures applied in the audit of the compliance and, accordingly, we express no opinion on it.

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

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

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 11, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *Guidelines* and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Milwaukee, Wisconsin
December 11, 2024

Milwaukee Area Technical College District

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Major Federal Award Programs									
U.S. Department of Education									
Student Financial Assistance Cluster Programs -									
Federal Supplemental Educational Opportunity									
Grant Program (FSEOG)	84.007	N/A	60400	7/1/23 to 6/30/24	\$ 990,099	\$ 1,462,785	\$ -	\$ 2,041,549	\$ -
Federal Work Study (FWS)	84.033	N/A	61000	7/1/23 to 6/30/24	719,481	526,055	-	725,029	-
Federal Pell Grant Program	84.063	N/A	60600	7/1/23 to 6/30/24	20,000,000	24,171,343	-	24,522,783	-
Federal Pell Grant Program - Admin	84.063	N/A	60547	7/1/23 to 6/30/24	-	3,160	-	3,160	-
Federal Direct Student Loans	84.268	N/A	NONE	7/1/23 to 6/30/24	25,448,067	25,448,067	-	25,448,067	-
Federal Direct Loan Program - Veterans Allowance	84.268	N/A	60530	7/1/23 to 6/30/24	5,000	5,248	-	713	-
Total Student Financial Assistance Cluster Programs					47,162,647	51,616,658	-	52,741,301	-
<i>Passed Through Wisconsin Technical College System Board</i>									
Career and Technical Education - Basic Grants to States -									
Capacity Building for Equity & Inclusion	84.048	09-166-150-224	11660	7/1/23 to 6/30/24	113,760	108,276	-	108,276	-
Achieving Student Success (Umbrella project)	84.048	09-418-150-234	14180	7/1/23 to 6/30/24	51,384	33,388	1,209,996	1,243,384	-
Achieving Student Success (Special Needs)	84.048	09-418-150-234	14181	7/1/23 to 6/30/24	743,345	719,231	-	719,231	-
Achieving Student Success (Multicultural)	84.048	09-418-150-234	14182	7/1/23 to 6/30/24	237,244	385,161	-	385,161	-
Achieving Student Success (JobShop)	84.048	09-418-150-234	14183	7/1/23 to 6/30/24	74,254	34,092	-	34,092	-
Achieving Student Success (Bilingual)	84.048	09-418-150-234	14184	7/1/23 to 6/30/24	234,947	221,521	-	221,521	-
Achieving Student Success (Academic Support)	84.048	09-418-150-234	14187	7/1/23 to 6/30/24	442,820	390,601	-	390,601	-
Tech Prep	84.048	09-427-150-214	14270	7/1/23 to 6/30/24	71,547	64,645	-	64,645	-
Strengthening CTE Programs - Health	84.048	09-690-150-254	16901	7/1/23 to 6/30/24	132,551	122,115	-	122,115	-
Strengthening CTE Programs - Human Services	84.048	09-690-150-254	16903	7/1/23 to 6/30/24	83,082	61,306	-	61,306	-
Strengthening CTE Programs - Business	84.048	09-690-150-254	16905	7/1/23 to 6/30/24	233,464	251,334	-	251,334	-
MATC NTO Project	84.048	09-882-150-264	18820	7/1/23 to 6/30/24	112,278	86,464	-	86,464	-
Total 84.048					2,530,676	2,478,134	1,209,996	3,688,130	-
Total Major Federal Award Programs					49,693,323	54,094,792	1,209,996	56,429,431	-

