

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN**

**FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION, AND
SINGLE AUDIT**

YEAR ENDED JUNE 30, 2021



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GREEN BAY, WISCONSIN
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GREEN BAY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Northeast Wisconsin Technical College
Green Bay, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Northeast Wisconsin Technical College, Green Bay, Wisconsin (the District), the discretely presented component unit, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, the discretely presented component unit, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Change in Accounting Principle

As discussed in Note 2.H. to the financial statements, in 2021, the District adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation, the District reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Other Postemployment Benefits Plan Information, and the Pension Plan Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual budgetary basis fund financial statements and the schedule to reconcile budget basis financial statements to basic financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Wisconsin *State Single Audit Guidelines* are also presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The individual budgetary basis fund financial statements, the schedule to reconcile budget basis financial statements to the basic financial statements, and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Wauwatosa, Wisconsin
November 22, 2021

Northeast Wisconsin Technical College

Management's Discussion and Analysis

The purpose of Management's Discussion and Analysis (MD&A) is to provide users of the basic financial statements with a narrative introduction, overview, and analysis of those statements. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements. The Northeast Wisconsin Technical College Educational Foundation, Inc. is included as a component unit in the basic financial statements; however, the MD&A below includes only the activities of Northeast Wisconsin Technical College ("the District").

Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to District's basic financial statements. The statements are comprised of two components: government-wide financial statements and notes to financial statements.

Government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

- **The statement of net position** presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. This statement is prepared under the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.
- **The statement of revenues, expenses and changes in net position** presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. As the District receives most of its revenues from the taxpayers and other government entities, the District will report an operating deficit or loss. Revenues received from taxpayers (tax levies) and from the state (state appropriations) are considered nonoperating revenue and reduce the operating deficit or loss. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.
- **The statement of cash flows** presents information related to cash inflows and outflows summarized by operating, noncapital, capital, and investing activities. This statement is important in evaluating the District's ability to meet financial obligations as they mature.

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to basic financial statements are located after the government-wide financial statements in this report.

The following summary shows a condensed version of the Statement of Net Position
(dollars in thousands)

	2021	2020 *	Increase/(Decrease)	
			\$	%
			2021-2020	
Assets:				
Cash and Cash Equivalents	\$ 36,329	\$ 34,920	\$ 1,409	4.0%
Current and Other Assets	18,356	15,737	2,619	16.6%
Net Pension Asset	21,993	11,482	10,511	91.5%
Capital Assets	125,094	127,347	(2,253)	-1.8%
Total Assets	201,772	189,486	12,286	6.5%
Deferred Outflows of Resources	36,985	27,744	9,241	33.3%
Total Assets and Deferred Outflows of Resources	\$ 238,757	\$ 217,230	\$ 21,527	9.9%
Liabilities:				
Current Liabilities	\$ 30,433	\$ 27,866	\$ 2,567	9.2%
Noncurrent Liabilities	86,161	91,285	(5,124)	-6.0%
Total Liabilities	116,594	119,151	(2,557)	-2.1%
Deferred Inflows of Resources	48,313	34,537	13,776	39.9%
Net Position:				
Net Investment in Capital Assets	33,351	33,663	(312)	-0.9%
Restricted	29,253	18,614	10,639	57.2%
Unrestricted	11,246	11,265	(19)	-0.2%
Total Net Position	73,850	63,542	10,308	16.2%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 238,757	\$ 217,230	\$ 21,527	9.9%

* Please see Note 2H located in the Notes to the Financial Statements.

Fiscal Year 2021 Compared to 2020

Total assets increased by \$12.3 million, or 6.5%, for the fiscal year:

- Current and other assets increased by \$2.6 million, or 16.6%, primarily due to an increase in grant receivables related to the U.S. Department of Education COVID-19 Higher Education Emergency Relief Funds offset by a decrease in prepaid expenses.
- Net pension asset increased by \$10.5 million, or 91.5%, as the District reported its proportionate share of the Wisconsin Retirement System (WRS). The significant change was primarily due to the return on the plan investments being better than long-term investment projections.

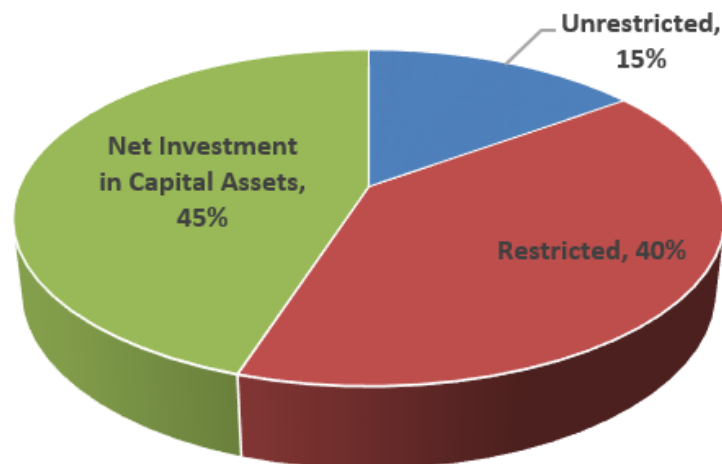
Deferred outflows of resources is a consumption of net benefits by the District that is applicable to future reporting periods. Deferred outflows of resources increased by \$9.2 million, or 33.3%, primarily due to the net difference between projected and actual earnings on the pension plan investments.

Total liabilities decreased \$2.6 million, or 2.1%, for the fiscal year. Current liabilities increased by \$2.6 million, or 9.2%, and noncurrent liabilities decreased by \$5.1 million, or 6.0%. The bonds and notes payable had a \$1.8 million increase in the current portion and a \$4.9 million decrease in the long-term portion.

Deferred inflows of resources is an acquisition of net obligations by the District that is applicable to a future reporting period. Deferred inflows of resources increased by \$13.8 million, or 39.9%, primarily due to the differences between expected and actual experiences with the pension plan.

Net position increased by \$10.3 million, or 16.2%, for the fiscal year. The increase was primarily the result of a \$10.6 million, or 57.2%, increase in restricted net position due to the increase in the net pension asset. The net positions for net investment in capital assets and unrestricted had slight decreases of .9% and .2, respectively.

The following is a graphical illustration of the District's net position for the current fiscal year:



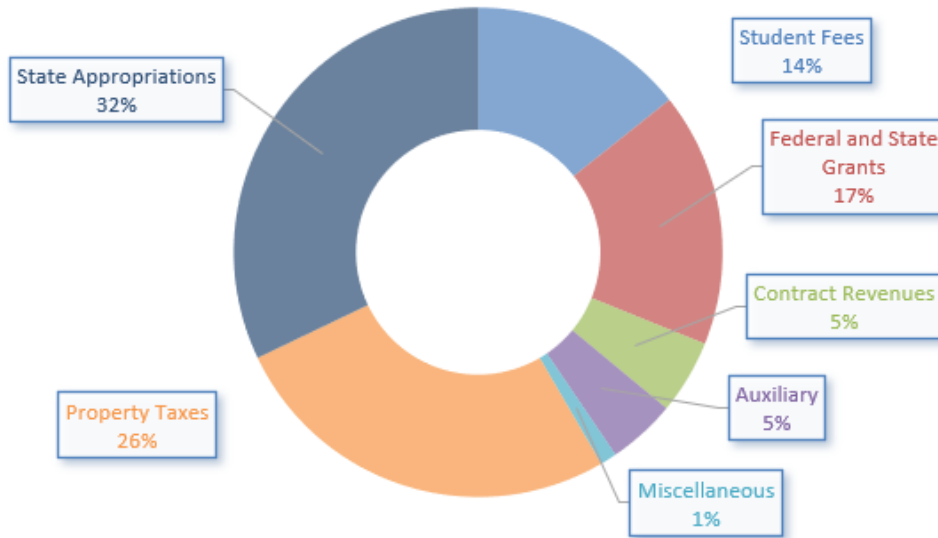
The following is a summary of the Statements of Revenues, Expenses and Changes in Net Position (dollars in thousands):

	2021	2020 *	Increase / (Decrease)	
			\$	%
			2021-2020	
Operating Revenues				
Student Fees	\$ 18,975	\$ 19,122	\$ (147)	-0.8%
Federal and State Grants	4,428	4,645	(217)	-4.7%
Contract Revenues	6,518	5,581	937	16.8%
Auxiliary Revenues	6,001	6,437	(436)	-6.8%
Miscellaneous	1,425	2,293	(868)	-37.9%
Operating Revenues	<u>37,347</u>	<u>38,078</u>	<u>(731)</u>	<u>-1.9%</u>
Nonoperating Revenues				
Property Taxes	34,926	34,093	833	2.4%
State Operating Appropriations	42,752	42,868	(116)	-0.3%
Federal Nonoperating Grants	17,893	11,385	6,508	57.2%
Investment Income	67	428	(361)	-84.3%
Nonoperating Revenues	<u>95,638</u>	<u>88,774</u>	<u>6,864</u>	<u>7.7%</u>
Total Revenues	<u>132,985</u>	<u>126,852</u>	<u>6,133</u>	<u>4.8%</u>
Operating Expenses				
Instruction	55,717	59,527	(3,810)	-6.4%
Instructional Resources	2,035	1,504	531	35.3%
Student Services	12,250	13,187	(937)	-7.1%
General Institutional	11,024	8,885	2,139	24.1%
Physical Plant	9,274	9,503	(229)	-2.4%
Auxiliary Services	6,411	6,520	(109)	-1.7%
Depreciation	12,230	11,409	821	7.2%
Student Aid	8,975	9,245	(270)	-2.9%
Operating Expense	<u>117,916</u>	<u>119,780</u>	<u>(1,864)</u>	<u>-1.6%</u>
Nonoperating Expenses				
Loss on Sale of Capital Assets	2,310	500	1,810	362.0%
Interest Expense	1,999	2,203	(204)	-9.3%
Bond Issuance Costs	177	134	43	32.1%
Nonoperating Expenses	<u>4,486</u>	<u>2,837</u>	<u>1,649</u>	<u>58.1%</u>
Total Expenses	<u>122,402</u>	<u>122,617</u>	<u>(215)</u>	<u>-0.2%</u>
Income (Loss) Before Capital Contributions				
Contributions	10,583	4,235	6,348	149.9%
Capital Contributions	63	85	(22)	-25.9%
Change in Net Position	<u>10,646</u>	<u>4,320</u>	<u>6,326</u>	<u>146.4%</u>
Net Position - July 1, Previously Reported	63,542	59,222		
Prior Period Adjustment *	<u>(338)</u>	<u>-</u>		
Net Position - June 30	<u>\$ 73,850</u>	<u>\$ 63,542</u>		

* Please see Note 2H located in the Notes to the Financial Statements.

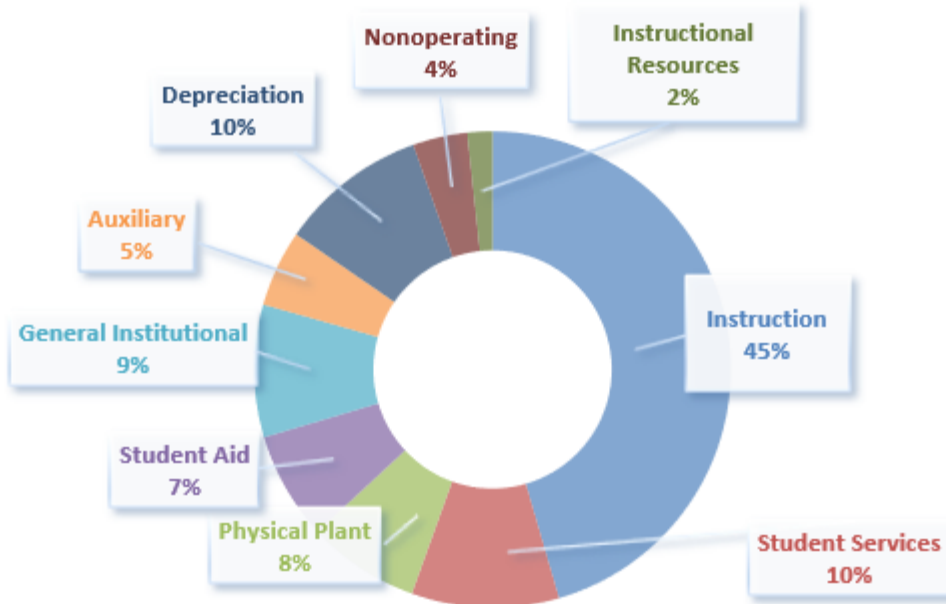
Below is a graphical illustration of total revenues by source for the fiscal year ended June 30, 2021:

TOTAL REVENUES BY SOURCE YEAR ENDED JUNE 30, 2021



Below is a graphical illustration of total expenses by function for the fiscal year ended June 30, 2021:

TOTAL EXPENSES BY FUNCTION YEAR ENDED JUNE 30, 2021



Fiscal Year 2021 Compared to 2020

Operating revenues are the charges for services offered by the District. During fiscal year 2021, the District generated \$37.3 million in operating revenues, a decrease of \$.7 million, or 1.9%, primarily due to a decrease in auxiliary revenue.

Operating expenses are costs related to offering the programs of the District. During fiscal year 2021, operating expenses were \$117.9 million, a decrease of \$1.9 million, or 1.6%. Instruction expenses decreased \$3.8 million, or 6.4%, due to the decrease in the actuarially determined pension expense. General institutional expenses increased by \$2.1 million, or 24.1%, due to an increase in supplies, printing, and other minor equipment purchases.

Nonoperating revenues are revenues not directly related to providing instruction. During 2021, the District generated \$95.6 million of nonoperating revenues, an increase of \$6.9 million, or 7.7%. The increase was primarily related to the Federal nonoperating grants increased by \$6.5 million, or 57.2%, largely due to an increase in assistance from the U.S. Department of Education COVID-19 Higher Education Emergency Relief Fund under the CARES Act.

Nonoperating expenses are expenses not directly related to providing instruction. During 2021, total nonoperating expenses for the District were \$4.5 million, an increase of \$1.6 million, or 58.1%. The District had a larger loss on capital assets in fiscal 2021.

