

Northwood Technical College

Federal and State Single Audit Report

Year Ended June 30, 2024



Northwood Technical College District

Federal and State Single Audit Report

Year Ended June 30, 2024

Table of Contents

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.....	1
Independent Auditor's Report on Compliance for Each Major Federal and State Program and Internal Control Over Compliance and on the Schedules of Expenditures of Federal and State Awards in Accordance With the by the Uniform Guidance and the State of Wisconsin Single Audit Guidelines	3
Supplementary Information	
Schedule of Expenditures of Federal Awards	7
Schedule of Expenditures of State Awards	11
Notes to Schedules of Expenditures of Federal and State Awards	15
Schedule of Findings and Questioned Costs.....	16
Schedule of Prior Year's Findings and Questioned Costs.....	21

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

District Board
Northwood Technical College District
Rice Lake, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Northwood 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 Northwood Technical College District's basic financial statements, and have issued our report thereon dated December 11, 2024. The financial statements of the Northwood Technical College Foundation, Inc. (the "Foundation"), a discretely presented component unit were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal controls over financial reporting or instances of noncompliance associated with the Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northwood Technical College 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 Northwood Technical College District's internal control. Accordingly, we do not express an opinion on the effectiveness of Northwood Technical College 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 reasonable possibility that a material misstatement of Northwood Technical College District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 weakness or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northwood Technical College 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*.

Northwood Technical College District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Northwood Technical College District's response to the finding identified in our audit and 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 the financial statements and, accordingly, we express no opinion on the response.

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 Northwood Technical College 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 Northwood Technical College District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Eau Claire, Wisconsin
December 11, 2024

Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Guidelines

District Board
Northwood Technical College District
Rice Lake, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

In our opinion, Northwood Technical College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal and state program 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, . Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northwood Technical College 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 Northwood Technical College 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 Northwood Technical College District's federal and state programs.

Auditor's 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 Northwood Technical College 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 *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and the Uniform Guidance 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 Northwood Technical College 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*, *State Single Audit Guidelines*, and the Uniform Guidance, 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 Northwood Technical College 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 Northwood Technical College 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, but not for the purpose of expressing an opinion on the effectiveness of Northwood Technical College 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 Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal 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 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 Auditor's 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 certain 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 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 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 2024-002 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 finding 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 and the *State Single Audit Guidelines*. 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 State of Wisconsin Single Audit Guidelines

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Northwood Technical College District for the year ended June 30, 2024, and issued our report thereon dated December 11, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. 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 *State of Wisconsin 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 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 awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Wipfli LLP

Eau Claire, Wisconsin
December 11, 2024

Northwood Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Federal Expenditures	Passed Through to Subrecipients
				Federal	Match		
U.S. Department of Education							
Direct:							
Student Financial Assistance Cluster:							
Federal Supplemental Educational Opportunity Grants							
	84.007						
Grants							
July 1, 2023 - June 30, 2024		P007A234567	\$ 129,158	\$ 168,900	\$ -	\$ 168,900	\$ -
Administration							
July 1, 2023 - June 30, 2024		P007A234567	-	8,445	-	8,445	-
Total 84.007			129,158	177,345	-	177,345	-
Federal Work-Study Program Grants	84.033						
July 1, 2023 - June 30, 2024		P033A234567	160,864	33,349	11,116	44,465	-
Administration							
July 1, 2023 - June 30, 2024		P033A234567	-	2,223	-	2,224	-
Total 84.033			160,864	35,572	11,116	46,689	-
Federal Pell Grant Program Grants	84.063						
July 1, 2022 - June 30, 2023		P063P2234767	-	14,250	-	14,250	-
July 1, 2023 - June 30, 2024		P063P2234767	3,968,589	3,962,514	-	3,962,514	-
Administration							
July 1, 2022 - June 30, 2023		P063P223476	-	100	-	100	-
July 1, 2023 - June 30, 2024		P063P223476	-	5,305	-	5,305	-
Total 84.063			3,968,589	3,982,169	-	3,982,169	-
Federal Direct Student Loans	84.268						
July 1, 2022 - June 30, 2023		P268K233476	-	116,307	-	116,307	-
July 1, 2023 - June 30, 2024		P268K233476	3,572,309	3,264,679	-	3,264,679	-
Total 84.268			3,572,309	3,380,986	-	3,380,986	-
Total Student Financial Assistance Cluster			7,830,920	7,576,072	11,116	7,587,189	-