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College DistrictSchedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor Federal Award Programs									
U. S. Department of Agriculture									
<i>Passed thru Wisconsin Department of Public Instruction</i>									
Child and Adult Care Food Program - Child Care Centers Food Rebate	10.558	N/A	N/A	7/1/23 to 6/30/24	\$ 40,414	\$ 41,291	\$ -	\$ 41,291	\$ -
Total US. Department of Agriculture					40,414	41,291	-	41,291	-
U. S. Department of Labor									
<i>Passed Through Employ Milwaukee, Inc.</i>									
H-1B Job Training Grants (Nursing MEND)	17.268	M0680-MENDMATC-260-23-8111-00	12200	8/1/23 to 5/31/28	18,225	18,225	-	18,225	-
H-1B Job Training Grants (Skills to Build)	17.268	M0680-STBMATC-265-2	11390	9/30/23 to 9/30/28	9,211	9,210	-	9,210	-
Total 17.268					27,436	27,435	-	27,435	-
Total US. Department of Labor					27,436	27,435	-	27,435	-
National Science Foundation									
Research and Development Cluster									
<i>Passed Through the Regents of the University of California</i>									
STEM Education - BEST Center	47.076	DUE-1204930/2202180	10320	10/1/22 to 9/30/24	22,028	22,028	-	22,028	-
STEM Education - Access to Careers in ABT	47.076	DUE-2201667	15860	7/1/23 to 6/30/24	153,038	153,039	-	153,039	-
<i>Passed Through the Curators of the University of Missouri</i>									
STEM Education - TAPDINTO	47.076	DUE-2119902	12300	5/1/23 to 7/31/24	18,175	18,175	-	18,175	-
Total Research and Development Cluster					193,241	193,242	-	193,242	-
Total National Science Foundation					193,241	193,242	-	193,242	-
U.S. Department of Energy									
<i>Passed Through the Regents of the University of California</i>									
National Laboratory Jobs Apprenticeship for Complete and Committed Employment for Specialized Skills (FlexLab)	81.251	7736647 (FLEX01)	12100	6/14/23 to 6/15/24	30,973	30,973	-	30,973	-
Total US. Department of Agriculture					30,973	30,973	-	30,973	-
U.S. Department of Education									
<i>Passed Through Wisconsin Technical College System Board</i>									
Adult Education State Grant Program									
AEFL Comprehensive Program	84.002	09-401-146-124	14010	7/1/23 to 6/30/24	578,046	616,183	457,570	1,073,753	85,000
AEFL Bilingual Program	84.002	09-401-146-124	14011	7/1/23 to 6/30/24	210,262	172,125	-	172,125	-
Re-Entry Grant	84.002	09-402-146-114	14020	7/1/23 to 6/30/24	75,000	35,273	7,060	42,333	-
Total 84.002					863,308	823,581	464,630	1,288,211	85,000
Child Care Access Means Parents in School CCAMPIS	84.335A	P335A220023	15990	10/1/22 to 9/30/24	585,928	585,928	-	585,928	-
Office of Postsecondary Education - Fund for Improvement of Postsecondary Education - Welding	84.116Z	P116Z230181	11970	7/1/23 to 6/30/24	125,469	125,469	-	125,469	-
Total U.S. Department of Education					1,574,705	1,534,978	464,630	1,999,608	85,000

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor Pass-Through Grantor Program Title/Program Title	Assistance Listing Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	Federal Revenues	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor Federal Award Programs (continued)									
U.S. Department of Health and Human Services									
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	6H79SM086242-01M001	11960	8/31/23 TO 8/30/24	\$ 62,962	\$ 62,962	\$ 75,174	\$ 138,136	\$ -
<i>Passed Through Wisconsin Early Childhood Association CCDF Cluster</i>									
Child Care and Development Block Grant	93.575	N/A	11800	7/1/23 to 6/30/24	14,858	14,858	-	14,858	-
Total U.S. Department of Health and Human Services					77,820	77,820	75,174	152,994	-
U.S. Department of Homeland Security									
<i>Passed Through Wisconsin Technical College Systems Board</i>									
Assistance to Firefighters Grant	97.044	09-099-153-113	10990	12/1/22 to 11/30/23	26,982	26,982	4,047	31,029	-
Assistance to Firefighters Grant	97.044	09-377-153-114	13770	8/1/23 to 8/15/24	26,348	23,526	3,921	27,447	-
Total 97.044					53,330	50,508	7,968	58,476	-
Total U.S. Department of Homeland Security					53,330	50,508	7,968	58,476	-
Total Nonmajor Federal Award Programs					1,997,919	1,956,247	547,772	2,504,019	85,000
Total Federal Award Programs					\$ 51,691,242	\$ 56,051,039	\$ 1,757,768	\$ 58,933,450	\$ 85,000

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of State Awards
Year Ended June 30, 2024