Capital Asset and Debt Administration

The District's investment in capital assets as of June 30, 2021 and 2020, net of accumulated depreciation, amounted to \$125.1 million and \$127.3 million, respectively. This investment in capital assets includes land and land improvements, construction in progress, buildings and improvements, and moveable equipment. Additional information on the District's capital assets can be found in Note 2C of the financial statements.

At the end of the current fiscal year, the District had total general obligation debt outstanding of \$96.3 million. The balance at the end of June 30, 2020 was \$99.5 million. The District's bonds and notes continue to maintain a Moody's Investors Service Aa1 rating, and the District continues to meet all its debt service requirements. All general obligation debt is repaid over the life of the assets acquired with debt proceeds. The current debt adequately replaces and expands the equipment and facility needs of the District. Additional information on the District's long-term debt can be found in Note 2D of the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Robert Mathews, Vice President of Business and Finance, 2740 West Mason Street, P.O. Box 19042, Green Bay, Wisconsin 54307-9042.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION
JUNE 30, 2021**

ASSETS	District	Foundation
CURRENT ASSETS		
Cash and Investments	\$ 25,440,382	\$ 253,919
Restricted Cash and Cash Equivalents	10,888,965	-
Receivables:		
Property Taxes	9,107,916	-
Accounts, Net	8,117,273	-
Unconditional Promises to Give, Net	-	125,000
Inventories	634,198	-
Prepaid Items	496,294	7,372
Total Current Assets	54,685,028	386,291
NONCURRENT ASSETS		
Net Pension Asset	21,992,671	-
Investments	-	7,427,769
Unconditional Promises to Give, Net	-	100,341
Beneficial Interest in Assets Held by Community Foundation	-	26,500
Capital Assets:		
Non-Depreciable	4,280,233	-
Depreciable	198,840,509	-
Accumulated Depreciation	(78,026,659)	-
Total Noncurrent Assets	147,086,754	7,554,610
Total Assets	201,771,782	7,940,901
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pension	34,099,962	-
Deferred Outflows Related to OPEB	2,884,573	-
Total Deferred Outflows of Resources	36,984,535	-

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2021**

LIABILITIES	District	Foundation
CURRENT LIABILITIES		
Accounts Payable	\$ 3,734,360	\$ 24,021
Accrued Payroll, Payroll Taxes, and Fringes	6,382,421	-
Accrued Interest	614,868	-
Unearned Revenue	1,398,479	-
Due to Other Organizations	11,300	-
Current Portion of Other Postemployment Benefit Liability	1,156,304	-
Current Portion of Bonds and Notes Payable	17,135,000	-
Total Current Liabilities	30,432,732	24,021
LONG-TERM LIABILITIES		
Bonds and Notes Payable	79,204,595	-
Other Postemployment Benefit Liability	6,956,000	-
Total Long-Term Liabilities	86,160,595	-
Total Liabilities	116,593,327	24,021
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pension	48,259,706	-
Deferred Inflows Related to OPEB	53,736	-
Total Deferred Inflows of Resources	48,313,442	-
NET POSITION		
Net Investment In Capital Assets	33,351,335	-
Restricted for:		
Debt Service	7,260,179	-
Scholarships and Other Activities	-	6,697,324
Net Pension Asset	21,992,671	
Unrestricted	11,245,363	1,219,556
Total Net Position	\$ 73,849,548	\$ 7,916,880

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021**

	<u>District</u>	<u>Foundation</u>
OPERATING REVENUES		
Student Program Fees, Net of Scholarship Allowances of \$3,278,379	\$ 15,916,490	\$ -
Student Material Fees, Net of Scholarship Allowances of \$156,113	850,027	-
Other Student Fees, Net of Scholarship Allowances of \$468,340	2,209,270	-
Federal Grants	2,086,782	-
State Grants	2,340,623	-
Contract Revenue	6,517,847	-
Auxiliary Revenues	6,000,853	-
Miscellaneous	1,425,441	1,872,220
Total Operating Revenues	<u>37,347,333</u>	<u>1,872,220</u>
OPERATING EXPENSES		
Instruction	55,716,770	-
Instructional Resources	2,035,130	-
Student Services	12,250,801	-
General Institutional	11,023,550	764,240
Physical Plant	9,273,819	-
Auxiliary Services	6,410,839	-
Depreciation	12,229,943	-
Student Aid	8,975,306	836,792
Total Operating Expenses	<u>117,916,158</u>	<u>1,601,032</u>
OPERATING INCOME (LOSS)	(80,568,825)	271,188
NONOPERATING REVENUES (EXPENSES)		
Property Taxes	34,926,003	-
State Operating Appropriations	42,752,323	-
Federal Nonoperating Grants	17,893,343	-
Loss on Sale of Capital Assets	(2,310,104)	-
Investment Income	67,102	1,505,082
Interest Expense	(1,999,326)	-
Bond Issuance Costs	(177,277)	-
Total Nonoperating Revenues (Expenses)	<u>91,152,064</u>	<u>1,505,082</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	10,583,239	1,776,270
CAPITAL CONTRIBUTIONS	<u>63,089</u>	-
CHANGE IN NET POSITION	10,646,328	1,776,270
Net Position - Beginning of Year, Previously Reported	63,541,703	6,140,610
Prior Period Adjustment	<u>(338,483)</u>	-
Net Position - Beginning of Year, Restated	<u>63,203,220</u>	<u>6,140,610</u>
NET POSITION - END OF YEAR	<u>\$ 73,849,548</u>	<u>\$ 7,916,880</u>

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	District
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and Fees Received	\$ 15,810,886
Federal and State Grants Received	4,427,405
Contract Revenue Received	6,517,847
Auxiliary Enterprise Revenues Received	6,000,853
Other Receipts	1,425,441
Payments to Employees	(78,447,100)
Payments to Suppliers	(34,409,358)
Net Cash Used by Operating Activities	(78,674,026)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Local Property Taxes Received	35,051,299
State Appropriations Received	42,752,323
Federal Grants Received	17,893,343
Net Cash Provided by Noncapital Financing Activities	95,696,965
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of Capital Assets	(10,133,509)
Proceeds from Disposal of Capital Assets	94,504
Capital Grants Received	63,089
Proceeds from Issuance of Capital Debt	12,700,000
Premium Received on Debt Issuance	231,117
Debt Issuance Costs Paid	(177,277)
Principal Paid on Capital Debt	(15,450,000)
Interest Paid on Capital Debt	(2,670,083)
Net Cash Used by Capital and Related Financing Activities	(15,342,159)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income Received	67,102
CHANGE IN CASH AND CASH EQUIVALENTS	
	1,747,882
Cash and Cash Equivalents - Beginning of Year, Restated	34,581,465
CASH AND CASH EQUIVALENTS - END OF YEAR	
	\$ 36,329,347
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and Investments in Current Assets	\$ 25,440,382
Cash and Investments in Restricted Assets	10,888,965
Cash and Cash Equivalents - End of Year	\$ 36,329,347
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Assets Included in Accounts Payable at End of Year	\$ 2,248,473

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	District
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Loss	\$ (80,568,825)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Depreciation	12,229,943
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
Receivables	
Accounts, Net	(3,389,725)
Inventories	89,147
Prepaid Items	556,812
Accounts Payable	(1,553,327)
Accrued Liabilities	295,632
Unearned Student Fees	224,824
Due to Other Organizations	(259,056)
Change in Pension Related Assets (Liability) and Deferred Outflows and Inflows of Resources	(6,158,329)
Change in OPEB Related Liability and Deferred Outflows and Inflows of Resources	(141,122)
Net Cash Used by Operating Activities	\$ (78,674,026)

See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

ASSETS

CURRENT ASSETS

Cash and Investments	\$ 578,482
Accounts Receivable	<u>139,600</u>
Total Assets	<u>718,082</u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	152,913
Accrued Payroll, Payroll Taxes, And Fringes	<u>6,468</u>
Total Liabilities	<u>159,381</u>

NET POSITION

Unrestricted	<u><u>\$ 558,701</u></u>
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See accompanying Notes to Basic Financial Statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2021**

ADDITIONS

Receipts on Behalf of Student Organizations	\$ 99,292
Receipts on Behalf of NEW ERA	85,471
Receipts on Behalf of Student Services Administrator	3,200
Receipts on Behalf of Learning in Retirement	25,495
Receipts on Behalf of TA3	1,800
Total Additions	<u>215,258</u>

DEDUCTIONS

Disbursements on Behalf of Student Organizations	97,668
Disbursements on Behalf of NEW ERA	137,102
Disbursements on Behalf of Learning in Retirement	30,617
Total Deductions	<u>265,387</u>

CHANGE IN NET POSITION

(50,129)

Net Position - Beginning of Year, Originally Reported

-

Cumulative Change in Accounting Principle

608,830

Net Position - Beginning of Year, Restated

608,830

NET POSITION - END OF YEAR

\$ 558,701

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

Northeast Wisconsin Technical College (the District) is a public two-year college providing education in new, traditional, and emerging technologies to over 40,000 people per year. The District is organized under state legislation enacted in 1911 establishing schools for vocational, technical, and adult education. The District's goal is to deliver lifelong learning opportunities that customers want, in ways that meet their needs, to enhance their careers and quality of life.

The District offers associate degree and technical diploma programs, plus apprenticeships, advanced technical programs, certificates, basic skills education, and other adult continuing education. For employers, the District offers customized workforce training, professional development seminars, and technical assistance.

The accounting policies of the District conform to accounting principles generally accepted in the United States (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System (WTCS). The District's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The significant accounting principles and policies utilized by the District are described below:

B. Reporting Entity

The District includes all or part of nine counties in northeast Wisconsin: Florence, Marinette, Oconto, Brown, Kewaunee, Door, Shawano, Manitowoc, and Outagamie. The District offers education and services through three campuses (in Green Bay, Marinette, and Sturgeon Bay), six Regional Learning Centers, workplace contracts with area employers, and a growing variety of online classes.

The District is governed by a nine-member District Board. Members are appointed to staggered three-year terms by a committee of nine county board chairpersons (one from each county served by the District). The District Board membership includes two employers, two employees, three additional members, one school district administrator, and one elected official who holds a state or local office. Its powers, established under provisions of Chapter 38 of the Wisconsin Statutes, include:

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

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Reporting Entity (Continued)

The accompanying financial statements present the activities of the District. Accounting principles generally accepted in the United States require that these financial statements include the primary government and its component units. Component units are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the financial statements. In addition, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. The District has identified the following component unit:

Northeast Wisconsin Technical College Educational Foundation, Inc.

The District is affiliated with Northeast Wisconsin Technical College Educational Foundation, Inc. (the "Foundation"), a not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests exclusively for the maintenance and benefit of the District and its students. The Foundation is managed by an independent board of directors, and is not financially accountable to the District. The Foundation has been reported as a discretely presented component unit in the District's financial statements.

The Foundation's financial statements can be obtained through the Northeast Wisconsin College Educational Foundation, Inc., 2740 W. Mason St., P. O. Box 19042, Green Bay, WI 54307.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the District is considered a special purpose government engaged only in business-type activities. The District's basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Use of Estimates

In preparing basic financial statements in conformity with accounting principles generally accepted in the United States, the District is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, And Net Position or Fund Balance

1. Cash and Investments

Cash and cash equivalents consist of cash deposits and investments. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. For purposes of the statements of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from the date of acquisition are considered to be cash equivalents.

Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investment income includes changes in fair value of investments, interest, and realized gains and losses.

2. Property Taxes and Taxes Receivable

The aggregate District tax levy is apportioned and certified by October 31 of the current fiscal year for collection to municipalities located within the District based on the immediate past January 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes may be paid in full or in two or more installments. On or before January 15 and February 20, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the County Treasurer makes full settlement to the District for any remaining balance.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes and Taxes Receivable (Continued)

The District communicates its property tax levy to city, village, and town treasurers or clerks in October of the fiscal year for which the taxes are levied. The following dates are pertinent to the District's tax calendar:

Levy Date	October 31, or within ten days of receipt of equalized valuation, whichever is later
Assessment Date	January 1
Lien Date	August 31
Due Dates:	
Taxes Paid in One Installment	January 31
Taxes Paid in Two Installments	January 31 and July 31
Settlement with County Treasurers	August 20

The District recognizes its total levy as revenue in the fiscal year for which taxes are levied.

Under Section 38.16 of the Wisconsin Statutes, the District Board may levy a tax not to exceed a rate of \$1.50 per \$1,000 of the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, and operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation debt issued by the District that is used for capital improvements and equipment acquisitions. For the year ended June 30, 2021, the District levied taxes at the following mill rate:

Operating Purposes	\$ 0.38298
Debt Service Requirements	0.41236
Totals	<u>\$ 0.79534</u>

3. Student Receivables

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts of \$1,230,000 as of June 30, 2021. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering several factors including length of time amounts are past due, the District's previous loss history, and the student's ability to pay his or her obligation. The District writes off receivables when they become uncollectible.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

4. Inventories

Inventories are recorded at cost, which approximates market, using primarily the first-in, first-out method. Inventories consist of supplies and other expendable supplies held for resale or consumption. The cost is recorded as an expense at the time individual inventory items are consumed rather than when purchased. Instructional and administrative inventories are accounted for as expenses when purchased.

5. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and expensed in the periods benefitted.

6. Capital Assets

Capital assets include land, land improvements, buildings, and equipment. The District defines capital assets as assets with an estimated useful life in excess of two years. Equipment assets having a cost of \$5,000 or more per unit and capital projects having a cost of \$15,000 or more are capitalized. Assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. *Capital projects* are defined as the following:

- New Construction: Adding additional square footage to an existing building or construction a new building.
- Land Purchases: Purchase of additional land.
- Site Improvements: Improvements made to the land (i.e., roads, sidewalks and underground piping) to extend the useful life of the assets.
- Building Improvements: This consists of the following:
 - Infrastructure: Improvements made to a building to extend the useful life (i.e., roof replacement) of that building
 - Retrofitting: Changing the configuration of a room or building to extend the useful life of the asset to meet the changing needs of the District and its students.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

6. Capital Assets (Continued)

Depreciation on land improvements, buildings, and equipment is provided in amounts sufficient to charge the cost of the depreciable assets to operations on the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Lives in Years</u>
Autos	4 - 20
Buildings	50
Building Improvements	10 - 20
Equipment	5 - 30
Site Improvements	20
Intangibles and Software	2 - 6

Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. Capital assets are considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The determination of the impairment loss is dependent upon the event or circumstance in which the impairment occurred. Impairment losses, if any, are recorded in the statements of revenues, expenses, and changes in net position. There were no impairment losses recorded in the year ended June 30, 2021.