Northwood Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Federal Expenditures	Passed Through to Subrecipients
				Federal	Match		
U.S. Department of Education							
Wisconsin Technical College System							
Adult Education and Family Literacy Act							
Comprehensive - Adult Basic Education July 1, 2023 - June 30, 2024	84.002	17-131-146-124	\$ 168,201	\$ 168,201	\$ 100,253	\$ 268,454	\$ -
Special Focus - Corrections to Careers July 1, 2023 - June 30, 2024	84.002	17-134-146-114	20,000	20,000	30,000	50,000	-
Total 84.002			188,201	188,201	130,253	318,454	-
Career and Technical Education - Basic Grants to States							
Student Success July 1, 2023 - June 30, 2024	84.048A	17-141-150-234	350,420	350,420	418,794	769,214	-
Strengthening Programs July 1, 2023 - June 30, 2024	84.048A	17-142-150-254	88,214	80,482		80,482	-
Capacity Building for Equity & Inclusion July 1, 2023 - June 30, 2024	84.048A	17-143-150-224	39,479	39,479		39,479	-
Nontraditional Occupations July 1, 2023 - June 30, 2024	84.048A	17-145-150-264	22,053	15,080		15,080	-
Career Prep July 1, 2023 - June 30, 2024	84.048A	17-166-150-214	54,796	54,418		54,418	-
Total 84.048A			554,962	539,879	418,794	958,673	-
TOTAL U.S. DEPARTMENT OF EDUCATION			8,574,083	8,304,152	560,163	8,864,316	-
U.S. Department of Agriculture							
Rural Utilities Service							
NWECS-ERVING Collaborative Distance Learning Initiative July 1, 2023 - June 30, 2024	10.855	WI0730-C16	999,480	735,148	113,584	848,732	555,265
TOTAL U.S. DEPARTMENT OF AGRICULTURE			999,480	735,148	113,584	848,732	555,265

Northwood Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Federal Expenditures	Passed Through to Subrecipient
				Federal	Match		
U.S. Department of Treasury							
Direct:							
Coronavirus State and Local Fiscal Recovery Funds							
Police Academy Tuition Reimbursement July 1, 2023 - June 30, 2024	21.027	N/A	\$ -	\$ 17,627	\$ -	\$ 17,627	-
Part-Time Criminal Justice Law July 1, 2023 - June 30, 2024	21.027	17-196-138-243	156,250	121,642		121,642	-
Wisconsin Technical College System							
Coronavirus State and Local Fiscal Recovery Funds							
Meat Processing Training July 1, 2023 - June 30, 2024	21.027	17-189-138-253	441,393	326,291	5,289	331,580	-
Meat Processing Tuition Reimbursement July 1, 2023 - June 30, 2024	21.027	N/A	-	6,726		6,726	-
Wisconsin Department of Workforce Development							
Coronavirus State and Local Fiscal Recovery Funds							
Workforce Innovation Grant Outreach, Recruitment, and Education (RESTORE)							
July 1, 2023 - June 30, 2024	21.027	SLFRP0135	1,284,972	64,587	7,346	71,933	-
Solution (HOMES) 2.0 Project July 1, 2023 - June 30, 2024	21.027	SLFRP0135	9,823,075	318,163	408,118	726,283	-
TOTAL U.S. DEPARTMENT OF TREASURY			11,705,690	855,036	420,753	1,275,791	-
U.S. Department of Veterans Affairs							
Wisconsin Department of Veterans Affairs							
Survivors and Dependents Educational Assistance							
July 1, 2023 - June 30, 2024	64.117	N/A	-	1,774	-	1,744	-
TOTAL U.S. DEPARTMENT OF VETERANS AFFAIRS			-	1,774	-	1,744	-

Northwood Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Federal Expenditures	Passed Through to Subrecipients
				Federal	Match		
US Department of Homeland Security Wisconsin Technical College System Assistance to Firefighters Grant July 1, 2023 - June 30, 2024	97.044	17-197-153-114	\$ 28,630	\$ 23,910	\$ 3,585	\$ 27,495	\$ -
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			28,630	23,910	3,585	27,495	-
U.S. Department of Labor Wisconsin Technical College System Apprenticeship USA Grants Youth Apprenticeship July 1, 2023 - June 30, 2024	17.285	17-153-155-262	23,740	732	-	732	-
Maintenance Mechanic/Millwright Apprenticeship July 1, 2023 - June 30, 2024	17.285	17-155-155-234	7,800	6,948		6,948	-
Chippewa Valley Technical College Strengthening Communication Colleges Consortium Grant EduSTAT in Rural Healthcare July 1, 2023 - June 30, 2024	17.261	23A60CC000012-01- 00	1,075,000	268,338		268,338	-
TOTAL U.S. DEPARTMENT OF THE LABOR			1,506,540	276,018	-	276,018	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 22,814,423	\$ 10,196,038	\$ 1,098,085	\$ 11,294,096	\$ 555,265