State Grantor Pass-Through Grantor Program Title/Program Title	State ID Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures	Expenditures to Subrecipients
Major State Award Programs									
Wisconsin Technical College Systems Board									
State Aid for Technical Colleges									
State Aid-Outcomes Based Funding	292.105	N/A	N/A	7/1/23 to 6/30/24	\$ 3,326,609	\$ 3,326,609	\$ -	\$ 3,326,609	\$ -
State Aids for Technical Colleges	292.105	N/A	N/A	7/1/23 to 6/30/24	12,614,700	12,785,466	-	12,785,466	-
Total 292.105					15,941,309	16,112,075	-	16,112,075	-
Wisconsin Technical College Systems Board									
Professional Development	292.124	09-055-124-154	10550	7/1/23 to 6/30/24	99,719	99,719	49,861	149,580	-
Sheet Metal Worker Apprentice	292.124	09-103-124-114	11030	8/22/23 to 6/30/24	20,000	20,000	-	20,000	-
ATD and HLC Grant	292.124	09-138-124-184	11380	1/1/24-6/30/24	5,250	3,970	-	3,970	-
Environmental Service Tech Apprenticeship	292.124	09-225-124-114	12250	8/22/23 to 6/30/24	20,000	20,000	-	20,000	-
OER Consortium - Culinary Arts	292.124	09-243-124-324	12430	7/1/23 to 6/30/24	6,887	6,887	-	6,887	-
MATC College Now IET	292.124	09-542-124-204	15420	7/1/23 to 6/30/24	200,000	200,000	-	200,000	-
Training the Uniquely Abled	292.124	09-573-124-133	15730	7/1/22 to 6/30/24	122,675	71,224	-	71,224	-
Diagnostic Medical Sonography	292.124	09-577-124-143	15770	7/1/22 to 6/30/24	72,794	72,794	-	72,794	-
Granville Economic-WAT	292.124	09-582-124-173	15820	7/1/22 to 8/31/23	11,753	7,440	-	7,440	-
Blast Cleaning-WAT	292.124	09-583-124-173	15830	7/1/22 to 8/31/23	51,151	38,791	-	38,791	-
Latino Entr Network-WAT	292.124	09-584-124-173	15840	7/1/22 to 8/31/23	7,485	5,728	-	5,728	-
Ebenezer Child Care-WAT	292.124	09-585-124-173	15850	7/1/22 to 8/31/23	12,530	3,513	-	3,513	-
Program-to-Program Articul.	292.124	09-594-124-183	15940	9/1/22 to 6/30/24	111,400	111,400	-	111,400	-
Enrollment FY2023	292.124	09-595-124-193	15950	7/1/22 to 9/30/23	43,123	40,956	-	40,956	-
Career Pathways - Entrepreneurship	292.124	09-601-124-124	16010	7/1/23 to 6/30/25	44,998	44,998	-	44,998	-
Career Pathways - Supply Chain Management	292.124	09-602-124-124	16020	7/1/23 to 6/30/25	60,257	60,257	-	60,257	-
Completion - Scaling Math	292.124	09-604-124-164	16040	7/1/23 to 6/30/25	184,292	162,829	58,703	221,532	-
Core Industry - Truck Driving	292.124	09-611-124-134	16110	7/1/23 to 6/30/25	143,465	143,465	-	143,465	-
Leadership: ESL Faculty/Staff Support	292.124	09-710-124-193	17100	6/1/23-6/30/24	500,000	493,546	-	493,546	-
Leadership: Enrollment	292.124	09-721-124-194	17210	7/1/23-6/30/24	200,000	147,071	-	147,071	-
<i>Passed Through Northeast Wisconsin Technical College:</i>									
Hybrid & Electric Vehicle Training	292.124	13-160-124-183	14440	5/13/23 to 6/30/24	8,906	5,083	-	5,083	-
Total 292.124					1,926,685	1,759,671	108,564	1,868,235	-
Wisconsin Higher Educational Aids Board									
Talent Incentive Program	235.114	N/A	60002	7/1/23 to 6/30/24	79,000	168,300	-	168,300	-
Wisconsin Department of Revenue									
Property Tax Relief Aid	292.162	N/A	N/A	7/1/23 to 6/30/24	66,814,523	66,814,522	-	66,814,522	-
Total Major State Award Programs					84,761,517	84,854,568	108,564	84,963,132	-