7. Compensated Absences

The District's policy allows employees to earn varying amounts of sick pay and vacation pay for each year employed in accordance with the Employee Handbook and District policy.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

8. Pensions

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

9. Unearned Revenue

Unearned revenue includes amounts received for tuition, fees, or other activities prior to the end of the fiscal year but related to the subsequent fiscal year. Unearned revenue also includes amounts received from grant and contract sponsors that have not yet been earned.

10. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

11. Net Position

Net position is classified according to restrictions on availability of assets for satisfaction of District obligations.

- **Net Investment in Capital Assets:** This represents the net value of capital assets (land, buildings, and equipment) net of capital-related deferred outflows of resources less the debt incurred to acquire or construct the assets and any capital related deferred inflows of resources plus the borrowed resources not yet expended but restricted for capital purchases.
- **Restricted Net Position:** Restricted net position includes resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

11. Net Position (Continued)

- **Unrestricted Net Position:** Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services provided by educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

12. State and Federal Revenues

State general and categorical aids are recognized as revenues in the entitlement year. Federal and state aids for reimbursable programs are recognized as revenues in the year related program expenditures are incurred or eligibility requirements are met. Aids received prior to meeting revenue recognition criteria are recorded as unearned revenue.

13. Tuition and Fees

Student tuition and fees are recorded, net of scholarships, as revenues in the period in which the related activity or instruction takes place. Tuition and fees for the summer semester are prorated based on student class days occurring before and after June 30.

14. Scholarship Allowances and Student Financial Aid

Financial aid to students is reported in the basic financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total District basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third-party aid.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

15. Classification of Revenues and Expenses

The District has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating Revenues/Expenses

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

Nonoperating Revenues/Expenses

Nonoperating revenues and expenses include activities that have the characteristics of non-exchange transactions. Nonoperating revenues are classified as defined by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. These revenues include gifts and contributions and other revenue sources such as state appropriations, the local property tax levy, investment income and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital programs. Nonoperating expenses include interest on long-term obligations, issuance costs, and losses on the disposal of capital assets.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments of the District consist of bank deposits and investments that are restricted by the Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

The District's cash and cash equivalents balances as of June 30, 2021 were as follows:

Cash on Deposit with Financial Institutions Carrying Amount	\$ 35,235,732
Wisconsin Local Government Investment Pool	1,658,052
Petty Cash	14,045
Total Cash and Investments	<u>\$ 36,907,829</u>

Cash and cash equivalents are classified as follows as of June 30, 2021:

Unrestricted Cash and Investments	\$ 25,440,382
Restricted Cash and Cash Equivalents	10,888,965
Fiduciary Funds	578,482
Total Cash and Investments	<u>\$ 36,907,829</u>

The portion of cash and cash equivalents restricted is for compliance with legal requirements and cannot be used for general purposes of the District.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The District currently has no investments that are subject to fair value measurement.

Deposits and investments of the District are subject to various risks. Presented below is a discussion of the specific risks and the District's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit risk policy.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings accounts and \$250,000 for the combined amount of all interest-bearing and noninterest-bearing demand deposit accounts per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. Consequently, this coverage has not been considered for custodial credit risk.

As of June 30, 2021, none of the District's bank balance of \$37,178,368 was exposed to custodial credit risk as uninsured. The District's bank balances are collateralized with securities held by the pledging financial institution.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The District does not have an additional policy. The District's investment in the Wisconsin Investment Pool is not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates other than those stated in the state and local statutes and ordinances. State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Wisconsin Local Government Investment Pool

The District has invested funds in the Wisconsin Local Government Investment Pool (LGIP). The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2021, the fair value of the District's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

The District's investment in the LGIP has a maturity of under one year.

B. Accounts and Other Receivables

Accounts and other receivables consisted of the following as of June 30, 2021:

Student Receivables	\$ 3,574,732
Business and Industry Contract Receivables	404,960
Federal and State Grant Receivables	4,816,327
Other	551,254
	<hr/>
Gross Receivables	9,347,273
Less: Allowance for Uncollectible Accounts	1,230,000
Total	<hr/> <u>\$ 8,117,273</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset balances and activity were as follows for the year ended June 30, 2021:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets not Being Depreciated:				
Land	\$ 3,662,573	\$ -	\$ -	\$ 3,662,573
Construction in Progress	1,858,482	590,824	1,831,646	617,660
Total Capital Assets not Being Depreciated	5,521,055	590,824	1,831,646	4,280,233
Capital Assets Being Depreciated:				
Site Improvements	14,481,540	466,560	5,305,525	9,642,575
Buildings and Building Improvements	132,863,869	3,289,983	4,080,132	132,073,720
Furniture and Equipment	38,899,822	7,580,746	1,352,941	45,127,627
Intangibles	10,138,418	2,285,515	427,346	11,996,587
Total Capital Assets Being Depreciated	196,383,649	13,622,804	11,165,944	198,840,509
Less Accumulated Depreciation for:				
Site Improvements	6,348,329	547,878	3,994,203	2,902,004
Buildings and Building Improvements	37,522,775	6,508,431	3,053,505	40,977,701
Furniture and Equipment	22,630,155	3,806,963	1,286,282	25,150,836
Intangibles	8,056,793	1,366,671	427,346	8,996,118
Total Accumulated Depreciation	74,558,052	12,229,943	8,761,336	78,026,659
Net Capital Assets Being Depreciated	121,825,597	1,392,861	2,404,608	120,813,850
Net Capital Assets	127,346,652	<u>\$ 1,983,685</u>	<u>\$ 4,236,254</u>	125,094,083
Less Outstanding Debt Related to Capital Assets	(99,470,045)			(96,339,595)
Plus Capital Project Funds Borrowed but not Spent	5,785,955			4,596,847
Net Investment in Capital Assets	<u>\$ 33,662,562</u>			<u>\$ 33,351,335</u>

D. Long-Term Obligations

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Amounts Due Within One Year
General Obligation Debt	\$ 95,820,000	\$ 12,700,000	\$ 15,450,000	\$ 93,070,000	\$ 17,135,000
Premium	3,650,045	231,117	611,567	3,269,595	-
Totals	<u>\$ 99,470,045</u>	<u>\$ 12,931,117</u>	<u>\$ 16,061,567</u>	<u>\$ 96,339,595</u>	<u>\$ 17,135,000</u>

Interest paid in the current year totaled \$2,670,083.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt is guaranteed by the full faith and credit of the District and will be repaid through the taxing authority of the District. Specific future tax levies have been established by the various debt agreements to provide sufficient annual amounts to retire debt principal and interest when due. Principal and interest payments have been made as required through June 30, 2021. General obligation debt is comprised of the following individual issues at June 30, 2021:

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
October 1, 2015 promissory note held at Cede & Co. with original amount of \$10,000,000 issued to finance capital assets with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2025	Robert W. Baird	\$ 2,110,000
May 2, 2016, promissory note held at Cede & Co. with original amount of \$7,050,000 issued to finance capital assets with interest at 2% to 3%. Principal due annually on October 1, with a final maturity on October 1, 2021	Morgan Stanley	1,465,000
May 2, 2016, school improvement bonds held at Cede & Co. with original amount of \$17,000,000 issued to finance referendum approved capital expansion with interest at 2% to 3%. Principal due annually on October 1, with a final maturity on October 1, 2030	Morgan Stanley	12,485,000
October 3, 2016, promissory note held at Cede & Co. with original amount of \$12,700,000 issued to finance capital assets with interest at 1% to 3%. Principal due annually on April 1, with a final maturity on April 1, 2026	Robert W. Baird	4,145,000
June 1, 2017, promissory note held at Cede & Co. with original amount of \$12,800,000 issued to finance capital assets with interest at 2% to 3%. Principal due annually on October 1, with a final maturity on October 1, 2026	UMB Bank	7,035,000
August 1, 2017, school improvement bonds held at Cede & Co. with original amount of \$15,000,000 issued to finance referendum approved capital expansion with interest at 3% to 5%. Principal due annually on April 1, with a final maturity on April 1, 2033	Robert W. Baird	12,890,000
November 27, 2017, promissory note held at Cede & Co. with original amount of \$16,000,000 issued to finance referendum approved capital expansion with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2027	Raymond James	9,035,000

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

<u>Description</u>	<u>Buyer</u>	<u>Amount</u>
April 4, 2018, promissory note held at Cede & Co. with original amount of \$16,200,000 issued to finance referendum approved capital expansion with interest at 3% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2028	Citigroup	10,610,000
November 1, 2018, promissory note held at Cede & Co. with original amount of \$8,900,000 issued to finance referendum approved capital expansion with interest at 2% to 4%. Principal due annually on April 1, with a final maturity on April 1, 2028	J.P. Morgan	6,870,000
June 3, 2019 promissory note held at Cede & Co. with original amount of \$4,510,000 issued to finance capital assets with interest at 3%. Principal due annually on April 1, with a final maturity on April 1, 2025	UBS Financial Services Inc	2,950,000
November 20, 2019 promissory note held at Cede & Co. with original amount of \$6,500,000 issued to finance capital assets with interest at 2.5% to 3%. Principal due annually on April 1, with a final maturity on April 1, 2026	UBS Financial Services Inc	5,025,000
March 5, 2020 promissory note held at Cede & Co. with original amount of \$6,400,000 issued to finance referendum approved capital expansion with interest at 1.25% to 2%. Principal due annually on April 1, with a final maturity on April 1, 2029.	Robert W. Baird	5,850,000
October 7, 2020 promissory note held at Cede & Co. with original amount of \$4,300,000 issued to finance capital assets with interest at 1% to 2%. Principal due annually on April 1, with a final maturity on April 1, 2027.	Robert W. Baird	4,200,000
February 10, 2021 promissory note held at Cede & Co. with original amount of \$4,000,000 issued to finance capital assets with interest at 0.5% to 1%. Principal due annually on April 1, with a final maturity on April 1, 2027.	Robert W. Baird	4,000,000
June 2, 2021 promissory note held at Cede & Co. with original amount of \$4,400,000 issued to finance capital assets with interest at 1.125% to 1.250%. Principal due annually on April 1, with a final maturity on April 1, 2027.	BNY Mellon Capital Markets, LLC	4,400,000
Total		<u>\$ 93,070,000</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

Aggregate cash flow requirements for the retirement of long-term principal and interest on general obligation debt as of June 30, 2021, follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 17,135,000	\$ 2,411,475	\$ 19,546,475
2023	16,520,000	1,968,656	18,488,656
2024	13,090,000	1,521,269	14,611,269
2025	11,055,000	1,187,744	12,242,744
2026	8,895,000	921,144	9,816,144
2027 - 2031	22,705,000	2,148,769	24,853,769
2032 - 2033	3,670,000	170,713	3,840,713
Totals	<u>\$ 93,070,000</u>	<u>\$ 10,329,769</u>	<u>\$ 103,399,769</u>

The District did not have any direct placement debt as of June 30, 2021. The District is not subject to significant restrictive covenants related to these borrowings.

Legal Margin for New Indebtedness

Wisconsin State Statutes Section 67.03(1) limits general obligation debt of the District to 5% of the equalized value of the taxable property located in the District. Wisconsin State Statutes Section 67.03(9) limits bonded indebtedness of the District to 2% of the equalized value of the taxable property located in the District.

As of June 30, 2021, the 5% and 2% limitations were as follows:

Equalized Value per Wisconsin Department of Revenue	\$ 45,980,052,709
Debt Limitation Percentage (5%)	0.05
Total Allowable GO Debt	2,299,002,635
Less: Current GO Debt	93,070,000
Debt Margin	<u>\$ 2,205,932,635</u>
Equalized Value per Wisconsin Department of Revenue	\$ 45,980,052,709
Bonded Debt Limitation Percentage (2%)	0.02
Total Allowable Bonded Debt	919,601,054
Less: Current Bonded Debt	25,375,000
Debt Margin	<u>\$ 894,226,054</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

General Information about the Pension Plan (Continued)

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$3,891,087 in contributions from the employer.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

General Information about the Pension Plan (Continued)

Contribution rates as of June 30, 2021 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability (asset) of (\$21,992,671) for its proportionate share of the Net Pension Liability (Asset). The Net Pension Liability (Asset) was measured as of December 31, 2020, and the Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the Net Pension Liability (Asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2021, the District's proportion was 0.35226946%, which was a decrease of 0.00381127% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2021, the District recognized pension expense (revenue) of (\$2,375,198).

At June 30, 2021, the District reported Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 31,830,147	\$ 6,856,156
Net Differences Between Projected And Actual Earnings on Pension Plan Investments	-	41,289,447
Changes in Assumptions	498,836	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	31,305	114,103
Employer Contributions Subsequent to the Measurement Date	1,739,674	-
Total	<u>\$ 34,099,962</u>	<u>\$ 48,259,706</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The \$1,739,674 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2022	\$ (4,087,017)
2023	(1,123,604)
2024	(7,508,691)
2025	<u>(3,180,106)</u>
Total	<u>\$ (15,899,418)</u>

Actuarial assumptions. The Total Pension Liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date:	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	0.07
Discount Rate:	0.07
Salary Increases:	
Inflation	0.03
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Postretirement Adjustments*	1.9%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

**Asset Allocation Targets and Expected Returns
as of December 31, 2020**

	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Core Fund Asset Class:			
Global Equities	51.0%	7.2%	4.7%
Fixed Income	25.0	3.2%	0.8%
Inflation Sensitive Assets	16.0	2.0%	-0.4%
Real Estate	8.0	5.6%	3.1%
Private Equity/Debt	11.0	10.2%	7.6%
Multi-Asset	4.0	5.8%	3.3%
Total Core Fund	115.0%	6.6%	4.1%
Variable Fund Asset Class:			
U.S. Equities	70.0%	6.6%	4.1%
International Equities	30.0	7.4%	4.9%
Total Variable Fund	100.0%	7.1%	4.6%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Employee Retirement Plan (Continued)

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Single Discount Rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the District’s proportionate share of the Net Pension Liability (Asset) calculated using the discount rate of 7.00%, as well as what the District’s proportionate share of the Net Pension Liability (Asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase to Discount Rate (8.0%)
District's Proportionate Share of Net Pension Liability (Asset)	\$ 20,933,974	\$ (21,992,671)	\$ (53,521,972)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

Payables to the Pension Plan

The District reported payables to WRS of \$291,108 as of June 30, 2021.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

Plan Description

The District provides a health and dental benefit program (the Plan) for retired faculty, management, and administrative employees. The Plan is a single-employer defined benefit postemployment healthcare benefit plan. To be eligible, the employee must have 15 years of continuous service, be age 55 as of the effective date of resignation for retirement and give at least six months advance notice of their intent to retire. A qualifying retiree receives a benefit equal to 50% to 75% of the employee's regular salary during their last contract year and continuation of health and dental insurance premiums up to the first two years.