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

Northwood Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2024

State Grantor/Pass-Through Grantor/Program Title	State ID Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Total Expenditures	Passed Through to Subrecipient
				State	Match		
Wisconsin Higher Education Aids Board							
Higher Education Grant July 1, 2023 - June 30, 2024	235.102	N/A	\$ 1,829,412	\$ 916,382	\$ -	\$ 916,382	\$ -
Remission of Fees for Veterans & Dependents July 1, 2023 - June 30, 2024	235.105	N/A	62,344	62,344	-	62,344	-
Wisconsin Minority Retention Grant July 1, 2023 - June 30, 2024	235.107	N/A	2,815	2,815	-	2,815	-
Talent Incentive Program July 1, 2023 - June 30, 2024	235.114	N/A	81,400	49,900	-	49,900	-
Nursing Student Loan July 1, 2023 - June 30, 2024	235.117	N/A	9,000	9,000	-	9,000	-
Technical Excellence Scholarship July 1, 2023 - June 30, 2024	235.119	N/A	40,250	40,250	40,812	81,062	-
Indian Student Assistance Grant July 1, 2023 - June 30, 2024	235.132	N/A	9,900	7,150	-	7,150	-
Total Wisconsin Higher Education Aids Board			2,035,121	1,087,841	40,812	1,128,653	-
Wisconsin Technical College System							
Emergency Assistance Grants July 1, 2023 - June 30, 2024	292.104	17-167-104-114	21,069	21,069	(2,344)	18,725	-
General State Aids July 1, 2023 - June 30, 2024	292.105	N/A	1,474,181	1,474,181	-	1,474,181	-
Outcomes Based Aids July 1, 2023 - June 30, 2024	292.105	N/A	1,476,077	1,476,077	-	1,476,077	-
Mosaic Technologies Workforce Advancement Training July 1, 2023 - June 30, 2024	292.124	17-158-124-174	20,026	-	-	-	-
Workforce Advancement Training July 1, 2023 - June 30, 2024	292.124	17-159-124-174	85,698	65,136	-	65,136	-

Northwood Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2024

State Grantor/Pass-Through Grantor/Program Title	State ID Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Total Expenditures	Passed Through to Subrecipient
				State	Match		
Wisconsin Technical College System (Continued)							
Mobile Dental Training Lab & Expanded Functions Dental Auxiliary July 1, 2023 - June 30, 2024	292.124	17-168-124-344	\$ 1,264,545	\$ 60,216	\$ 12,043	\$ 72,259	\$ -
Access to Business Careers for Traditionally Underserved Students: 30-114-1 Financial Services Customer Representative July 1, 2023 - June 30, 2024	292.124	17-171-124-124	260,000	95,015	-	95,015	-
32-454-1 Automated Packaging Systems Technician (SACA) Expansion July 1, 2023 - June 30, 2024	292.124	17-176-124-133	295,458	73,466	-	73,466	-
31-442-1 Welding Expansion Through Flexible Delivery July 1, 2023 - June 30, 2024	292.124	17-177-124-133	491,723	250,980	-	250,980	129,614
Professional Development Grant July 1, 2023 - June 30, 2024	292.124	17-182-124-154	52,621	51,846	25,921	77,767	-
Development of 10-513-1 Medical Lab Technician July 1, 2023 - June 30, 2024	292.124	17-183-124-144	200,000	71,831	-	71,831	-
Open Educational Resources (OER) Project July 1, 2023 - June 30, 2024	292.124	17-188-124-324	60,878	5,997	-	5,997	-
Promoting Success Through Equity in Student Support Services July 1, 2023 - June 30, 2024	292.124	17-192-124-164	188,825	188,825	62,941	251,766	-
AAC&U Conference Leadership Grant July 1, 2023 - June 30, 2024	292.124	17-194-124-184	5,000	3,272	-	3,272	-
Teaching the Skills that Matter Leadership Grant July 1, 2023 - June 30, 2024	292.124	17-195-124-194	29,715	14,001	-	14,001	-
Northwood Tech Enrollment Leadership Grant July 1, 2023 - June 30, 2024	292.124	17-198-124-194	200,000	182,060	-	182,060	-