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Schedule of Expenditures of State Awards
Year Ended June 30, 2024

State Grantor Pass-Through Grantor Program Title/Program Title	State ID Number	Project Identification	Internal Project Identification	Grant Period	Award Amount	State Revenue	Match	Total Expenditures	Expenditures to Subrecipients
Nonmajor State Award Programs									
Wisconsin Higher Educational Aids Board									
Wisconsin Covenant Scholars	235.108	N/A	60010	7/1/23 to 6/30/24	\$ 1,000	\$ -	\$ -	\$ -	-
Wisconsin Covenant Foundation	235.131	N/A	60011	7/1/23 to 6/30/24	1,000	-	-	-	-
Higher Education Grant	235.102	N/A	60001	7/1/23 to 6/30/24	5,050,000	6,296,265	-	6,296,265	-
GI Bill Remission Funding	235.105	N/A	N/A	7/1/23 to 6/30/24	61,400	-	-	-	-
Minority Undergraduate Retention Grant	235.107	N/A	60004	7/1/23 to 6/30/24	54,000	76,500	-	76,500	-
HSNL Nursing Grants	235.117	N/A	60008	7/1/23 to 6/30/24	5,000	-	-	-	-
Indian Student Assistance Grants	235.132	N/A	60003	7/1/23 to 6/30/24	10,000	2,200	-	2,200	-
Total Wisconsin Higher Educational Aids Board					5,182,400	6,374,965	-	6,374,965	-
Wisconsin Technical College Systems Board									
Student Emergency Fund	292.104	09-111-104-112	11110	7/1/23 to 6/30/24	55,480	55,480	-	55,480	-
Wisconsin Department of Natural Resources									
State Aid - Computers	370.503	N/A	N/A	7/1/23 to 6/30/24	-	7,984	-	7,984	-
Wisconsin Department of Safety and Professional Services									
Military Training for Civilian Careers		PO# 16500-000000729	15870	7/1/23 to 6/30/24	35,244	35,244	-	35,244	-
Wisconsin Department of Revenue									
State Aid-Personal Property Tax	835.103	N/A	N/A	7/1/23 to 6/30/24	458,996	458,996	-	458,996	-
State Aid in Lieu of Computer Taxes	835.109	N/A	N/A	7/1/23 to 6/30/24	1,355,599	1,365,380	-	1,365,380	-
Total Wisconsin Department of Revenue					1,814,595	1,824,376	-	1,824,376	-
Total Nonmajor State Award Programs					7,087,719	8,298,049	-	8,298,049	-
Total State Award Programs					\$ 91,849,236	\$ 93,152,617	\$ 108,564	\$ 93,261,181	\$ -

See notes to schedules of expenditures of federal and state awards

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards

June 30, 2024

1. Basis of Presentation

The Milwaukee Area Technical College District Board (the District) oversees the operation of the Milwaukee Area Technical College (MATC) under the provisions of Chapter 38 of the Wisconsin Statutes. The District includes Milwaukee County, most of Ozaukee County and portions of Waukesha and Washington Counties and the local municipalities located therein.

The accompanying schedules of expenditures of federal and state awards (the Schedules) include the federal and state award activity of the District under programs of the federal and state government for the year ended June 30, 2024. The information in these Schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Because the Schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of District.

Programs Subject to Single Audit

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

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

<u>Direct Loan Program</u>	<u>Loans Disbursed</u>
Subsidized	\$ 11,027,050
Unsubsidized	<u>14,421,017</u>
Total Direct Loan Program	<u>\$ 25,448,067</u>

Oversight Agency

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

Contingencies

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

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards
June 30, 2024

2. Summary of Significant Accounting Policies

Consistent with the District's basic financial statements, revenues and expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance (and OMB circular A-87/A-21/A-122, if applicable), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

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

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

3. Indirect Cost Rate

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

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

Reconciliation of Federal Revenue

Federal revenue per basic financial statements:	\$ 32,529,163
Medicare	-
Other	(1,926,191)
Noncash awards, Direct Loan Program	<u>25,448,067</u>
Total federal revenue per schedule (direct and pass-through)	<u><u>\$ 56,051,039</u></u>