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases:	3.00%
Discount Rate:	2.21%
Healthcare Cost Trend Rates:	6.5%; decreasing to an ultimate rate 3.70%

Mortality rates are the same as those used in the Wisconsin 2018 Mortality Table.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study conducted using Wisconsin Retirement System experience from 2015-2017.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	\$ 8,436,903
Changes for the Year:	
Service Cost	180,886
Interest	279,557
Effect of Assumptions Changes or Inputs	486,830
Benefit Payments	(1,271,872)
Net Changes	(324,599)
Balance at June 30, 2021	<u>\$ 8,112,304</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

Changes in the Total OPEB Liability (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease to Discount Rate (1.21%)	Current Discount Rate (2.21%)	1% Increase to Discount Rate (3.21%)
Total OPEB liability	\$ 8,499,439	\$ 8,112,304	\$ 7,733,187

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (5.50% decreasing to 2.70%)	Healthcare Cost Trend Rates (6.50% decreasing to 3.70%)	1% Increase (7.50% decreasing to 4.70%)
Total OPEB liability	\$ 7,490,264	\$ 8,112,304	\$ 8,822,059

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of \$1,015,182. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,137,673	\$ -
Changes In Assumptions	590,596	53,736
District Contributions Subsequent to the Measurement Date	1,156,304	-
Total	\$ 2,884,573	\$ 53,736

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$1,156,304 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

<u>Year Ended June 30,</u>	<u>Expense</u>
2022	\$ 560,896
2023	593,150
2024	448,865
2025	71,622
Total	<u>\$ 1,674,533</u>

G. Risk Management

Districts Mutual Insurance Company (DMI)

In July 2004, all 16 WTCS technical colleges created the Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company is a fully-assessable mutual company authorized under Wisconsin Statute 611 to provide worker compensation, property, casualty, equipment breakdown, cyber risk, and campus violent acts coverage, as well as liability and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$500,000,000 per occurrence; general liability, auto, and educator’s legal liability at \$5,000,000 per occurrence; and workers’ compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The District’s exposure in its layer of insurance is limited to \$5,000 to \$100,000 per occurrence depending on the type of coverage and DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

For the years ended June 30, 2021, the District paid DMI insurance premiums of \$610,000. Future premiums will be based on relevant rating exposures as well as the historical loss experience by members.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Risk Management (Continued)

Districts Mutual Insurance Company (DMI) (Continued)

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

WTCS Insurance Trust

The District is part of the WTCS Insurance Trust that jointly purchases commercial insurance to provide coverage for losses from theft of, damage to, or destruction of assets. The trust is organized under Wisconsin Statutes 66.0301 and is governed by a board of trustees consisting of one trustee from each member college. Member entities include all 16 Wisconsin Technical College System districts.

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

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

- Business Travel Accident covering scheduled losses, assistance services, medical evacuation, and repatriation.
- Crime coverage for employee dishonesty, forgery and alteration, theft, robbery, burglary, disappearance and destruction of money and securities, and investigation expenses.

As of June 30, 2021, the District had net assets of \$175,879 which are available for deductibles under the Districts Mutual Insurance Company and WTCS Insurance Trust programs.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Risk Management (Continued)

Self-Funded Health and Dental Insurance

District employees and employee dependents are eligible for medical and/or dental benefits from a health, dental, and unemployment compensation self-insurance fund. Funding is provided by charges to departments and employees. The program is supplemented by stop loss protection, which limits the District's annual liability. The stop loss coverage provides for reimbursement of 100% of health costs in excess of \$210,000 per claimant for the year ending June 30, 2021, with an aggregate maximum reimbursement to be calculated at the end of the plan year in accordance with the terms of the agreement. There were approximately 624 participants in the health plan at June 30, 2021. There were approximately 647 participants in the dental plan at June 30, 2021. Fund expenses consist of payments to a third-party administrator for medical and dental claims, stop loss insurance premiums, and administrative fees.

On June 30, 2021, net position of \$3,677,378 was available for future unreported medical and dental claims. The claims liability of \$990,400 reported in the fund at June 30, 2021 is for estimated claims incurred but not reported. Accounting principles generally accepted in the United States require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claim's liability related to health and dental self-insurance program for the years ended June 30, 2021 follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes In Estimates	Claim Payments	Balance at Fiscal Year-End
2020-2021	\$ 1,006,969	\$ 9,002,670	\$ 9,019,239	\$ 990,400

Unemployment Compensation

The District has established an unemployment compensation program to finance unemployment compensation awards for District employees. On June 30, 2021, net position of \$111,487 was available for future unemployment claims.

Insurance settlements have not exceeded insurance coverage in any of the past three years nor has there been any significant reduction in coverage compared to the prior year.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Restatement of Net Position

Net position as of July 1, 2020, has been restated as a result of the implementation of the Government Accounting Standards Board (GASB) Statement No. 84 – *Fiduciary Activities*, which required the District to record the fiduciary activities separate from the District's government-wide financial statements. The details of this restatement are as follows:

	District's Financial Statements	Fiduciary Activities' Financial Statements
Net Position - June 30, 2020, Previously Reported	\$ 63,541,703	\$ -
Prior Period Adjustment for GASB 84, <i>Fiduciary Activities</i> - District Net Position	(338,483)	338,483
Prior Period Adjustment for GASB 84, <i>Fiduciary Activities</i> - District Liabilities	-	270,347
Net Position - July 1, 2020, Restated	<u>\$ 63,203,220</u>	<u>\$ 608,830</u>

I. Subsequent Events

Debt Issuance

On October 6, 2021, the District issued General Obligation Promissory Notes, Series 2021C, totaling \$6,500,000 with interest rates of 1.00% to 1.50%, payable on April 1 and October 1 annually. Principal payments of varying amounts are due on April 1 each year until maturity on April 1, 2028. Proceeds will be used for building remodeling and improvement projects, acquisition of movable equipment, site improvement projects, and certain costs associated with the issuance of the Notes. The Notes are not subject to redemption prior to maturity.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 3 OTHER INFORMATION

A. Expense Classification

Operating expenses by natural classification were as follows for the year ended June 30, 2021:

Salaries and Wages	\$ 53,936,618
Fringe Benefits	18,506,663
Travel, Memberships, and Subscriptions	524,407
Supplies, Printing, and Minor Equipment	5,435,374
Contracted Services	7,695,324
Rentals, Repairs, and Maintenance	2,064,833
Marketing and Advertising	922,909
Enterprise Activities	3,502,852
Insurance	1,161,717
Utilities	1,371,026
Miscellaneous	1,589,186
Depreciation	12,229,943
Student Aid	8,975,306
Total Operating Expenses	<u><u>\$ 117,916,158</u></u>

B. Commitments

Operating Leases

The District leases classroom space as well as equipment under various terms. These leases are classified as operating leases. The future minimum payments as of June 30, 2021, are as follows:

<u>Year Ending June 30,</u>	<u>Payments</u>
2022	\$ 65,413
2023	7,787
2024	7,787
2025	649
Total	<u><u>\$ 81,636</u></u>
Rental Expenses for the Year Ended June 30, 2021	<u><u>\$ 60,787</u></u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Contingent Liability

The District participates in several federal and state grant programs, which are subject to program compliance audits and possible future adjustments to expenditures reported for federal and state reimbursement. The amount, if any, of expenditures that may be disallowed cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

From time to time, the District becomes party to claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management that the likelihood is remote that any such claims and proceedings will have a material adverse effect on the District's financial position.

NOTE 4 COMPONENT UNIT

This report contains the Northeast Wisconsin Technical College Educational Foundation, Inc. (the Foundation), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows. In addition to the basic financial statements, the following disclosures are considered necessary for a fair presentation.

1. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

Cash and Cash Equivalents	\$ 253,919
Investments	7,427,769
Total	7,681,688
Less: Cash and Investments With Donor Restrictions	6,445,483
Amount Available for General Expenditures	\$ 1,236,205

The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board has designated \$400,000 of net assets without donor restrictions to be maintained to ensure the stability of the mission, programs, employment, and ongoing operations of the Foundation.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 4 COMPONENT UNIT (CONTINUED)

2. Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2021:

Within One Year	\$ 125,000
In One to Five Years	101,500
Total	<u>226,500</u>
Less: Discount to Net Present Value at Rates Ranging from 0.18% to 2.63%	(1,159)
Total	<u><u>\$ 225,341</u></u>

3. Beneficial Interest in Assets Held by Community Foundation

Beneficial interest in assets held by Community Foundation represents amounts held at the Greater Green Bay Community Foundation. The Community Foundation invests the assets held in the fund. The income can be distributed annually, less investing and administrative expenses. The principal may be distributed upon request of the members of the Foundation's governing board and authorization of the Community Foundation's board. If distributed, the principal is to be used according to the purposes set forth in the agreement. The agreement governing the assets includes a variance power allowing the Community Foundation to modify the restrictions on distributions from the funds.

4. Investments

Investments consist of the following as of June 30, 2021:

Cash and Money Market Funds	\$ 49,153
Equity Mutual Funds	2,999,061
Global Equity Mutual Funds	2,026,239
Fixed Income	2,353,316
Total	<u><u>\$ 7,427,769</u></u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 4 COMPONENT UNIT (CONTINUED)

5. Fair Value Measurements and Disclosures

The Foundation reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of the Foundation's investment assets are classified within Level 1 because they are traded in an active market for which closing prices are readily available. The fair value of the Foundation's beneficial interest in assets held by the Community Foundation is based on the fair value of fund investments as reported by the Community Foundation. These are considered to be Level 3 measurements.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 4 COMPONENT UNIT (CONTINUED)

5. Fair Value Measurements and Disclosures

The following table presents assets measured at fair value on a recurring basis at June 30, 2021:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Beneficial Interests in:				
Assets Held by Community Foundation	\$ 26,500	\$ -	\$ -	\$ 26,500
Mutual Funds:				
Equity	\$ 2,999,061	\$ 2,999,061	\$ -	\$ -
Global Equity	2,026,239	2,026,239	-	-
Fixed Income	2,353,316	2,353,316	-	-
Total Investments at Fair Value	<u>7,378,616</u>	<u>\$ 7,378,616</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Cash Equivalents	49,153			
Total Investments	<u>\$ 7,427,769</u>			

6. Contingencies

The Foundation awards scholarships to area high school students during the Tech Challenge that will be paid only if the students attend the College. In addition, the Foundation awards scholarships to students that will only be paid if the students attend the College and continue to meet the scholarship requirements. Should a student not attend or otherwise fail to meet the requirements of the scholarship, the funds become available for distribution to other students. On rare occasions, these funds may be returned to the donor. Funds are on deposit with the Foundation to pay these scholarships. As of June 30, 2021, the potential liability included:

Annual Scholarships	\$ 476,360
Tech Challenge	5,013
Total	<u>\$ 481,373</u>

7. Endowment

The Foundation endowment (the Endowment) consists of individual funds established by donors to provide annual funding for specific activities and general operations. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 4 COMPONENT UNIT (CONTINUED)

7. Endowment (Continued)

The Foundation's board of directors has interpreted the state of Wisconsin and Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2021, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

As of June 30, 2021, the Foundation had the following endowment net asset composition by type of fund:

June 30, 2021	Without Donor Restriction	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	\$ -	\$ 2,958,747	\$ 2,958,747
Accumulated Investment Gains	-	1,372,821	1,372,821
Total	<u>\$ -</u>	<u>\$ 4,331,568</u>	<u>\$ 4,331,568</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of June 30, 2021, no underwater endowments exist.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 4 COMPONENT UNIT (CONTINUED)

7. Endowment (Continued)

Investment and Spending Policies

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner to grow the aggregate portfolio value at the rate of comparable industry standard benchmarks. The Foundation has a policy of appropriating for distribution that attempts to provide a predictable stream of funding to the programs supported by the endowments. In establishing this policy, the Foundation considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Foundation expects the current spending policy will allow its endowment to exist and provide for grant making perpetually. The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

Changes in endowment net assets for the years ended June 30, 2021 are as follows:

<u>June 30, 2021</u>	<u>Without Donor Restriction</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - Beginning of Year	\$ -	\$ 3,195,110	\$ 3,195,110
Investment Return, Net	-	857,762	857,762
Contributions	-	437,536	437,536
Appropriation of Endowment Assets Pursuant to Spending-Rate Policy	-	(158,840)	(158,840)
Endowment Net Assets - End of Year	<u>\$ -</u>	<u>\$ 4,331,568</u>	<u>\$ 4,331,568</u>

8. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2021, are restricted for the following purposes or periods.