Northwood Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2024

State Grantor/Pass-Through Grantor/Program Title	State ID Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Total Expenditures	Passed Through to Subrecipient
				State	Match		
Wisconsin Technical College System (Continued)							
Program to Program Articulation Grant July 1, 2023 - June 30, 2024	292.124	17-199-124-183	\$ 150,000	\$ 105,538	\$ -	\$ 105,538	\$ -
AMN_NW Gold Collar Career & Collaborative Efforts in Manufacturing July 1, 2023 - June 30, 2024	292.124	01-287-124-184	5,000	4,530	(1,494)	3,035	-
Cybersecurity Revamp, Recruitment, & Collaboration (CRRC) Consortium Grant July 1, 2023 - June 30, 2024	292.124	02-838-124-134	125,000	24,240	-	24,240	-
Hybrid & Electric Vehicle Training for WTCS Transportation Instructional Staff Consortium Grant July 1, 2023 - June 30, 2024	292.124	13-160-124-183	8,906	7,611	-	7,611	-
Fire Fighter Training 2% July 1, 2023 - June 30, 2024	292.137	N/A	-	57,633	-	57,633	-
Property Tax Relief Aid July 1, 2023 - June 30, 2024	292.162	N/A	29,862,258	29,862,258	-	29,862,258	-
Total Wisconsin Technical College System			36,276,980	34,095,782	97,067	34,192,848	129,614
Wisconsin Department of Natural Resources							
Payments in Lieu of Taxes July 1, 2023 - June 30, 2024	370.503	N/A	-	26,566	-	26,566	-
Total Wisconsin Department of Natural Resources			-	26,566	-	26,566	-
Wisconsin Department of Justice							
Law Enforcement Management Conference July 1, 2023 - June 30, 2024	455.231	2024-LE-010125-29	6,500	6,500	239	6,739	-
Total Wisconsin Department of Justice			6,500	6,500	239	6,739	-

Northwood Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2024

State Grantor/Pass-Through Grantor/Program Title	State ID Number	Pass-Through Entity Identifying Number	Program Award	Revenue		Total Expenditures	Passed Through to Subrecipient	
				State	Match			
Wisconsin Department of Revenue State Aid - Personal Property Tax July 1, 2023 - June 30, 2024	835.103	N/A	-	49,350	-	49,350	-	
Aid in Lieu of Computer Taxes July 1, 2023 - June 30, 2024	835.109	N/A	-	13,749	-	13,749	-	
Total Wisconsin Department of Revenue			-	63,099	-	63,099	-	
Wisconsin Department of Transportation								
Motorcycle Safety (6/1/23-12/15/23) July 1, 2023 - June 30, 2024	20.395(4)(aq)	60425	19,763	19,763	20,568	40,331	-	
Motorcycle Safety (3/1/24-6/30/24) July 1, 2023 - June 30, 2024	20.395(4)(aq)	60425	3,400	3,400	30,923	34,323	-	
Total Wisconsin Department of Transportation			23,163	23,163	51,491	74,654	-	
TOTAL EXPENDITURES OF STATE AWARDS				\$ 38,366,764	\$ 35,302,951	\$ 189,609	\$ 35,492,559	\$ 129,614

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

Northwood Technical College District

Notes to Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2024

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards (the "Schedules") includes the federal and state award activity of Northwood Technical College District under programs of the federal and state governments for the year ended June 30, 2024. The information in the Schedules is presented in accordance with requirements of the 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 of Wisconsin *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Because the Schedules present only a selected portion of the operations of Northwood Technical College District, it is not intended to and does not present the financial position, changes in net assets or cash flows of Northwood Technical College District.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Northwood Technical College District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: Reconciliation

Federal

Revenues per statement of revenues, expenses and changes in net position	
Federal grants	\$ 10,171,656
Miscellaneous operating revenues	24,382

Total	\$ 10,196,038
-------	---------------

State

Revenues per statement of revenues, expenses and changes in net position	
Nonoperating revenues - State nonoperating appropriations	32,964,525
Operating revenues - State Grants	1,255,296
Fire Fighter Training 2%	57,633
Higher Education Aids Board assistance (excludes ID#235.105)	1,025,497

Total	\$ 35,302,951
-------	---------------

Northwood Technical College District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major programs

<u>AL Number(s)</u>	<u>Federal Program or Cluster</u>
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Education Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
21.027	Coronavirus State and Local Fiscal Recovery Fund

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

Auditee qualified as low-risk auditee?