Reconciliation of State Revenue

State revenue per basic financial statements:	
State grants	\$ 8,393,660
State operating appropriation	<u>84,787,638</u>
Total state revenue per basic financial statements	93,181,298
Other	<u>(28,681)</u>
Total state revenue per schedule (direct and pass-through)	<u><u>\$ 93,152,617</u></u>

Milwaukee Area Technical College District

Notes to Schedules of Expenditures of Federal and State Awards
June 30, 2024

5. District Matching Funds

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

6. Administrative Cost Allowance

The Student Financial Assistance allowable expenditures for the fiscal year 2024 include amounts claimed for administrative costs of \$125,712.

Milwaukee Area Technical College District

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal and State Awards

	<u>Federal Programs</u>	<u>State Programs</u>
Internal control over major programs: Material weakness(es) identified?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Significant deficiencies identified that are not considered to be material weakness(es)?	<u> X </u> yes <u> </u> none reported	<u> </u> yes <u> X </u> none reported
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance or the <i>State Single Audit Guidelines</i> ?	<u> X </u> yes <u> </u> no	<u> </u> yes <u> X </u> no
Auditee qualified as low-risk auditee?	<u> </u> yes <u> X </u> no	<u> </u> yes <u> X </u> no
Dollar threshold used to distinguish between type A and type B programs:	<u>\$750,000</u>	<u>\$1,000,000</u>
Identification of major federal programs:		

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.007	Student Financial Assistance Cluster:
84.033	Federal Supplemental Educational Opportunity Grant Program (FSEOG)
84.063	Federal Work Study Program (FWS)
84.268	Federal Pell Grant Program
	Federal Direct Student Loans
83.048	Career and Technical Education - Basic Grants to States

Milwaukee Area Technical College District

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Identification of major state programs:

State ID Numbers	Name of State Program
292.105	State Aid for Technical Colleges
292.124	Wisconsin Technical College Systems Board Funding
235.114	Talent Incentive Program
292.162	Property Tax Relief Aid

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

No findings were reported.

Section III - Federal and State Awards Findings and Questioned Costs

Finding No. 2024-001 - Untimely Return of Title IV Funds

Repeat Finding: No

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

Award Amount: \$52,741,301

Award Number: N/A

Award Year: 7/1/2023-6/30/2024

Criteria: Returns of Title IV funds are required to be deposited or transferred into the SFA account or electronic fund transfers initiated to the Department of Education (ED) as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew. Returns by check are late if the check is issued more than 45 days after the institution determined the student withdrew or the date on the canceled check shows the check was endorsed more than 60 days after the date the institution determined that the student withdrew (34 CFR 668.173(b)).

Condition/Context: The auditor tested 15 Title IV returns, and noted that 10 returns were deposited or transferred to the SFA account or EFTs were initiated to ED more than 45 days after the date of determination. Our sample was not statistically valid.

Cause: During the year, MATC implemented a retrain of R2T4 return calculations, as well as a secondary check on all calculations, which resulted in increased processing time. Additionally, turnover in the office of the Executive Director and Director positions within the Financial Aid office resulted in a gap in leadership, further delaying processing times.

Questioned Costs: None

Effect: All returns tested were properly calculated and were deposited or transferred to ED; however, the returns were not made timely.

Recommendation: MATC should evaluate staffing levels and processes and implement return of funds calculation timelines to ensure timely returns.

District Response: MATC agrees with the finding, and has added supervisory staff and implemented processes to ensure timely return of funds.

Milwaukee Area Technical College District

Schedule of Findings and Questioned Costs
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?

_____ yes X no

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

Wisconsin Technical College Systems Board

_____ yes X no

Wisconsin Higher Educational Aids Board

_____ yes X no

Wisconsin Department of Natural Resources

_____ yes X no

Wisconsin Department of Revenue

_____ yes X no

Wisconsin Department of Safety and Professional Services

_____ Yes X no

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

_____ yes X no



Name and signature of principal

Paul Frantz, CPA, Principal

Date of report

December 11, 2024

Milwaukee Area Technical College District

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024

None reported.