Subject to Expenditure for Specified Purpose:	
Scholarships and Grants	\$ 2,365,756
Endowments:	
Subject to Appropriation and Expenditure	1,372,821
Contributions Permanently Restricted to Endowment	<u>2,958,747</u>
Total	<u>4,331,568</u>
Total Net Assets with Donor Restrictions	<u>\$ 6,697,324</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability				
Service Cost	\$ 249,263	\$ 232,943	\$ 232,722	\$ 180,886
Interest on Total OPEB Liability	214,350	245,179	237,594	279,557
Effect of Assumptions Changes or Inputs	(174,888)	(62,513)	605,551	486,830
Differences Between Expected and Actual Experience	-	-	1,983,527	-
Benefit Payments	<u>(695,317)</u>	<u>(1,200,177)</u>	<u>(1,048,353)</u>	<u>(1,271,872)</u>
Net Change in Total OPEB Liability	(406,592)	(784,568)	2,011,041	(324,599)
Total OPEB Liability - Beginning	<u>7,617,022</u>	<u>7,210,430</u>	<u>6,425,862</u>	<u>8,436,903</u>
Total OPEB Liability - Ending	<u><u>\$ 7,210,430</u></u>	<u><u>\$ 6,425,862</u></u>	<u><u>\$ 8,436,903</u></u>	<u><u>\$ 8,112,304</u></u>
Covered-Employee Payroll	<u><u>\$ 31,190,439</u></u>	<u><u>\$ 29,482,975</u></u>	<u><u>\$ 26,291,445</u></u>	<u><u>\$ 24,638,050</u></u>
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	23.12%	21.80%	32.09%	32.93%

* The District implemented GASB Statement No. 75 for the year ended June 30, 2018. Amounts for prior years were not available.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
LAST TEN MEASUREMENT PERIODS***

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered- Employee Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.37584133%	\$ (9,229,153)	\$ 58,054,078	15.90%	102.74%
12/31/15	0.37326892%	6,065,548	52,678,129	11.51%	98.20%
12/31/16	0.36582616%	3,015,281	52,142,556	5.78%	99.12%
12/31/17	0.36244626%	(10,761,459)	52,782,070	20.39%	102.93%
12/31/18	0.36013382%	12,812,432	55,894,579	22.92%	96.45%
12/31/19	0.35608073%	(11,481,668)	55,807,753	20.57%	102.96%
12/31/20	0.35226946%	(21,992,671)	57,562,419	38.21%	105.26%

**SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
6/30/15	\$ 3,584,916	\$ 3,584,916	\$ -	\$ 51,213,086	7.00%
6/30/16	3,532,049	3,532,049	-	52,715,922	6.70%
6/30/17	3,466,248	3,466,248	-	51,732,572	6.70%
6/30/18	3,695,626	3,695,626	-	54,758,488	6.75%
6/30/19	3,744,936	3,744,936	-	55,922,966	6.70%
6/30/20	3,656,862	3,656,862	-	55,807,753	6.55%
6/30/21	3,891,087	3,891,087	-	57,562,419	6.76%

**The amounts reported for each fiscal year were determined as of the prior fiscal year-end. The District is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.*

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

NOTE 1 OTHER POSTEMPLOYMENT BENEFITS

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

See Note 2.F for actuarial assumptions used in determining amounts related to other postemployment benefits. There were no significant changes in assumptions for the year ended June 30, 2021

NOTE 2 WISCONSIN RETIREMENT SYSTEM

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

See Note 2.E for actuarial assumptions used in determining amounts related to the WRS employee retirement plan. There were no significant changes in assumptions for the year ended June 30, 2021

SUPPLEMENTARY FINANCIAL INFORMATION

The following supplementary information is provided to document the District's compliance with budgetary requirements. To maintain accountability of available resources, the District utilizes accounts in accordance with the principles of fund accounting. This accountability is an essential requirement to maintain the public trust. The method of accounting used for budgetary compliance monitoring is substantially different from the method of preparing the basic financial statements of the District. At the end of this section is a reconciliation between the two methods. The District has also presented certain combining statements and individual schedules to provide additional information to the users of these financial statements.

GENERAL FUND

The general fund is the primary operating fund of the District. It is available for any legally authorized purpose and is therefore used to account for all revenues and expenditures for activities not provided for in other funds.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 14,846,000	\$ 14,888,762	\$ 14,911,468	\$ -	\$ 14,911,468	\$ 22,706
Intergovernmental Revenue:						
State	40,870,000	40,768,711	41,194,741	-	41,194,741	426,030
Tuition and Fees:						
Statutory Program Fees	20,240,000	20,240,000	19,176,163	-	19,176,163	(1,063,837)
Material Fees	1,180,000	1,180,000	1,010,843	-	1,010,843	(169,157)
Other Student Fees	1,690,000	1,590,864	1,203,885	-	1,203,885	(386,979)
Institutional	800,000	786,907	561,434	-	561,434	(225,473)
Total Revenues	<u>79,626,000</u>	<u>79,455,244</u>	<u>78,058,534</u>	<u>-</u>	<u>78,058,534</u>	<u>(1,396,710)</u>
EXPENDITURES						
Instruction	50,145,000	50,662,440	48,468,801	(53,820)	48,414,981	2,247,459
Instructional Resources	1,595,000	1,462,408	1,402,442	(19,112)	1,383,330	79,078
Student Services	9,580,000	9,292,544	8,932,898	18,954	8,951,852	340,692
General Institutional	14,060,000	13,387,844	12,890,486	74,639	12,965,125	422,719
Physical Plant	5,990,000	5,986,100	5,183,985	60,304	5,244,289	741,811
Total Expenditures	<u>81,370,000</u>	<u>80,791,336</u>	<u>76,878,612</u>	<u>80,965</u>	<u>76,959,577</u>	<u>3,831,759</u>
Excess of Revenues Over (Under) Expenditures	(1,744,000)	(1,336,092)	1,179,922	(80,965)	1,098,957	2,435,049
OTHER FINANCING SOURCES (USES)						
Transfers In	244,000	1,345,289	3,144,356	-	3,144,356	1,799,067
Transfers Out	-	-	(2,717)	-	(2,717)	(2,717)
Total Other Financing Sources (Uses)	<u>244,000</u>	<u>1,345,289</u>	<u>3,141,639</u>	<u>-</u>	<u>3,141,639</u>	<u>1,796,350</u>
NET CHANGE IN FUND BALANCE	(1,500,000)	9,197	4,321,561	(80,965)	4,240,596	4,231,399
Fund Balance - Beginning of Year	<u>18,660,973</u>	<u>21,390,736</u>	<u>21,390,736</u>	<u>(303,263)</u>	<u>21,087,473</u>	<u>(303,263)</u>
FUND BALANCE - END OF YEAR	<u>\$ 17,160,973</u>	<u>\$ 21,399,933</u>	<u>\$ 25,712,297</u>	<u>\$ (384,228)</u>	<u>\$ 25,328,069</u>	<u>\$ 3,928,136</u>

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds and related financial activity of specific revenue sources that are legally restricted for a specific purpose except for major capital projects and expendable trusts. After the fund is created, it usually continues year after year until discontinued or revised by proper legal action. The District has two special revenue funds:

Aidable Fund – The operating fund is used to account for the proceeds from specific revenue sources (other than non-aidable funds or major capital projects) that are legally restricted as to expenditures for specific purposes.

Non-Aidable Fund – The non-aidable fund is used to account for assets held by the District in a trustee capacity, primarily for student financial aids and other student activities.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE AIDABLE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 1,770,000	\$ 1,426,314	\$ 1,426,314	\$ -	\$ 1,426,314	\$ -
Intergovernmental Revenue:						
State	1,625,000	2,219,866	1,927,878	-	1,927,878	(291,988)
Federal	1,445,000	8,927,152	8,272,788	-	8,272,788	(654,364)
Tuition And Fees:						
Statutory Program Fees	85,000	85,000	25,742	-	25,742	(59,258)
Material Fees	25,000	25,000	6,801	-	6,801	(18,199)
Other Student Fees	1,555,000	145,020	117,168	-	117,168	(27,852)
Institutional	7,650,000	7,125,910	7,414,900	-	7,414,900	288,990
Total Revenues	<u>14,155,000</u>	<u>19,954,262</u>	<u>19,191,591</u>	<u>-</u>	<u>19,191,591</u>	<u>(762,671)</u>
EXPENDITURES						
Instruction	10,195,000	11,506,985	10,502,736	477,408	10,980,144	526,841
Instructional Resources	-	435,000	429,622	-	429,622	5,378
Student Services	3,635,000	3,222,026	3,143,152	3,795	3,146,947	75,079
General Institutional	255,000	1,761,887	1,738,742	-	1,738,742	23,145
Physical Plant	-	240,000	233,351	-	233,351	6,649
Total Expenditures	<u>14,085,000</u>	<u>17,165,898</u>	<u>16,047,603</u>	<u>481,203</u>	<u>16,528,806</u>	<u>637,092</u>
Excess Of Revenues Over (Under) Expenditures	70,000	2,788,364	3,143,988	(481,203)	2,662,785	(125,579)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	438,800	-	438,800	438,800
Transfers Out	(44,000)	(3,155,000)	(3,582,788)	-	(3,582,788)	(427,788)
Total Other Financing Sources (Uses)	<u>(44,000)</u>	<u>(3,155,000)</u>	<u>(3,143,988)</u>	<u>-</u>	<u>(3,143,988)</u>	<u>11,012</u>
NET CHANGE IN FUND BALANCE	26,000	(366,636)	-	(481,203)	(481,203)	(114,567)
Fund Balance - Beginning of Year	<u>(13,715)</u>	<u>-</u>	<u>-</u>	<u>(15,257)</u>	<u>(15,257)</u>	<u>(15,257)</u>
FUND BALANCE - END OF YEAR	<u>\$ 12,285</u>	<u>\$ (366,636)</u>	<u>\$ -</u>	<u>\$ (496,460)</u>	<u>\$ (496,460)</u>	<u>\$ (129,824)</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE NON-AIDABLE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 190,000	\$ 92,609	\$ 92,609	\$ -	\$ 92,609	\$ -
Intergovernmental Revenue:						
State	2,140,000	2,140,000	1,970,327	-	1,970,327	(169,673)
Federal	10,030,000	12,467,608	10,926,210	-	10,926,210	(1,541,398)
Tuition and Fees:						
Other Student Fees	-	1,418,000	1,299,855	-	1,299,855	(118,145)
Institutional	5,000	57,000	5,393	-	5,393	(51,607)
Total Revenues	<u>12,365,000</u>	<u>16,175,217</u>	<u>14,294,394</u>	<u>-</u>	<u>14,294,394</u>	<u>(1,880,823)</u>
EXPENDITURES						
Student Services	<u>12,365,000</u>	<u>16,246,408</u>	<u>13,828,269</u>	<u>-</u>	<u>13,828,269</u>	<u>2,418,139</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(71,191)</u>	<u>466,125</u>	<u>-</u>	<u>466,125</u>	<u>537,316</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>(71,191)</u>	<u>466,125</u>	<u>-</u>	<u>466,125</u>	<u>537,316</u>
Fund Balance - Beginning of Year	<u>677,044</u>	<u>852,100</u>	<u>852,100</u>	<u>-</u>	<u>852,100</u>	<u>-</u>
Restatement	-	-	(338,483)	-	(338,483)	(338,483)
Fund Balance - Beginning of Year, Restated	<u>677,044</u>	<u>852,100</u>	<u>513,617</u>	<u>-</u>	<u>513,617</u>	<u>(338,483)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 677,044</u></u>	<u><u>\$ 780,909</u></u>	<u><u>\$ 979,742</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 979,742</u></u>	<u><u>\$ 198,833</u></u>

CAPITAL PROJECTS FUND

The capital projects fund is used to account for all resources and related financial activity for all capital expenditure projects regarding the acquisition of sites, purchase, or construction of buildings (including equipping), lease/purchase of buildings, or remodeling and improvement of buildings.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Intergovernmental Revenue:						
State	\$ -	\$ 68,124	\$ 63,089	\$ -	\$ 63,089	\$ (5,035)
Federal	25,000	806,709	781,127	-	781,127	(25,582)
Institutional	75,000	575,141	107,923	-	107,923	(467,218)
Total Revenues	<u>100,000</u>	<u>1,449,974</u>	<u>952,139</u>	<u>-</u>	<u>952,139</u>	<u>(497,835)</u>
EXPENDITURES						
Instruction	6,415,000	8,320,091	7,143,505	(645,258)	6,498,247	1,821,844
Instructional Resources	320,000	181,810	366,577	(214,388)	152,189	29,621
Student Services	210,000	71,194	113,915	(62,991)	50,924	20,270
General Institutional	4,475,000	4,998,149	3,980,749	(792,596)	3,188,153	1,809,996
Physical Plant	3,645,000	3,815,947	3,222,392	(659,662)	2,562,730	1,253,217
Auxiliary Services	-	20,437	9,588	10,849	20,437	-
Total Expenditures	<u>15,065,000</u>	<u>17,407,628</u>	<u>14,836,726</u>	<u>(2,364,046)</u>	<u>12,472,680</u>	<u>4,934,948</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,965,000)	(15,957,654)	(13,884,587)	2,364,046	(11,520,541)	4,437,113
OTHER FINANCING SOURCES (USES)						
Transfers Out	-	(4,521)	(4,521)	-	(4,521)	-
Long-Term Debt Issued	12,700,000	12,700,000	12,700,000	-	12,700,000	-
Total Other Financing Sources (Uses)	<u>12,700,000</u>	<u>12,695,479</u>	<u>12,695,479</u>	<u>-</u>	<u>12,695,479</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,265,000)	(3,262,175)	(1,189,108)	2,364,046	1,174,938	4,437,113
Fund Balance - Beginning of Year	<u>(1,381,831)</u>	<u>5,785,955</u>	<u>5,785,955</u>	<u>(4,812,409)</u>	<u>973,546</u>	<u>(4,812,409)</u>
FUND BALANCE - END OF YEAR	<u>\$ (3,646,831)</u>	<u>\$ 2,523,780</u>	<u>\$ 4,596,847</u>	<u>\$ (2,448,363)</u>	<u>\$ 2,148,484</u>	<u>\$ (375,296)</u>

DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ 18,115,000	\$ 18,115,000	\$ 18,115,000	\$ -	\$ 18,115,000	\$ -
Institutional	100,000	238,000	15,244	-	15,244	(222,756)
Total Revenues	<u>18,215,000</u>	<u>18,353,000</u>	<u>18,130,244</u>	<u>-</u>	<u>18,130,244</u>	<u>(222,756)</u>
EXPENDITURES						
Physical Plant	<u>18,160,000</u>	<u>18,298,000</u>	<u>18,297,360</u>	<u>-</u>	<u>18,297,360</u>	<u>640</u>
Excess (Deficiency) of Revenues Over Expenditures	55,000	55,000	(167,116)	-	(167,116)	(222,116)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	4,521	4,521	-	4,521	-
Debt Premium Received	-	186,066	231,117	-	231,117	45,051
Total Other Financing Sources	<u>-</u>	<u>190,587</u>	<u>235,638</u>	<u>-</u>	<u>235,638</u>	<u>45,051</u>
NET CHANGE IN FUND BALANCE	55,000	245,587	68,522	-	68,522	(177,065)
Fund Balance - Beginning of Year	<u>7,598,354</u>	<u>7,806,525</u>	<u>7,806,525</u>	<u>-</u>	<u>7,806,525</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,653,354</u>	<u>\$ 8,052,112</u>	<u>\$ 7,875,047</u>	<u>\$ -</u>	<u>\$ 7,875,047</u>	<u>\$ (177,065)</u>

ENTERPRISE FUNDS

The enterprise funds are used to account for the District's operations where the cost of providing goods or services to students, district staff, faculty or the general public on a continuing basis is financed or recovered primarily through user charges or where the district board has decided that periodic determination of revenues, expenses or net income is appropriate. The operations of the District's bookstore, as well as various other minor services are accounted for in the enterprise funds.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Local Government - Tax Levy	\$ -	\$ 380,612	\$ 380,612	\$ -	\$ 380,612	\$ -
Auxiliary Revenue	5,245,000	5,340,000	4,344,481	-	4,344,481	(995,519)
Total Revenues	<u>5,245,000</u>	<u>5,720,612</u>	<u>4,725,093</u>	<u>-</u>	<u>4,725,093</u>	<u>(995,519)</u>
EXPENSES						
Auxiliary Services	5,175,000	5,550,693	4,546,456	-	4,546,456	1,004,237
Excess (Deficiency) of Revenues Over Expenses	70,000	169,919	178,637	-	178,637	8,718
OTHER FINANCING SOURCES (USES)						
Transfers In	-	130,000	475,790	-	475,790	345,790
Transfers Out	(200,000)	(345,289)	(473,441)	-	(473,441)	(128,152)
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(215,289)</u>	<u>2,349</u>	<u>-</u>	<u>2,349</u>	<u>217,638</u>
NET CHANGE IN NET POSITION	(130,000)	(45,370)	180,986	-	180,986	226,356
Net Position - Beginning of Year	<u>1,497,949</u>	<u>1,435,865</u>	<u>1,435,865</u>	<u>-</u>	<u>1,435,865</u>	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 1,367,949</u>	<u>\$ 1,390,495</u>	<u>\$ 1,616,851</u>	<u>\$ -</u>	<u>\$ 1,616,851</u>	<u>\$ 226,356</u>

INTERNAL SERVICE FUND

The internal service fund is used to account for the financing and related financial activities of goods and services provided by one department of the college to other departments of the college, or to other governmental units on a cost reimbursement basis. The District is self-insured for health and dental insurance coverage. As a result, it utilizes an internal service fund to track these activities.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance Positive (Negative)
REVENUES						
Auxiliary Revenue	\$ 12,575,000	\$ 12,895,000	\$ 12,050,554	\$ -	\$ 12,050,554	\$ (844,446)
EXPENSES						
Auxiliary Services	12,575,000	12,895,000	12,205,192	-	12,205,192	689,808
OTHER FINANCING SOURCES						
Transfers In	-	325,000	-	-	-	(325,000)
NET CHANGE IN NET POSITION	-	325,000	(154,638)	-	(154,638)	(479,638)
Net Position - Beginning of Year	3,768,696	4,119,383	4,119,383	-	4,119,383	-
NET POSITION - END OF YEAR	<u>\$ 3,768,696</u>	<u>\$ 4,444,383</u>	<u>\$ 3,964,745</u>	<u>\$ -</u>	<u>\$ 3,964,745</u>	<u>\$ (479,638)</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE COMBINED BALANCE SHEET – ALL FUND TYPES
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund	Debt Service Fund
ASSETS					
Cash and Cash Equivalents	\$ 18,081,943	\$ 326,714	\$ 1,036,504	\$ -	\$ -
Restricted Cash and Cash Equivalents	-	-	-	9,224,602	1,664,363
Receivables:					
Property Taxes	2,897,232	-	-	-	6,210,684
Accounts, Net	2,695,038	5,194,403	17,245	51,817	-
Due from Other Funds	6,798,387	-	-	-	-
Inventories	-	38,921	-	-	-
Prepaid Items	472,440	8,967	-	-	-
Net Pension Asset	-	-	-	-	-
Capital Assets, Non-Depreciable	-	-	-	-	-
Capital Assets, Depreciable	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-
Total Assets	<u>30,945,040</u>	<u>5,569,005</u>	<u>1,053,749</u>	<u>9,276,419</u>	<u>7,875,047</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION					
LIABILITIES					
Accounts Payable	893,181	430,556	46,391	2,248,473	-
Accrued Payroll, Payroll Taxes, and Fringes	1,996,847	242,446	27,616	69,665	-
Accrued Interest	-	-	-	-	-
Due to Other Funds	-	4,312,980	-	2,361,434	-
Unearned Revenue	2,131,415	583,023	-	-	-
Due to Other Organizations	11,300	-	-	-	-
Current Portion of Other Postemployment Benefit Liability	-	-	-	-	-
Current Portion of Long-Term Liabilities	-	-	-	-	-
General Obligation Debt	-	-	-	-	-
Other Postemployment Benefit Liability	-	-	-	-	-
Total Liabilities	<u>5,032,743</u>	<u>5,569,005</u>	<u>74,007</u>	<u>4,679,572</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES/NET POSITION					
Investment in Capital Assets	-	-	-	-	-
Nonspendable:					
Inventories and Prepaid Expenses	472,440	47,888	-	-	-
Restricted:					
Encumbrances	-	-	-	2,448,363	-
Debt Service	-	-	-	-	7,875,047
Net Pension Asset	-	-	-	-	-
Assigned:					
Encumbrances	384,228	496,460	-	-	-
Self-Funded Insurance	-	-	-	-	-
Postemployment Benefits	3,434,580	-	-	-	-
Enterprise	-	-	-	-	-
Student Organizations	-	-	-	-	-
Operations	21,421,049	-	-	-	-
Unassigned	-	(544,348)	979,742	2,148,484	-
Total Fund Balance/Net Position	<u>25,712,297</u>	<u>-</u>	<u>979,742</u>	<u>4,596,847</u>	<u>7,875,047</u>
Total Liabilities, Deferred Inflows of Resources and, Fund Balances/Net Position	<u>\$ 30,945,040</u>	<u>\$ 5,569,005</u>	<u>\$ 1,053,749</u>	<u>\$ 9,276,419</u>	<u>\$ 7,875,047</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE COMBINED BALANCE SHEET – ALL FUND TYPES
TO THE STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2021**

	Enterprise Funds	Internal Service Fund	Total	Reconciling Items	Statement of Net Position
ASSETS					
Cash and Cash Equivalents	\$ 999,428	\$ 4,995,793	\$ 25,440,382	\$ -	\$ 25,440,382
Restricted Cash and Cash Equivalents	-	-	10,888,965	-	10,888,965
Receivables:					
Property Taxes	-	-	9,107,916	-	9,107,916
Accounts, Net	141,609	17,161	8,117,273	-	8,117,273
Due from Other Funds	-	-	6,798,387	(6,798,387)	-
Inventories	595,277	-	634,198	-	634,198
Prepaid Items	4,199	10,688	496,294	-	496,294
Net Pension Asset	-	-	-	21,992,671	21,992,671
Capital Assets, Non-Depreciable	-	-	-	4,280,233	4,280,233
Capital Assets, Depreciable	219,494	-	219,494	198,621,015	198,840,509
Accumulated Depreciation	(75,338)	-	(75,338)	(77,951,321)	(78,026,659)
Total Assets	<u>1,884,669</u>	<u>5,023,642</u>	<u>61,627,571</u>	<u>140,144,211</u>	<u>201,771,782</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,984,535</u>	<u>36,984,535</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION					
LIABILITIES					
Accounts Payable	47,262	68,497	3,734,360	-	3,734,360
Accrued Payroll, Payroll Taxes, and Fringes	71,297	990,400	3,398,271	2,984,150	6,382,421
Accrued Interest	-	-	-	614,868	614,868
Due to Other Funds	123,973	-	6,798,387	(6,798,387)	-
Unearned Revenue	25,286	-	2,739,724	(1,341,245)	1,398,479
Due to Other Organizations	-	-	11,300	-	11,300
Current Portion of Other Postemployment Benefit Liability	-	-	-	1,156,304	1,156,304
Current Portion of Long-Term Liabilities	-	-	-	17,135,000	17,135,000
General Obligation Debt	-	-	-	79,204,595	79,204,595
Other Postemployment Benefit Liability	-	-	-	6,956,000	6,956,000
Total Liabilities	<u>267,818</u>	<u>1,058,897</u>	<u>16,682,042</u>	<u>99,911,285</u>	<u>116,593,327</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>48,113,442</u>	<u>48,313,442</u>
FUND BALANCES/NET POSITION					
Investment in Capital Assets	-	-	-	33,351,335	33,351,335
Nonspendable:					
Inventories and Prepaid Expenses	-	10,688	531,016	(531,016)	-
Restricted:					
Encumbrances	-	-	2,448,363	(2,448,363)	-
Debt Service	-	-	7,875,047	(614,868)	7,260,179
Net Pension Asset	-	-	-	21,992,671	21,992,671
Assigned:					
Encumbrances	-	-	880,688	(880,688)	-
Self-Funded Insurance	-	3,954,057	3,954,057	(3,954,057)	-
Postemployment Benefits	-	-	3,434,580	(3,434,580)	-
Enterprise	1,616,851	-	1,616,851	(1,616,851)	-
Student Organizations	-	-	-	-	-
Operations	-	-	21,421,049	(21,421,049)	-
Unassigned	-	-	2,583,878	8,661,485	11,245,363
Total Fund Balance/Net Position	<u>1,616,851</u>	<u>3,964,745</u>	<u>44,745,529</u>	<u>29,104,019</u>	<u>73,849,548</u>
Total Liabilities, Deferred Inflows of Resources and, Fund Balances/Net Position	<u>\$ 1,884,669</u>	<u>\$ 5,023,642</u>	<u>\$ 61,627,571</u>	<u>\$ 177,128,746</u>	<u>\$ 238,756,317</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE BUDGET (NON-GAAP) BASIC FINANCIAL
STATEMENTS TO THE STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021**