Yes No

Northwood Technical College District

Schedule of Findings and Questioned Costs (Continued)

Section I - Audit Findings in Relation to Financial Statements

2024-001

Material Adjustments

Criteria or Specific Requirement: The identification by the auditor of a material misstatement of the financial statements under audit in circumstances that indicate the misstatement would not have been detected by the entity's internal control is regarded as a material weakness in internal controls.

Condition: During the audit, Wipfli proposed a material adjusting journal entry related to grant revenues and expenses.

Context: The District didn't completely understand the revenue and expense recognition requirements for grants passed through to subrecipients when the funds were received using the advance payment method.

Effect: The financial records as originally presented for audit were materially misstated.

Cause: The District assumed that the grant revenue and corresponding expense should be recorded in the current fiscal year because they passed the funds along to the subrecipient in the same fiscal year and didn't take into account how much of the grant money had been spent by the subrecipient on allowable costs and activities.

Repeat Finding: No

Auditor's Recommendation: We suggest when the District has grants that include subrecipients and are funded using the advance payment method, they determine the amount that has actually been spent by the subrecipient in order to record the revenues and expenses correctly on the District's records.

Management's Response: The finding is acknowledged. The District will record the actual amount spent by subrecipients as recommended by the Auditors when the advance payment funding method is used with subrecipients.

Northwood Technical College District

Schedule of Findings and Questioned Costs (Continued)

Section II - Audit Findings and Questioned Costs in Relation to Federal Awards

2024-002

Subrecipient Monitoring

Federal Program Information:

Funding agency: United States Department of the Treasury - Passed Through the Wisconsin Department of Workforce Development
Title: Coronavirus State and Local Fiscal Recovery Funds
AL number: 21.027
Award year and number: July 1, 2023 to June 30, 2024 (SLFRPO135)

Criteria or Specific Requirement: 2 CFR section 200.332(b) requires pass-through entities to provide subrecipients with a subaward agreement and ensure that every subaward is clearly identified to the subrecipient as a subaward and provide specific information as outlined at 2 CFR section 200.332(b)(1) through (6).

Condition: Internal controls over subrecipient monitoring do not appear to be effective. Testing procedures revealed that there was no subaward agreement provided to the subrecipient of grant funding.

Context: There was only one subrecipient for this grant and there was documentation of a subaward agreement being provided to the subrecipient.

Questioned Costs: None

Effect: The subrecipient may not have all of the required information that it needs for its own Uniform Guidance audit. In addition, the subrecipient may not be aware of the applicable laws and regulations as well as the specific compliance requirements as they relate to the funding they are receiving from the District.

Cause: Because the subrecipient was involved with the application process and subsequent communications with the District as well as the Wisconsin Department of Workforce Development, the District thought the subrecipient had all of the required information and therefore didn't issue a formal subaward document.

Repeat: No

Auditor's Recommendation: We recommend that the District review its policies and procedures related to subrecipient monitoring.

View of Responsible Officials: The finding is acknowledged. The District will provide a subaward agreement to the current subrecipient and has put in place the required subaward agreement on future federal grants with subrecipients to ensure compliance with the Uniform Guidance requirements.

Northwood Technical College District

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted?

Yes No

State Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

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

Unmodified

Any audit findings that are required to be reported in accordance with the State of Wisconsin Single Audit Guidelines?

Yes No

Identification of major state programs:

<u>State ID No.</u>	<u>Name of Major State Program</u>
292.124	Grants to District Boards
292.162	Property Tax Relief Aid

Dollar threshold used to distinguish between Type A and Type B programs: \$1,000,000

Auditee qualified as low-risk auditee?

Yes No

Northwood Technical College District

State Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Other Issues

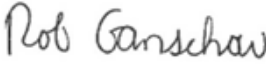
Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? _____ Yes X No

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

Wisconsin Technical College System	_____ Yes	<u> X </u> No
Wisconsin Higher Education Aids Board	_____ Yes	<u> X </u> No
Wisconsin Department of Veterans Affairs	_____ Yes	<u> X </u> No
Wisconsin Department of Natural Resources	_____ Yes	<u> X </u> No
Wisconsin Department of Justice	_____ Yes	<u> X </u> No
Wisconsin Department of Revenue	_____ Yes	<u> X </u> No
Wisconsin Department of Transportation	_____ Yes	<u> X </u> No
Wisconsin Department of Workforce Development	_____ Yes	<u> X </u> No

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

Name and Signature of Partner



PARTNER, CPA

Report Date

December 11, 2024

Northwood Technical College District

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

The following summarizes the prior audit findings and corrective action taken:

Financial Statements: None

Federal and State Awards: None