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund	Debt Service Fund
REVENUES					
Local Government - Tax Levy	\$ 14,911,468	\$ 1,426,314	\$ 92,609	\$ -	\$ 18,115,000
Intergovernmental Revenue:					
State	41,194,741	1,927,878	1,970,327	63,089	-
Federal	-	8,272,788	10,926,210	781,127	-
Tuition and Fees:					
Statutory Program Fees	19,176,163	25,742	-	-	-
Material Fees	1,010,843	6,801	-	-	-
Other Student Fees	1,203,885	117,168	1,299,855	-	-
Institutional	561,434	7,414,900	5,393	107,923	15,244
Auxiliary Revenue	-	-	-	-	-
Total Revenues	<u>78,058,534</u>	<u>19,191,591</u>	<u>14,294,394</u>	<u>952,139</u>	<u>18,130,244</u>
EXPENDITURES					
Instruction	48,414,981	10,980,144	-	6,498,247	-
Instructional Resources	1,383,330	429,622	-	152,189	-
Student Services	8,951,852	3,146,947	13,828,269	50,924	-
General Institutional	12,965,125	1,738,742	-	3,188,153	-
Physical Plant	5,244,289	233,351	-	2,562,730	18,297,360
Auxiliary Services	-	-	-	20,437	-
Depreciation	-	-	-	-	-
Student Aid	-	-	-	-	-
Total Expenditures	<u>76,959,577</u>	<u>16,528,806</u>	<u>13,828,269</u>	<u>12,472,680</u>	<u>18,297,360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,098,957</u>	<u>2,662,785</u>	<u>466,125</u>	<u>(11,520,541)</u>	<u>(167,116)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	3,144,356	438,800	-	-	4,521
Transfers Out	(2,717)	(3,582,788)	-	(4,521)	-
Long-Term Debt Issued	-	-	-	12,700,000	-
Loss on Sale of Capital Assets	-	-	-	-	-
Debt Premium Issued	-	-	-	-	231,117
Total Other Financing Sources (Uses)	<u>3,141,639</u>	<u>(3,143,988)</u>	<u>-</u>	<u>12,695,479</u>	<u>235,638</u>
NET CHANGE IN FUND BALANCES/NET POSITION	<u>4,240,596</u>	<u>(481,203)</u>	<u>466,125</u>	<u>1,174,938</u>	<u>68,522</u>
Fund Balances/Net Position - July 1, 2020					
Budgetary Basis	21,087,473	(15,257)	852,100	973,546	7,806,525
Cumulative Change In Accounting Principle - Restatement	-	-	(338,483)	-	-
Fund Balances/Net Position - July 1, 2020 Budgetary Basis, as Restated	<u>21,087,473</u>	<u>(15,257)</u>	<u>513,617</u>	<u>973,546</u>	<u>7,806,525</u>
Fund Balances/Net Position - June 30, 2021					
Budgetary Basis	25,328,069	(496,460)	979,742	2,148,484	7,875,047
Adjustment for Encumbrances	384,228	496,460	-	2,448,363	-
FUND BALANCES/NET POSITION - JUNE 30, 2021	<u>\$ 25,712,297</u>	<u>\$ -</u>	<u>\$ 979,742</u>	<u>\$ 4,596,847</u>	<u>\$ 7,875,047</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE TO RECONCILE THE BUDGET (NON-GAAP) BASIC FINANCIAL
STATEMENTS TO THE STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Enterprise Funds	Internal Service Fund	Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Position
REVENUES					
Local Government - Tax Levy	\$ 380,612	\$ -	\$ 34,926,003	\$ -	\$ 34,926,003
Intergovernmental Revenue:					
State	-	-	45,156,035	-	45,156,035 (1)
Federal	-	-	19,980,125	-	19,980,125 (2)
Tuition and Fees:					
Statutory Program Fees	-	-	19,201,905	(3,285,415)	15,916,490
Material Fees	-	-	1,017,644	(167,617)	850,027
Other Student Fees	-	-	2,620,908	(411,638)	2,209,270
Institutional	-	-	8,104,894	-	8,104,894 (3)
Auxiliary Revenue	4,344,481	12,050,554	16,395,035	(10,394,182)	6,000,853
Total Revenues	<u>4,725,093</u>	<u>12,050,554</u>	<u>147,402,549</u>	<u>(14,258,852)</u>	<u>133,143,697</u>
EXPENDITURES					
Instruction	-	-	65,893,372	(10,176,602)	55,716,770
Instructional Resources	-	-	1,965,141	69,989	2,035,130
Student Services	-	-	25,977,992	(13,727,191)	12,250,801
General Institutional	-	-	17,892,020	(6,868,470)	11,023,550
Physical Plant	-	-	26,337,730	(14,887,308)	11,450,422 (4)
Auxiliary Services	4,546,456	12,205,192	16,772,085	(10,361,246)	6,410,839
Depreciation	-	-	-	12,229,943	12,229,943
Student Aid	-	-	-	8,975,306	8,975,306
Total Expenditures	<u>4,546,456</u>	<u>12,205,192</u>	<u>154,838,340</u>	<u>(34,745,579)</u>	<u>120,092,761</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>178,637</u>	<u>(154,638)</u>	<u>(7,435,791)</u>	<u>20,486,727</u>	<u>13,050,936</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	475,790	-	4,063,467	(4,063,467)	-
Transfers Out	(473,441)	-	(4,063,467)	4,063,467	-
Long-Term Debt Issued	-	-	12,700,000	(12,700,000)	-
Loss on Sale of Capital Assets	-	-	-	(2,404,608)	(2,404,608)
Debt Premium Issued	-	-	231,117	(231,117)	-
Total Other Financing Sources (Uses)	<u>2,349</u>	<u>-</u>	<u>12,931,117</u>	<u>(15,335,725)</u>	<u>(2,404,608)</u>
NET CHANGE IN FUND BALANCES/NET POSITION	<u>180,986</u>	<u>(154,638)</u>	<u>5,495,326</u>	<u>5,151,002</u>	<u>10,646,328</u>
Fund Balances/Net Position - July 1, 2020					
Budgetary Basis	1,435,865	4,119,383	36,259,635	27,282,068	63,541,703
Cumulative Change In Accounting Principle - Restatement	-	-	(338,483)	-	(338,483)
Fund Balances/Net Position - July 1, 2020 Budgetary Basis, as Restated	<u>1,435,865</u>	<u>4,119,383</u>	<u>35,921,152</u>	<u>27,282,068</u>	<u>63,203,220</u>
Fund Balances/Net Position - June 30, 2021					
Budgetary Basis	1,616,851	3,964,745	41,416,478	32,433,070	73,849,548
Adjustment for Encumbrances	-	-	3,329,051	(3,329,051)	-
FUND BALANCES/NET POSITION - JUNE 30, 2021	<u>\$ 1,616,851</u>	<u>\$ 3,964,745</u>	<u>\$ 44,745,529</u>	<u>\$ 29,104,019</u>	<u>\$ 73,849,548 (5)</u>

See accompanying Notes to Budgetary Comparison Schedules.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

NOTE 1 BUDGETARY ACCOUNTING

The District uses a fund structure for budgetary accounting as compared to the entity-wide presentation of the basic financial statements. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The District follows the procedures listed below in adopting its annual budget:

- Property taxes are levied by the various taxing municipalities. The District records as revenue its share of the local tax when levied, since the District's share becomes available during its fiscal year to finance its operations.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- Prior to July 1, the budget is legally enacted through approval by the District Board.
- Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenue and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function (i.e., instruction, instructional resources, etc.), as presented in the required supplementary information. Expenditures may not exceed funds available or appropriated, unless authorized by a resolution adopted by a vote of two-thirds of the Board. Unused appropriations lapse at the end of each fiscal year.
- Formal budgetary integration is employed as a planning device for all funds. The annual operating budget is prepared primarily on the same basis as fund financial statements, except encumbrances are also included in the adopted budget. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process.

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

NOTE 2 EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) FOR BUDGETARY FUNDS ON A BUDGETARY BASIS AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION ON A GAAP BASIS

State grant revenues are presented on the Statement of Revenues, Expenses, and Changes in Net Position as follows:

(1) State grants revenue is presented on the basic financial statements as follows:

Operating	\$ 2,340,623
Capital Contributions	63,089
Nonoperating	<u>42,752,323</u>
Total	<u><u>\$ 45,156,035</u></u>

Federal grant revenues are presented on the Statement of Revenues, Expenses, and Changes in Net Position as follows:

(2) Federal grants revenue is presented on the basic financial statements as follows:

Operating	\$ 2,086,782
Nonoperating	<u>17,893,343</u>
Total	<u><u>\$ 19,980,125</u></u>

Institutional revenue is reported as four separate line items on the basic financial statements:

(3) Institutional revenue is reported as four separate line items on the basic financial statements:

Contract Revenue	\$ 6,517,847
Miscellaneous Revenue	1,425,441
Gain (Loss) on Sale of Capital Assets	94,504
Investment Income Earned	<u>67,102</u>
Total	<u><u>\$ 8,104,894</u></u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

NOTE 2 EXPLANATION OF DIFFERENCES BETWEEN REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) FOR BUDGETARY FUNDS ON A BUDGETARY BASIS AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION ON A GAAP BASIS (CONTINUED)

Interest expense is reported as a component of physical plant on the budgetary statements:

- (4) Interest expense is reported as a component of physical plant on the budgetary statements:

Physical Plant	\$ 9,273,819
Interest Expense	1,999,326
Bond Issuance Costs	177,277
Total	\$ 11,450,422

Reconciliation of fund equity and net position as presented on the Statement of Revenues, Expenses, and Changes in Net Position is as follows:

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

Budgetary Basis Fund Balance	\$ 41,416,478
Adjustments:	
General Capital Assets - Cost	202,901,248
Accumulated Depreciation on General Capital Assets	(77,951,321)
General Obligation Debt	(93,070,000)
Bond Premium	(3,269,595)
Long-Term Portion of Vacation Payable	(1,941,058)
Retiree Health Insurance Liability	(8,112,304)
Accrued Interest on Debt Payable	(614,868)
Net Pension Asset	21,992,671
Summer School Tuition Earned	1,341,245
Summer School Wages Paid	(1,043,092)
Deferred Outflows Related to Pension and OPEB	36,984,535
Deferred Inflows Related to Pension and OPEB	(48,113,442)
Encumbrances Outstanding at Year End	3,329,051
Total Adjustments	32,433,070
Net Position Per Basic Financial Statements	\$ 73,849,548

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



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

Board of Trustees
Northeast Wisconsin Technical College
Green Bay, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Northeast Wisconsin Technical College, Green Bay, Wisconsin (the District), the discretely presented component unit, and the aggregate remaining fund information as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2021. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Wauwatosa, Wisconsin
November 22, 2021



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

Board of Trustees
Northeast Wisconsin Technical College
Green Bay, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Northeast Wisconsin Technical College, Green Bay, Wisconsin (the District)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Wisconsin State Single Audit Guidelines* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2021. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Wisconsin State Single Audit Guidelines*. Those standards, the Uniform Guidance, and the *Wisconsin 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 state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the 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 of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and Wisconsin *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

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

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



CliftonLarsonAllen LLP

Wauwatosa, Wisconsin
November 22, 2021

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Program	Assistance Listing Number	Grant Number	Grant Dates	Award Amount	Federal Expenditures	Local Match	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF TREASURY								
Passed through Wisconsin Department of Administration COVID-19: Coronavirus Relief Fund	21.019	None Assigned	03/01/20 - 12/30/20	\$ 747,925	\$ 657,052	\$ -	\$ 657,052	\$ -
U.S. DEPARTMENT OF AGRICULTURE								
Passed through Regents of University of Minnesota SARE Organic Academy	10.215	H007813902	10/15/19 - 10/14/22	13,794	4,069	-	4,069	-
On-Farm Education through Simulation	10.310	2020-67037-31033	05/01/20 - 04/30/22	24,897	24,897	29,258	54,155	-
Total U.S. Department of Agriculture				<u>38,691</u>	<u>28,966</u>	<u>29,258</u>	<u>58,224</u>	<u>-</u>
U.S. DEPARTMENT OF ENERGY								
Passed through Midwest Renewable Energy Association Solar Ready	81.087	DE-EE0008573	05/01/19 - 04/30/22	100,500	21,301	-	21,301	-
NATIONAL SCIENCE FOUNDATION								
Research and Development Cluster Learn and Serve America Act- Education and Human Resources Electro Mech New Approach Passed through Missouri State University Viticulture and Enology Science and Tech Alliance (VESTA) ATE: Advanced Technological Education (ATE) National Center of Excellence Advanced Technology Education Network for Utilities & Energy Technical Education Manufacturing, Engineering Technology, and Energy Ready (METER) Scholars	47.076	DUE-1800965	5/01/18 - 04/30/21	311,689	17,270	-	17,270	-
		DUE-1501974	09/15/15 - 08/31/20	117,581	328	-	328	-
		DUE-2000519	07/01/20 - 06/30/23	479,724	32,137	-	32,137	-
		DUE-1356432	07/01/14 - 6/30/21	616,357	57,534	-	57,534	-
Total National Science Foundation				<u>1,525,351</u>	<u>107,269</u>	<u>-</u>	<u>107,269</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION								
Passed through Wisconsin Technical College System Adult Education - Basic Grants to States Adult Basic Education Comprehensive Program	84.002	13-001-146-121	07/01/20 - 06/30/21	292,627	286,126	341,385	627,511	-
Student Financial Assistance Cluster Federal Supplemental Education Opportunity Grant Program * Grants	84.007	None Assigned	07/01/20 - 06/30/21	260,000	304,537	13,483	318,020	-
Federal Family Education Loan Program * Federal Stafford Loans Subsidized Unsubsidized Alternative Loans Federal PLUS Loans Total Federal Family Education Loan Program	84.268	None Assigned	07/01/20 - 06/30/21	4,747,207	4,747,207	-	4,747,207	-
		None Assigned	07/01/20 - 06/30/21	6,385,505	6,385,505	-	6,385,505	-
		None Assigned	07/01/20 - 06/30/21	242,679	242,679	-	242,679	-
		None Assigned	07/01/20 - 06/30/21	35,114	35,114	-	35,114	-
				<u>11,410,505</u>	<u>11,410,505</u>	<u>-</u>	<u>11,410,505</u>	<u>-</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Federal Program	Assistance Listing Number	Grant Number	Grant Dates	Award Amount	Federal Expenditures	Local Match	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION - Continued								
Federal College Work Study Program *	84.033							
Aid Year 2021		None Assigned	07/01/20 - 06/30/21	200,000	100,196	-	100,196	-
Administration		None Assigned	07/01/20 - 06/30/21	15,000	916	306	1,222	-
Total Federal College Work Study Program				215,000	101,112	306	101,418	-
Federal Pell Grant Program *	84.063							
Aid Year 2021		None Assigned	07/01/20 - 06/30/21	9,600,000	7,992,164	-	7,992,164	-
Administration		None Assigned	07/01/20 - 06/30/21	14,000	12,595	-	12,595	-
Total Federal Pell Grant Program				9,614,000	8,004,759	-	8,004,759	-
Total Student Financial Assistance Cluster				21,499,505	19,820,913	13,789	19,834,702	-
Vocational Education Act- Basic Grants to States	84.048							
Carl D. Perkins Act Title I								
Achieving Student Success		13-010-150-231	07/01/20 - 06/30/21	699,850	699,850	319,485	1,019,335	-
Strengthening Programs		13-011-150-251	07/01/20 - 06/30/21	186,627	186,089	-	186,089	-
Non-Traditional Occupations (balance FY20 award)		13-013-150-260	07/01/19 - 09/30/20	44,638	9,007	-	9,007	-
Non-Traditional Occupations		13-013-150-261	07/01/20 - 06/30/21	46,657	38,499	-	38,499	-
Equity & Inclusion (balance FY20 award)		13-016-150-220	07/01/19 - 09/30/20	50,181	2,368	-	2,368	-
Equity & Inclusion		13-016-150-221	07/01/20 - 06/30/21	52,735	52,735	-	52,735	-
Career Prep (balance FY20 award)		13-158-150-210	07/01/19 - 09/30/20	50,787	13,125	-	13,125	-
Career Prep		13-158-150-211	07/01/20 - 06/30/21	55,475	43,443	-	43,443	-
Total Vocational Education Act- Basic Grants to States				1,186,950	1,045,116	319,485	1,364,601	-
Passed through Department of Workforce Development Division of Vocational Rehabilitation	84.126	None Assigned	07/01/20 - 06/30/21	70,000	73,804	-	73,804	-
Passed through Wisconsin Higher Education Aids Board Gaining Awareness & Readiness for Undergraduate Programs	84.334	None Assigned	07/01/20 - 06/30/21	10,000	4,389	-	4,389	-
Passed through Child Care Assistance Fund Program CCAMPIS	84.335A	P335A180222	10/01/18 - 09/30/22	293,368	65,506	-	65,506	-
Higher Education Emergency Relief								
COVID-19 Higher Education Emergency Relief Fund - Student Aid	84.425E	P425E200600	04/22/20 - 04/21/21	3,736,258	2,437,608	-	2,437,608	-
COVID-19 Higher Education Emergency Relief Fund-SIP Eligible Institutions	84.425M	P425M200946	07/22/20 - 07/22/21	566,215	222,488	-	222,488	-
COVID-19 Higher Education Emergency Relief Fund-Institutional Portion	84.425F	P425F200547	05/04/20 - 05/03/23	8,993,455	6,584,032	-	6,584,032	-
				13,295,928	9,244,128	-	9,244,128	-
Total U.S. Department of Education				36,648,378	30,539,982	674,659	31,214,641	-
U.S. DEPARTMENT OF CHILDREN AND FAMILY								
WECA NAEYC Accreditation	93.575	None Assigned	06/15/18 - 12/31/23	55,866	24,204	-	24,204	-
U.S. DEPARTMENT OF HOMELAND SECURITY								
Passed through Federal Emergency Management Agency (FEMA) Assistance to Firefighters	97.044	13-804-153-121	08/05/20 - 07/05/21	11,900	11,856	1,779	13,635	-
TOTAL FEDERAL AWARDS				\$ 39,128,611	\$ 31,390,630	\$ 705,696	\$ 32,096,326	\$ -

*Identified as Student Financial Aid Program Cluster

The notes to the schedule are an integral part of this statement

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2021**

State Program	State Catalog Number	Grant Number	Grant Dates	Award Amount	State Expenditures	Local Match	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF TRANSPORTATION								
Motorcycle Safety	20.395(4)(aq)							
Motorcycle Safety Basic Rider		M/C-0094-15-11	02/01/19 - 12/31/19	\$ 16,539	\$ 3,188	\$ -	\$ -	\$ -
Motorcycle Safety Basic Rider		M/C-0094-15-11	02/01/20 - 12/31/20	20,185	10,830	4,641	15,471	-
Motorcycle Safety-Basic Rider2		M/C-0094-15-18	02/01/20 - 12/31/20	1,505	1,285	551	1,836	-
Motorcycle Safety Basic Rider		M/C-0094-15-11	02/01/21 - 12/31/21	8,020	-	16,978	16,978	-
Total WI Department of Transportation				46,249	15,303	22,170	34,285	-
WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE & CONSUMER PROTECTION								
Nutrient Management Education		13-187-138-310	01/01/21 - 12/31/21	17,144	2,528	-	2,528	-
WISCONSIN HIGHER EDUCATION AIDS BOARD								
Wisconsin Talent Incentive Program Grant	235.114	None Assigned	07/01/20 - 06/30/21	3,200	33,900	-	33,900	-
Wisconsin Higher Education Grant	235.102	None Assigned	07/01/20 - 06/30/21	1,944,000	1,789,430	-	1,789,430	-
Remission of Fees for Veterans and Dependents	235.105	None Assigned	07/01/20 - 06/30/21	142,273	120,419	-	120,419	-
Minority Undergraduate Retention Grant	235.107	None Assigned	07/01/20 - 06/30/21	19,000	16,190	-	16,190	-
Wisconsin Covenant Scholar Grant	235.108	None Assigned	07/01/20 - 06/30/21	7,000	-	-	-	-
Academic Excellence	235.109	None Assigned	07/01/20 - 06/30/21	3,000	7,313	-	7,313	-
Technical Excellence	235.119	None Assigned	07/01/20 - 06/30/21	160,000	80,044	79,125	159,169	-
Wisconsin Covenant Foundation Grant	235.131	None Assigned	07/01/20 - 06/30/21	2,000	-	-	-	-
Wisconsin Indian Student Assistance Grant	235.132	None Assigned	07/01/20 - 06/30/21	92,000	43,450	-	43,450	-
Total WI Higher Education Aids Board				2,372,473	2,090,746	79,125	2,169,871	-
WISCONSIN TECHNICAL COLLEGE SYSTEM								
State Aid for Technical Colleges	292.105	None Assigned	07/01/20 - 06/30/21	8,628,711	9,133,858	-	9,133,858	-
State Adjustment Prior Year	292.105	None Assigned	07/01/20 - 06/30/21	50,000	20,800	-	20,800	-
				8,678,711	9,154,658	-	9,154,658	-
General Purpose Revenue (GPR) Grants	292.124							
Organic Grower Apprenticeship		13-003-138-311	07/01/20 - 12/31/20	5,500	5,500	-	5,500	-
ABC Sheet Metal Apprenticeship		13-004-138-311	07/01/20 - 12/31/20	5,500	5,500	-	5,500	-
Student Completion		13-012-124-161	07/01/20 - 06/30/21	225,000	225,000	75,000	300,000	-
Student Emergency Fund (balance FY20 award)		13-015-104-110	07/01/19 - 06/30/21	20,837	11,088	-	11,088	-
Student Emergency Fund		13-015-104-111	07/01/20 - 06/30/21	19,706	10,964	-	10,964	-
Early Childhood Associate Degree (2 yrs)		13-025-124-130	07/01/19 - 06/30/21	333,875	199,571	-	199,571	-
Adv Manufacturing Career Pathway		13-026-124-120	07/01/19 - 08/31/20	223,344	1,582	527	2,109	-
Rural Pathways Buildout		13-027-124-120	07/01/19 - 09/30/20	130,507	14,984	4,995	19,979	-
Health Office Professional Technical Diploma (2 yrs)		13-028-124-140	07/01/19 - 06/30/21	198,697	74,358	-	74,358	-
Marketing Associate Degree (2 yrs)		13-029-124-130	07/01/19 - 09/30/21	166,124	22,614	-	22,614	-
Web Development (2 yrs)		13-120-124-131	07/01/20 - 06/30/22	174,898	33,222	-	33,222	-
Ability to Benefit		13-081-124-191	12/01/20 - 12/31/21	3,000	675	-	675	-
Leadership Collaborative		13-130-124-139	07/01/18 - 09/30/20	664,948	72,050	-	72,050	-
Automotive Maintenance		13-160-124-121	07/01/20 - 06/30/21	213,427	213,327	71,109	284,436	-
Advanced Mfg Pipeline		13-170-124-121	07/01/20 - 06/30/21	225,000	199,983	66,661	266,644	-
Prototype & Design AD (2 yrs)		13-175-124-131	07/01/20 - 06/30/22	325,000	42,057	-	42,057	-
Crop Science AD (2 yrs)		13-180-124-131	07/01/20 - 06/30/22	498,374	67,039	-	67,039	-
Auto Collision-Fox Valley Tech College (2 yrs)		12-321-124-131	07/01/20 - 06/30/22	78,708	31,723	-	31,723	-
Advanced Manufacturing Network-Lakeshore		11-040-124-180	11/19/19 - 11/18/20	9,261	6,821	-	6,821	-
DNR-Heavy Equipment		13-230-124-180	03/09/20 - 03/08/21	6,710	6,695	-	6,695	-
Faculty Development Program		13-887-124-151	07/01/20 - 09/30/21	74,410	71,192	35,595	106,787	-
Total General Purpose Revenue (GPR) Grants				3,602,826	1,315,945	253,887	1,569,832	-

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

State Program	State Catalog Number	Grant Number	Grant Dates	Award Amount	State Expenditures	Local Match	Total Expenditures	Subrecipient Payments
WISCONSIN TECHNICAL COLLEGE SYSTEM - Continued								
Workforce Advancement Training Grants	292.124							
Commercial Driver's License Consortium		13-231-124-171	07/01/20 - 08/31/21	41,386	33,511	-	33,511	-
Maintenance Technician Consortium		13-232-124-171	07/01/20 - 08/31/21	57,837	48,345	-	48,345	-
Healthcare Occupations Consortium		13-233-124-171	07/01/20 - 08/31/21	73,522	55,373	-	55,373	-
KI Industry 4.0 Consortium		13-234-124-171	07/01/20 - 08/31/21	62,627	12,896	-	12,896	-
Rural Manufacturing Leadership Consortium		13-235-124-171	07/01/20 - 08/31/21	89,061	71,016	-	71,016	-
Leadership Development Consortium		13-236-124-171	07/01/20 - 08/31/21	159,144	134,391	-	134,391	-
Leadership & Technical Skills Consortium		13-237-124-171	07/01/20 - 08/31/21	157,699	110,084	-	110,084	-
Nonprofit Consortium		13-220-124-170	07/01/19 - 11/30/20	12,454	2,278	-	2,278	-
Leadership and Continuous Process Improvement Consortium		13-222-124-170	07/01/19 - 11/30/20	38,817	3,012	-	3,012	-
Leadership and Technical Consortium		13-223-124-170	07/01/19 - 11/30/20	38,858	11,923	-	11,923	-
Small Business Leadership Consortium		13-224-124-170	07/01/19 - 11/30/20	64,733	17,461	-	17,461	-
Small Business Leadership Consortium		13-225-124-170	07/01/19 - 11/30/20	50,457	9,515	-	9,515	-
Technical Skills Consortium		13-226-124-170	07/01/19 - 11/30/20	21,416	9,493	-	9,493	-
Johnson Controls, Inc.		13-227-124-170	07/01/19 - 11/30/20	65,407	31,857	-	31,857	-
KI Manufacturing		13-228-124-170	07/01/19 - 11/30/20	45,868	11,293	-	11,293	-
Power Skills Consortium		13-229-124-170	07/01/19 - 11/30/20	42,717	11,832	-	11,832	-
Total Workforce Advancement Training Grants				<u>1,022,003</u>	<u>574,280</u>	-	<u>574,280</u>	-
Total GPR and Workforce Advancement Training Grants				<u>4,624,829</u>	<u>1,890,225</u>	<u>253,887</u>	<u>2,144,112</u>	-
Fire Fighter Training 2%	292.137	None Assigned	07/01/20 - 06/30/21	61,607	61,607	-	61,607	-
Hazmat Training 2%	292.138	None Assigned	07/01/20 - 06/30/21	4,770	4,770	-	4,770	-
Property Tax Relief Aid	292.162	None Assigned	07/01/20 - 06/30/21	31,553,727	31,553,727	-	31,553,727	-
Total Wisconsin Technical College System				<u>44,923,644</u>	<u>42,664,987</u>	<u>253,887</u>	<u>42,918,874</u>	-
WISCONSIN DEPARTMENT OF NATURAL RESOURCES								
Payments In Lieu of Taxes	370.503	None Assigned	07/01/20 - 06/30/21	95,000	94,078	-	94,078	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
DWD HS Credential	445.109	EFF181DE10012	07/01/18 - 06/30/21	226,816	16,740	-	16,740	-
WISCONSIN DEPARTMENT OF REVENUE								
Aid in Lieu of Computer Tax	835.109	None Assigned	07/01/20 - 06/30/21	135,000	135,000	-	135,000	-
State Aid -Personal Property Tax	835.103	None Assigned	07/01/20 - 06/30/21	164,000	136,859	-	136,859	-
Total WI Department of Revenue				<u>299,000</u>	<u>271,859</u>	-	<u>271,859</u>	-
TOTAL STATE AWARDS*				<u>\$ 47,980,326</u>	<u>\$ 45,156,241</u>	<u>\$ 355,182</u>	<u>\$ 45,508,235</u>	<u>\$ -</u>

The notes to the schedule are an integral part of this statement

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021**

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the Northeast Wisconsin Technical College are 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* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the Northeast Wisconsin Technical College. Because the schedules present only a selected portion of the operations of the Northeast Wisconsin Technical College, it is not intended to and does not present the financial position, changes in net position, or cash flows of Northeast Wisconsin Technical College.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The revenues and expenditures in the schedules are presented in accordance with the accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the Northeast Wisconsin Technical College's 2020-2021 financial statements. Such expenditures are recognized following the cost principles or U.S. Treasury requirements contained in the Uniform Guidance and the Wisconsin *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Local Share represents contributions to federal and state programs and includes adjustments for prior year transactions.

The Northeast Wisconsin Technical College has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3 OVERSIGHT AGENCIES

The federal and state oversight agencies for the Northeast Wisconsin Technical College are as follows:

Federal - U.S. Department of Education
State - Wisconsin Technical College System

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021**

NOTE 4 RECONCILIATION OF FEDERAL AWARDS

A reconciliation of federal grant revenues, as presented in the schedule of expenditures of federal awards to federal revenues reported in the District's financial statements follows:

Federal Revenues from Schedule of Expenditures of Federal Awards	\$ 31,390,630
Federal Direct Student Loan Program Paid Directly to Students	<u>(11,410,505)</u>
Federal Revenues Recognized in the Statement of Revenues, Expenses, and Changes in Net Position	<u>\$ 19,980,125</u>
Operating	2,086,782
Nonoperating	17,893,343
Total	<u>\$ 19,980,125</u>

NOTE 5 RECONCILIATION OF STATE AWARDS

A reconciliation of state grant revenues, as presented in the schedule of expenditures of state awards to state revenues reported in the District's financial statements follows:

State Revenues from Schedule of Expenditures of State Awards	<u>\$ 45,156,241</u>
Operating	\$ 2,340,623
Nonoperating	42,752,323
Capital Contributions	63,089
Miscellaneous	206
Total	<u>\$ 45,156,241</u>

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

SECTION I - SUMMARY OF AUDITORS' RESULTS

BASIC FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None Reported

Noncompliance material to basic financial statements noted? No

FEDERAL AND STATE AWARDS

Internal control over major program:

Material weakness(es) identified? No

Significant deficiency(ies) identified? No

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? No

Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Cluster/Program
84.425E; 84.425F; 84.425M	COVID-19: Higher Education Emergency Relief Fund

Identification of major state programs:

State ID Number	Names of State Program
235.107	Minority Undergraduate Retention Grant
235.132	Wisconsin Indian Student Assistance Grant
292.105	State Aids for Technical Colleges
292.124	General Purpose Revenue (GPR) Grants
292.162	Property Tax Relief Aid

**NORTHEAST WISCONSIN TECHNICAL COLLEGE
GREEN BAY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$941,719
State Awards	\$250,000

Auditee qualified as low-risk auditee Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended June 30, 2021.

SECTION III - FEDERAL AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

There are no findings related to federal and state awards required to be reported under Uniform Guidance and the Wisconsin *State Single Audit Guidelines* for the year ended June 30, 2021.

SECTION IV - OTHER ISSUES


1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

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

Wisconsin Department of Agriculture, Trade and Consumer Protection	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Workforce Development	No
Wisconsin Department of Revenue	No
Wisconsin Department of Transportation	No
Wisconsin Higher Education Aids Board	No
Wisconsin Technical College System	No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner



Jordan Boehm, CPA
November 22, 2021

5. Date of report